

# Mobilisation of the European Globalisation Adjustment Fund: redundancies in the publishing sector in Greece

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The Committee on Budgets adopted the report by Eider GARDIAZABAL RUBIAL (S&D, ES) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for an amount of **EUR 2 308 500** in commitment and payment appropriations to assist Greece which is facing redundancies in the publishing sector.

The European Globalisation Adjustment Fund (EGF) is intended to provide support to redundant workers and self-employed persons who have ceased to work due to major structural changes in world trade patterns as a result of globalisation, due to the persistence of the global financial and economic crisis, or due to a new global financial and economic crisis, and to help them reintegrate into the labour market.

**Basis for Greece's application:** Greece submitted an application for a financial contribution from the EGF, following redundancies in the publishing industry in the Attica region. The request concerns **550 redundant workers**, many of whom are women (41.82%). 14.73% of the dismissed workers are over 55 years of age and 1.6% are under 30 years of age.

Since the redundancies in three companies active in the Greek publishing sector are expected to have a **significant negative impact on the local economy**, Members agree with the Commission that the conditions laid down in Article 4(1)(b) of the Fund Regulation are met and that Greece is entitled, under this Regulation, to a financial contribution of EUR 2 308 500, representing 60% of the total cost of EUR 3 847 500.

**Reasons for the redundancies:** according to Greece, the redundancies are linked to the global financial and economic crisis, and in particular to its effects on the Greek economy, in particular the fall in real GDP per capita, the rise in unemployment, the fall in wages and household incomes and the rapid digital evolution which, combined with the reduction in advertising expenditure by major advertisers, is transforming the publishing sector, which is facing a decline in advertising and commercial revenues.

The report highlights the importance of **active labour market measures** co-financed by the EGF to improve the chances of re-integrating these vulnerable groups into the labour market.

**Package of personalised services:** Members note that Greece is considering five types of actions for redundant employees covered by this request: (i) vocational guidance and job search assistance, (ii) training, retraining and vocational training according to labour market needs, (iii) contribution to business creation, (iv) job search allowance and training allowance and (v) incentives to hire.

Financial allowances and incentives, i.e. recruitment incentives, job-search allowances and training allowances, are close to the **maximum of 35%** set by the EGF Regulation. No measures are planned for young people who are not employed and not in education and training (NEET), although NEET rates remain high in Greece.

Members stress that financial allocations are granted subject to the active participation of the beneficiaries concerned and can provide a real incentive in the specific economic context of Greece. They also recall that the design of the coordinated package of personalised services should **anticipate future labour**

**market prospects and skills requirements** and be compatible with the transition to a resource-efficient and sustainable economy.