Mobilisation of the European Globalisation Adjustment Fund: redundancies in the air transport sector in Italy

2021/0338(BUD) - 14/12/2021 - Budgetary text adopted by Parliament

The European Parliament adopted by 662 votes to 17, with 18 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 (EGF) for workers made redundant following an application by Italy - EGF/2021/002 IT/Air Italy.

Parliament approved the proposal for a decision to mobilise the EGF to provide a **financial contribution of EUR 3 874 640** in commitment and payment appropriations from the Union budget for the financial year 2021 in response to the application submitted by Italy, which is facing redundancies in the air transport sector.

This contribution represents **85% of the total cost** of EUR 4 558 400, including EUR 4 376 000 for personalised services and EUR 182 400 for EGF implementation.

Events leading to the redundancies

Air Italy has faced various problems since its creation in 2018 following the merger of Meridiana Fly and Air Italy, resulting in losses of EUR 160 million in 2018 and losses of EUR 230 million in 2019. On 11 February 2020, Air Italy's shareholders approved a voluntary liquidation and the cancellation of all operations from 25 February 2020. The collective redundancy procedure for Air Italy's 1 453 workers has been suspended until September 2020 due to the COVID-19 pandemic.

Eligible beneficiaries

Members recalled that the application relates to **466 displaced workers** whose activity has ceased during the reference period in the company Air Italy SpA, while 145 workers were displaced before or after the reference period from 1 September 2020 to 1 January 2021, as a consequence of the same events that triggered the cessations of activity of the displaced workers during the reference period. **The total number of eligible beneficiaries is therefore 611**, almost half of whom are women. The over 54 age group is the second largest (30.77%) and may face additional difficulties in re-integrating the labour market.

The social consequences of the redundancies are expected to be considerable for the Sardinian economy, which was also badly hit by the COVID-19 crisis and where the employment rate fell by 4.6% in 2020, compared to a fall of only 2.0% in Italy as a whole. Due to the pandemic, the number of Sardinian households without labour income increased to 16.5% in 2020 (+3.5% compared to 2019).

Personalised services

Parliament recalled that the personalised services to be provided to workers include the following actions: (i) general information and vocational guidance; (ii) job search assistance, (iii) training; (iv) tutoring for business start-ups; (v) financial contribution to business start-ups, as well as incentives and contribution to specific costs.

Members welcomed the possibility of introducing special time-limited measures within the coordinated package, including in particular the payment of childcare allowances. They also welcomed the fact that training will focus on the green economy, the blue economy, personal services, social and health services, promotion of cultural heritage and cultural activities.

Parliament noted that the social partners had been fully involved in the planning of the measures. It welcomed the fact that the measures were planned to be in line with the Italian National Strategy for Sustainable Development (SNSvS) and that the coordinated package of personalised services was discussed between the regional public employment services and the Regione Sardegna.

In order to minimise the time taken to mobilise the EGF, this Decision should apply from the date of its adoption.