Shaping globalisation: Commission mobilises €9.8 million to help former workers of Air France find new jobs

Most of the redundancies occurred in the regions of Ile-de-France and Provence-Alpes-Côte d'Azur (PACA).

Commissioner for Employment, Social Affairs, Skills and Labour Mobility Marianne **Thyssen** commented: "Air transport, along with other sectors in Europe, is going through major structural changes as a consequence of changing global trade patterns. Our European Globalisation Adjustment Fund supports workers who experience hardship in this difficult transition, to adapt their skills and find new jobs This is a concrete expression of European solidarity."

France applied for support from the Globalisation Adjustment Fund following the dismissal of 1,858 workers from Air France. These job losses were the result of the decline of the EU's market share of international passenger air transport between 2008 and 2015. The Globalisation Adjustment Fund will cofinance measures that will help the displaced workers find new jobs, by providing them with active career guidance, vocational training, as well as job-search and mobility allowances.

The total estimated cost of the set of measures is €16.5 million, of which the Globalisation Adjustment Fund would provide €9.8 million.

The proposal will now go to the European Parliament and the Council for approval.

Background

Over the period 2008-2015, global air traffic increased by 5.3% per year, as part of a trend of long-term growth observed since 1970. Air traffic between Europe and the rest of the world however grew at a slower pace (3.4%), which led to a decrease of the EU's market share in air transport.

European companies and their hub airports have been particularly challenged, both on air passenger transport flows representing the largest volumes of traffic (e.g. Europe-Asia) and on high-growth flows, in particular Africa-Asia.

The largest number of redundancies occurred in the French regions of Ile-de-France (76.2%) and Provence-Alpes-Côte d'Azur (11.7%). The expected impact in both territories is linked to the difficulties of redeployment for workers aged 50+. This age bracket represents 79% of the total number of redundancies. In Provence-Alpes-Côte d'Azur the difficulties are also related to the higher than national average number of job-seekers.

More open trade with the rest of the world leads to overall benefits for

growth and employment, but it can also cost jobs, particularly in vulnerable sectors and among lower-skilled workers. To help these groups adjust to the consequences of globalisation, the EGF was set up. Since starting operations in 2007, the <u>European Globalisation Adjustment Fund (EGF)</u> has received 158 applications. Some €630 million has been requested to help about 150,000 workers and 3,369 young people not in employment, education or training (NEETs).

The <u>Fund continues during the 2014-2020 period</u> as an expression of EU solidarity, with further improvements to its functioning. Its scope includes workers made redundant because of the economic crisis, as well as fixed-term workers, the self-employed, and, by way of derogation until the end of 2017, young people not in employment, education or training (NEETs) residing in regions eligible under the <u>Youth Employment Initiative</u> (YEI) up to a number equal to the redundant workers supported.

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EGF website

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