GMH Guss - Germany



Reference

Member State

Sector

Submitted to European Commission Total budget planned EGF contribution Intervention criterion

Period of reference

Redundancies during period of reference Active employment measures

EGF/2020/003 DE/GMH Guss

Germany

Division 24 (Manufacture of basic metals)

15 December 2020

€ 1 802 845 € 1 081 706

Article 4(1)(a) of the EGF

Regulation

31 July 2020 – 30 November 2020

585

To be provided for 585 workers and include:

- upskilling measures;
- career guidance;
- business start-up advisory services;
- job search assistance;
- guidance counselling and vocational orientation;
- international job counselling;
- follow-up mentoring;
- and training allowance.

BACKGROUND

- As metal casting foundries, four subsidiaries of GMH Guss GmbH in Germany were classic suppliers for other manufacturing industries, in particular the automotive and machine industry. The application is justified by a significant decrease of overall metal casting production in Germany as a consequence of globalisation-related challenges.
- The events giving rise to these redundancies are the insolvency proceedings with respect to GMH Guss. Whereas one subsidiary, Dieckerhoff Guss GmbH was closed down entirely, the others were partially closed and operate under insolvency administration. Out of a workforce of 1 000, 585 workers lost their jobs.
- The redundancies occurred in the Ruhr area, which has been facing tremendous structural challenges since the 1960s. The Covid-19 pandemic has caused a further increase of unemployment rates from 9% to 10,7%. Most of the workers made redundant are in the second half of their professional career, have a low level of qualification, and often a poor command of German language.