Mobilisation of the European Globalisation Adjustment Fund: redundancies in the retail trade sector in Greece

2017/2229(BUD) - 30/11/2017 - Budgetary text adopted by Parliament

The European Parliament adopted by 555 votes to 71, with 11 abstentions, a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund following a request from Greece - EGF/2017/003 GR/Attica retail.

Parliament **approved the proposal for a decision** annexed to the resolution.

According to the Decision, **EUR 2 949 150 in commitment and payment appropriations would be mobilised to assist Greece** under the European Globalisation Adjustment Fund within the framework of the general budget of the Union established for the financial year 2017, following 725 redundancies in nine enterprises operating in the retail-trade sector in the region of Attica and 10 other regions.

In its resolution, Parliament recalled that the economic crisis has put significant downward pressure on Greek households' purchasing power since 2008. The drastic reduction in lending to businesses and individuals has had an impact on retailers.

The austerity measures applied since 2008, in particular pay cuts, renegotiation of leases and deferring due dates for bills, have caused the situation to deteriorate.

The redundancies are directly linked to the decline in the sector since 2008. 164 000 jobs were lost between 2008 and 2015 in the retail trade, manufacturing and construction sectors, which account for 64.2 % of total job losses. Parliament is concerned that such lay-offs may compound still further the unemployment situation that the regions in question have been facing since the onset of the economic and financial crisis.

Members noted that Greece is planning **five types of measures** to be provided to redundant workers and for which EGF co-funding is being requested: (i) occupational guidance; (ii) training, retraining and vocational training; (iii) help with business start-ups; (iv) job search allowances and training allowances; (v) job creation subsidies.

The income support measures will be **34.72%** of the overall package of personalised measures, just below the maximum 35% set out in the Regulation.

Parliament welcomed Greece's decision to offer **vocational training courses to workers which correspond to their needs**, especially those of the elderly beneficiaries, and to current labour market requirements. It recalled that the design of the coordinated package of personalised services benefiting from the EGF should be geared, in terms of its design, to initiatives conducive to employment, to upskilling of workers and to making the most of their employment history so as to reach out to the business community, including cooperatives, and should be coordinated with existing Union programmes, including the European Social Fund.

Members are convinced that a **coherent strategy** would reduce the risk of relocation and create an environment conducive for industrial production to return to the Union. They also stressed the importance of a genuine industrial policy at Union level.