Mobilisation of the European Globalisation Adjustment Fund: redundancies in the air transport industry in France

2021/0363(BUD) - 16/02/2022 - Budgetary text adopted by Parliament

The European Parliament adopted by 655 votes to 23, with 14 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 displaced workers following an application from France - EGF /2021/005 EN/Airbus.

Parliament approved the proposal for a decision to mobilise the EGF to provide a financial contribution of **EUR 3 745 264** in commitment and payment appropriations from the Union budget for the financial year 2021 in response to an application from France, which is facing redundancies in the manufacture of other transport equipment at Airbus in the Midi-Pyrénées and Pays de la Loire regions.

This contribution represents 85% of the total cost of EUR 4 406 194, which includes only expenditure on personalised services.

Events leading to the redundancies

In the framework of the COVID-19 pandemic, the general travel restrictions led to a general collapse of commercial aviation, in particular in the passenger flights sector, and according to Airbus the full recovery of the sector is not expected to happen before 2025. Airbus, whose commercial aviation division represents 77 % of the overall turnover, had to reduce by one third its production levels as of April 2020 and thus implement a restructuring plan leading to the dismissal of 4 248 posts in France.

Members welcomed the measures undertaken by French national and local public authorities, such as the provisions of the new emergency legislation, the support plan for the aeronautics industry, the long-term part-time activity programme, and the top-up of the Ader 4 plan which significantly reduced the number of dismissals (by 2 002 posts).

Beneficiaries

The application relates to **508 displaced workers** whose activity has ceased in the Economic and Social Unit (ESU) Airbus Commercial of Airbus (Airbus SE). France expects that **297 out of the total eligible beneficiaries** will participate in the measures. 13.5% of the targeted beneficiaries are over 54 years old and 74.7% of them are between 30 and 54 years old.

Members recalled that the social impact of the redundancies is likely to be considerable for both regions and that the unemployment rate was already 9.4% in Occitanie and 6.9% in Pays de la Loire in the first quarter of 2021.

In Occitanie, the dismissals are expected to have a significant impact on the labour market, as the region is heavily dependent on aeronautics as the most important sector and Airbus is the largest private employer in the region. In Pays de la Loire, the impact of the aviation crisis on the local economy and the labour market is expected to be less detrimental, due to the high diversification of the regional economy.

Personalised services

Parliament recalled that the personalised services to be provided to employees and self-employed persons include the following actions: (i) business start-up grants; (ii) business creation training; (iii) allowances to cover the costs of business creation training; (iv) salary top ups. Members considered that these personalised services should extend over an appropriate period of time depending on the nature of the project.

Parliament welcomed the fact that the financial assistance has been swiftly provided to the beneficiaries and that the coordinated package of personalised services was the result of a **good collective bargaining agreement** between Airbus and the workers' representatives, in consultation with the staff and trade union representatives. It called for the social partners to be involved in the implementation and evaluation of the service package.

Lastly, Members stressed that 98.7% of the financial support is linked to the **creation of start-ups and enterprises**, which will encourage professional reintegration and retraining, improve the competitiveness of the regions concerned and contribute to economic recovery.

In order to keep the mobilisation period of the EGF as short as possible, this Decision should apply from the date of its adoption.