

Brussels, 14 April 2011

2,834 former workers of General Motors Belgium to get help worth €9.6 million from EU Globalisation Fund to find new jobs

The European Commission has approved an application from Belgium for assistance from the European Globalisation Adjustment Fund (EGF). The €9 593 931 requested by the Belgian authorities is to help 2,834 workers made redundant by General Motors Belgium - and four of its suppliers and downstream producers - back into employment. The application will now be sent to the European Parliament and the Council (the EU's Budgetary Authority) for approval.

"Due to the economic and financial crisis the production of motor vehicles in Europe dropped dramatically and its workers are still experiencing hardship," said László Andor, EU Commissioner for Employment, Social Affairs and Inclusion. "I am confident that the planned training and job search measures funded by the EU Globalisation Fund will make the workers' transition to a new job easier and faster."

The Belgian application relates to 2,834 workers made redundant by General Motors Belgium and four of its suppliers and downstream producers. As a result of the drop in demand for cars following the economic crisis, the management of General Motors took the decision to close the main production line for the Opel Astra model at its Belgian plant in Antwerp.

The region most affected by the redundancies is the administrative district of Antwerp, as 75 % of the redundancies occurred in this region, and about 66 % of the redundant workers live in this region, as well as Dendermonde and Sint-Niklaas. All three districts are located in Flanders and the impact of the redundancies is locally significant. In the period between October 2009 and October 2010 the number of job seekers in Antwerp, Dendermonde and Sint-Niklaas increased respectively by 2.39 %, 2.71 % and 4.05 % whilst in Flanders as a whole it decreased by 1.64 %.

The financial assistance from the EGF is targeted at all 2,834 workers and will help them on their way back into employment by offering them job search assistance, training and re-training, outplacement assistance and aid for business creation. The total estimated cost of the package is €14.7 million, of which the European Union has been asked to provide EGF assistance amounting to €9.6 million.

Background

There have been 76 applications to the EGF since the start of its operations in January 2007, for a total amount of about €381.3 million, helping more than 76,319 workers. EGF applications relate to the following sectors: automotive (France, Spain, Portugal, Poland, Austria, Germany, Sweden and Belgium); textiles (Italy, Malta, Lithuania, Portugal, Spain and Belgium); mobile phones (Finland and Germany); domestic appliances (Italy); computers and electronic products (Ireland, Portugal and the Netherlands); shipbuilding (Denmark); mechanical/electronic (Denmark, Poland and Germany); repair and maintenance of aircraft and spacecraft (Ireland); crystal glass (Ireland); ceramics and natural stone (Spain); financial services (Netherlands); construction (Netherlands, Italy, Ireland and Lithuania); carpentry and joinery (Spain); electrical equipment (Lithuania) publishing and printing industry (Netherlands), furniture (Lithuania), shoe manufacture (Portugal), retail trade (Czech Republic and Spain) and wholesale trade (Netherlands). Final reports from the earlier cases supported by the EGF show strong results in helping workers stay in the labour market and find new jobs.

The EGF, an initiative first proposed by President Barroso to provide help for people who lose their jobs due to the impact of globalisation, was established by the European Parliament and the Council at the end of 2006. In June 2009, the EGF rules were revised to strengthen the role of the EGF as an early intervention instrument. It forms part of Europe's response to the financial and economic crisis. The revised EGF Regulation entered into force on 2 July 2009 and applies to all applications received from 1 May 2009 onwards.

Further information

EGF website: <http://ec.europa.eu/egf>

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