

27th meeting of the Contact Persons of the European Globalisation Adjustment Fund for Displaced Workers (EGF)

Online videoconference 14 June 2022



1. Introduction and adoption of the agenda

Ms Ruth Paserman Director Directorate G "Funds: Programming and Implementation", DG EMPL



1. Agenda

- 14.30 14.40 1. Introduction by DG EMPL and adoption of the agenda
- 14.40 14.55 2. Update on EGF since the last Contact persons meeting in November 2021
 - Final reports and closures
 - Recoveries
 - Applications received
 - Applications planned (tour de table)
- 14.55 15.10 3. EGF Advisory committee
- 15.10 15.20 4. SFC 2021 updates
- 15.20 15.35 Break
- 15.35 16.15 5. Presentation Impact of the pandemic on the labour market by EUROFOUND
- 16.15 16.30 6. Communication
 - EC communication updates
 - Member State communication activities
 - Next EGF Contact Persons meeting and Networking Seminar
 - · Update on EGF related events planned in the Member States
- 16.30 16.40 7. Q&A session and AOB
- **16.40 16.50** 8. Wrap-up of the meeting



2. Update on EGF since the last Contact Persons Meeting

- 1) Final reports and closures
- 2) Recoveries
- 3) Applications received
- 4) Applications planned (tour de table)



2.1 Final reports and closures

Final reports received between 18 November 2021 and 14 June 2022





2.1 Final reports and closures

Closures between 18 November 2021 and 14 June 2022

No	Case number	MS	Case Title
1	EGF/2016/003	EE	Petroleum and chemicals
2	EGF/2017/001	ES	Castilla y León mining of coal
3	EGF/2017/008	DE	Goodyear
4	EGF/2017/009	FR	Air France



2.2 Recoveries - between November 2021 and June 2022

No	Case number	MS	Case title	EGF amounted granted	Recovered	Recove ry rate
1	EGF/2018/003	EL	Attica Publishing	2.308.500	1.404.366,83	63 %
			TOTAL:	2.308.500	1.404.366,83	63 %



2.3 Applications received

EGF reference	MS	Case title	Sector in short denomination	Date of appli- cation	Reason	EGF contributio n (in Euro) requested	Number of targeted workers	EC adoption
EGF/2021/008	EL	Attica electrical equipment manufacturing	Electrical equipment manufacturing	21 December 2021	Trade	1.495.830	206	7 June 2022 (*adopted earlier on 30 May)
EGF/2022/001	FR	Air France	Air transport & Aircraft maintenance	21 January 2022	Crisis (COVID- 19)	17.742.607	1.580	10 May 2022



2.4 Applications planned and feedback from implementation of EGF cases during Covid pandemic

Tour de table



3. EGF advisory committee

- Designations to the Committee received from all but two Member States
- Committee's role is to give opinion on the draft implementing acts which the Commission intends to adopt
- -> Meeting to take place when first draft implementing act ready (also to adopt the RoPs)



3. EGF advisory committee

- 2021-2027 EGF Regulation requires the Commission to adopt two implementing acts:
- Art 22(6): "...the Commission shall adopt an implementing act setting out when and how a **beneficiary survey** is to be conducted and the template to be used."
- Art 23(7): "... the Commission shall adopt an implementing act setting out the format to be used for **reporting of irregularities**."
- Both implementing acts shall be adopted in accordance with the advisory procedure -> Comitology

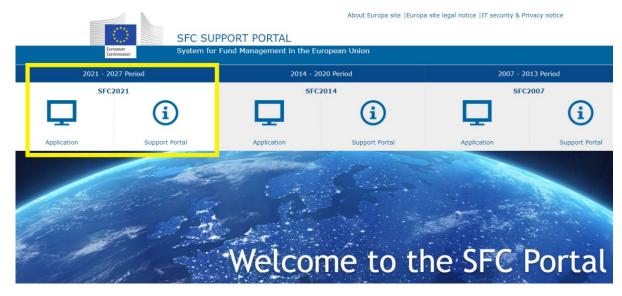


3. EGF advisory committee

Process for adopting implementing act:

- 1. Commission interservice consultation 2 weeks
- 2. Publication for feedback 4 weeks
- 3. Opinion of the committee (by vote, if necessary)
- 4. Adoption by the Commission through written procedure





NEW!

- <u>Applied validation rules</u> for EGF applications
- <u>Notification of the adoption and applicable</u> deadlines for the EGF cases



• Applied validation rules for EGF applications



The application can be validated at any time, when the current version is in status OPEN.

The User can edit and revalidate as many times as necessary before sending.



An **ERROR will block** from sending the application. The error(s) should be resolved and the application must be revalidated.



Once the validation errors have been removed and the status is **VALIDATED** the application can be prepared for sending to the Commission.



Applied validation rules

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• Notification of the adoption and applicable deadlines for the EGF cases

Event: Notification of adoption and applicable deadlines

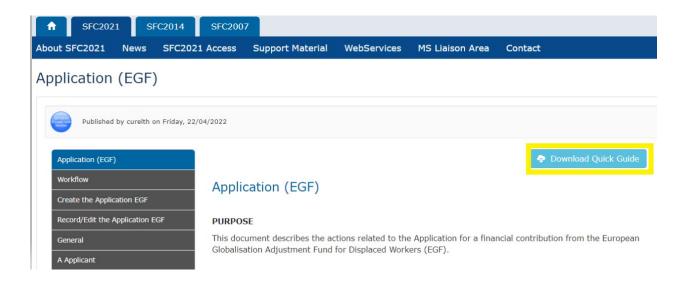
EGF Title: egf 1.13 CCI: 2021ES05EGFA050 Version: 1.0 Measures eligible from: Jun 11, 2021 to Nov 25, 2023 Activities eligible from: Jun 11, 2021 to Jun 25, 2024 Date of entry into force of the decision C(2019)50255: Nov 25, 2021 Date when the final report is due: Jun 25, 2024

To review this application version click here.



• SFC2021 further developments (Final Report module)

The user guide is available <u>here.</u>





15:20 - 15:35





5. Presentation - Impact of the pandemic on the labour market

by John Hurley, EUROFOUND

Presentation

- How did COVID impact sectoral / occupational employment?
- Key elements of the policy response
- How has the labour market recovered?
- Changes post-COVID (how much) more remote working?



Report published March 2021

RESEARCH REPORT



Employment and labour markets COVID-19: Implications for employment and working life

- Labour market policy response to COVID
- Empirical: first analysis of employment impacts based on LFS quarterly data





Labour market impact of COVID

Peak impact, 2020Q2:

- over 5 million fewer people in employment in 2020Q2, EU-27 but working hour reductions even bigger – short time working and temporary lay-off
- Over ¾ of headcount decline accounted for by temporary workers.



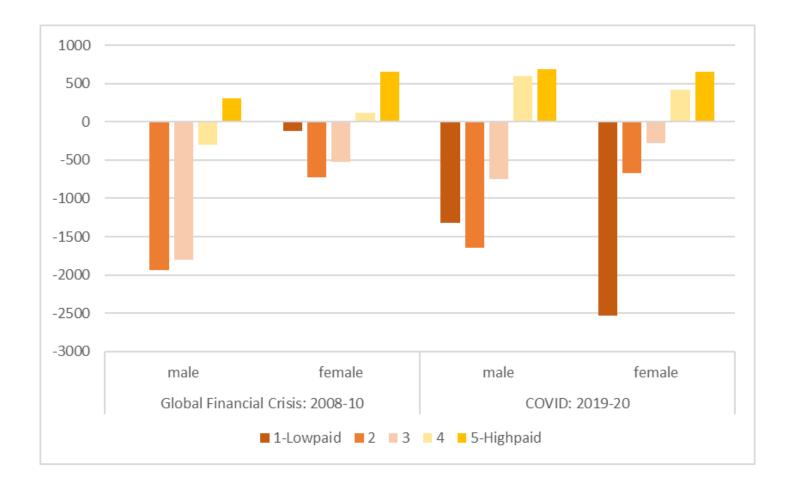
Labour market impact: Sectors

Sectors - NACE2d - most affected by crisis							
	2019Q2	-2020Q2	2019Q2-2020Q2	2020Q2			
			Working hours	Furloughed			
	Headcount	change	change	worker share %			
Accommodation	-22.9		-5.4	50.9			
Food and beverage service activities	-17.9		-2.9	47.4			
Gambling and betting activities	-10.5		-1.3	49.3			
Sports activities and amusement and recreation	-5.4		-2.2	42.6			
Air transport	-9.3		-6.8	44.8			
Travel agency, tour operator reservation	-19.9		-7.2	39.5			
Other personal service activities	6.6		-1.7	35.3			
Manufacture of leather and related products	-9.2		-0.7	31.3			
Creative, arts and entertainment activities	-7.0		-3.6	34.4			
Manufacture of textiles	-1.3		-2.3	24.8			
Sectors - NAC	E2d - least a	ffected by	crisis				
Telecommunications		20.6	-0.5	4.4			
Computer programming, consultancy and re		18.5	-0.4	1.1			
Insurance, reinsurance and pension fundi		17.5	-0.8	2.8			
Manufacture of basic pharmaceutical prod		15.1	-0.2	2.3			
Programming and broadcasting activities		12.5	-1.3	3.7			
Information service activities		11.7	0.1	1.1			
All sectors	-2.4		-0.9	17.0			

Source: LFS



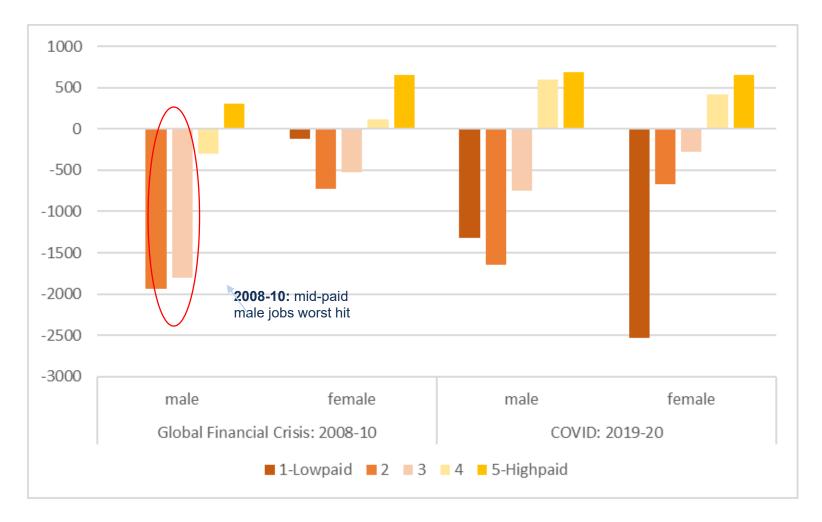
Employment shifts by gender and job-wage quintile: comparing crises (EU27, 000s)



Source: LFS / Structure of Earning survey

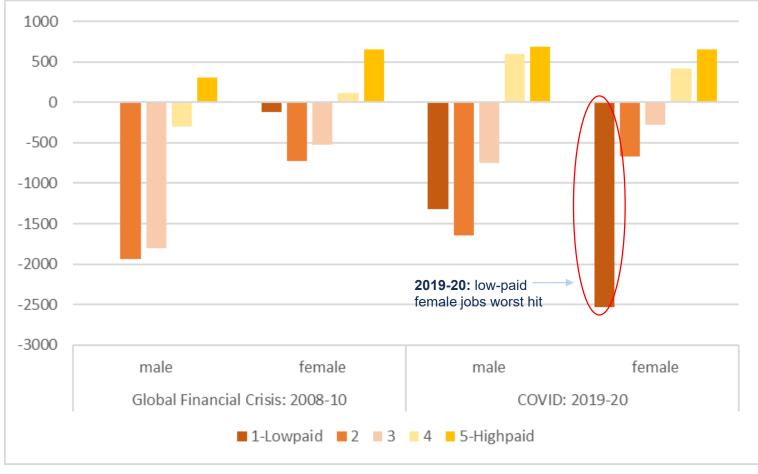


Employment shifts by gender and job-wage quintile: comparing crises (EU27, 000s)





Employment shifts by gender and job-wage quintile: comparing crises (EU27, 000s)



Source: LFS / Structure of Earning survey



Policy response: Protecting employment

- Short-time working schemes
 - In all member states
 - In various formats: temp wage subsidy, temp lay offs, 'traditional' STW schemes
 - Easing of conditions of access, extension of duration
 - Dismissal protection included in many countries
 - Over 40 million EU workers benefitted between March-Sep 2020 compared to <2m at peak of 2008-10 crisis
- Impacts:
 - Relatively limited increase in unemployment
 - OECD simulations estimate that short-time work subsidies reduce the share of jobs at risk by 10 percentage points from 22%.
 - beneficiaries less likely to experience financial hardship, help to support aggregate consumption and expressed greater trust in their governments (Eurofound Living, Working and COVID survey)



Policy response: Income support for selfemployed

- Lack of income protection for self-employed is long-standing policy concern and came to the fore during the pandemic
- Three quarters of Member States introduced income support schemes (among other supports) to prevent business failure – most are new, all temporary,
- Less generous; low replacement rates compared to protections for dependent employees
- Effectiveness impacted by eligibility features, eg.
 - Sectoral restrictions
 - Thresholds with regards to required reductions in revenue
 - Maximum and minimum income thresholds (size of turnover and income prior to the pandemic)



Joint reports / working papers with Commission-Joint Research Centre





- Analysis of labour market impacts of COVID
 - Restructuring and employment developments during crisis
 - Sector, based on lockdown decrees
 - Occupation, the 'teleworking buffer'



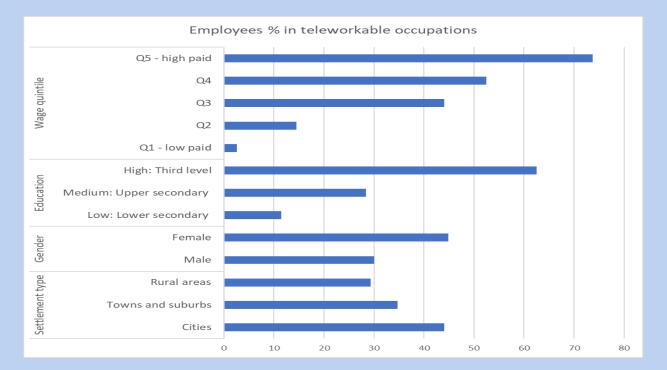
Post-COVID-19: what jobs are (not) teleworkable?

- Matching a detailed occupational tasks framework with IT and EWCS survey data, 130 different occupations evaluated in terms of teleworkability
 - (Eurofound/European Commission Joint Research Centre, 2020)
- Main 'hard' barrier to teleworkability is that a job has physical handling or manipulation tasks (nurse, waiter, plumber etc)
- Results are:
 - 37% of dependent employment in Europe is teleworkable similar to estimates for the US
 - a majority of jobs are NOT currently teleworkable





What jobs are teleworkable?

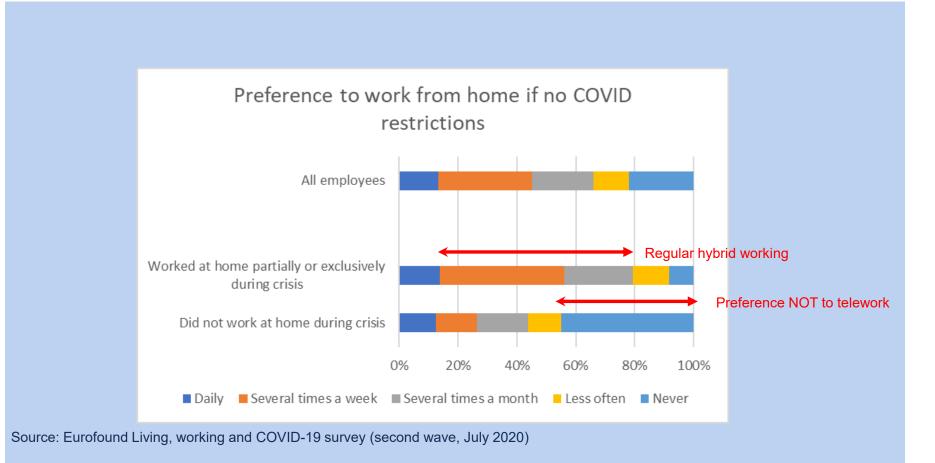


Source: Eurofound / European Commission Joint Research Centre, 2020



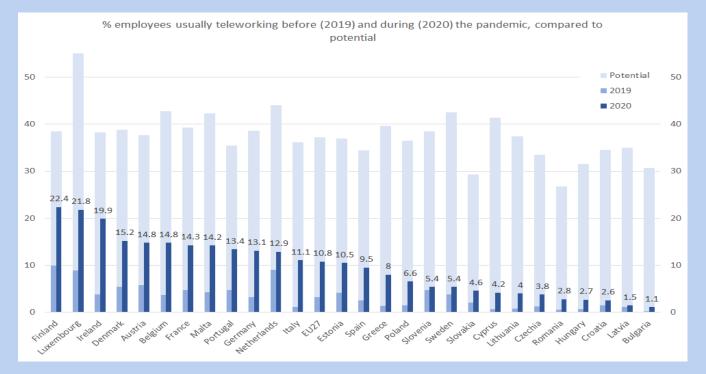


Teleworking preferences





Teleworking: actual and potential



Source: LFS, Eurofound / European Commission JRC, 2021

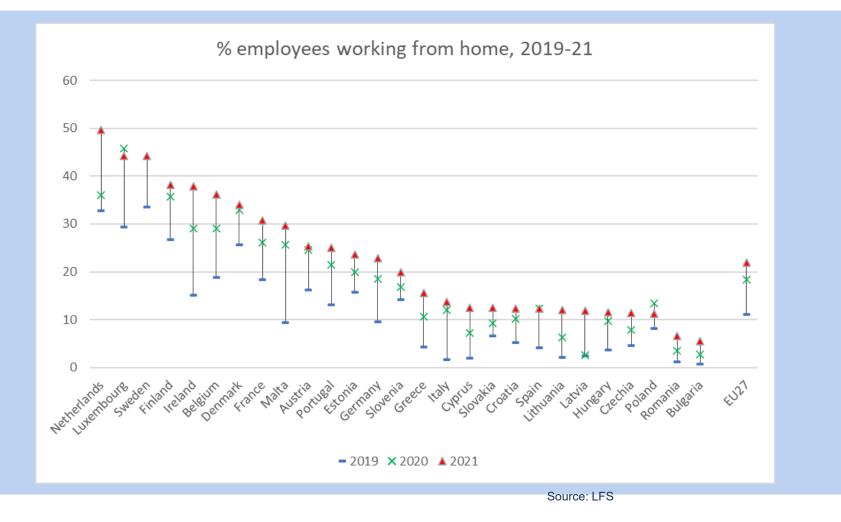


Remote working post-COVID

- Spatial distribution of employment
 - US estimates based on employer survey post-COVID hours worked remotely to increase from 5.5% to 22% (Barrero et al, 2021)
- Remote work:
 - Employees: blurred work and life boundaries, surveillance / monitoring, ergonomics
 - Employers: administrative complexity, IT security ..



Working from home 'usually' or 'sometimes'





Labour market: current situation

- Employment in EU27 recovered to pre-COVID levels in late 2021 (within 2 years v within 8 years after the Financial crisis)
- Unemployment rate lowest in April 2022 (6.2%, EU27) in over 20 years
- ... employment rate also at highest rates recorded, 74% of 20-64 yrs in 2021Q4
- Most furlough schemes largely wound down
- ... Big buts
 - UKRAINE: Direct consequences: care and social services (+); armed forces (+); auto manufacturing (-) ...
 - Indirect consequences: adds to cost pressures (in food and energy dependent sectors), economic instability / lower growth, accelerated greening ...
 - COVID-19 redux



Key points

- COVID impact: a tale of two service sectors
- Working from home was a significant employment buffer
- State intervention and fiscal supports vital to support labour markets in the face of large, unanticipated shock like COVID.
- Preserving the employment relationship (as well as income) the EU 'way', and more thoroughly implemented during this recession
- … recovery from the initial shock has been to date positive.
 Increasingly issues on the supply not the demand side.
- But disruptive potential of Ukraine war ... and COVID-19 has not gone away



Thank you for your attention!

www.eurofound.europa.eu E: john.hurley@eurofound.europa.eu

- Sources:
- COVID-19: Implications for employment and working life (Eurofound, March 2021)
- <u>What just happened? COVID-19 lockdowns and change in the labour</u> <u>market</u> (Eurofound-European Commission Joint Research Centre, October 2021)
- EU COVID policywatch database (Eurofound, ongoing)



A new 'telework generation'

- Many more jobs would have been lost without teleworking.
- Strongest predictors of teleworking: level of education, urban location, knowledge-intensive services sector
 New 'white collar'/'blue collar' divide
- Most jobs that can be teleworked are 'good jobs' most 'essential services' jobs cannot be teleworked ...but most jobs cannot be teleworked, are place-dependent
- 37% of employment teleworkable based on task-content at detailed occupational level (Eurofound-Commission JRC, 2020)





6. Communication

- EC communication updates
- Member State communication activities
- Next EGF Contact Persons meeting and Networking Seminar
- Update on EGF related events planned in the Member States



6.1 EC communication updates



6.1 EC communication updates: FAQs post 2020

- Available online in all EU languages, but Irish
- FAQ 10.2 updated with links to:
 - the Guidelines on the correct use of the EU emblem (flag) in the context of EU programmes.
 - The ready-to-use EU emblem including the funding statement in all EU languages it is available in three resolutions including `.eps' for large format items.



Co-funded by the European Union



6.2 Member States' communication activities and planned events



6.2 Member States' communication activities and planned events

France: video

https://travail-emploi.gouv.fr/emploi-et-

insertion/accompagnement-des-mutations-

economiques/fem



6.3 Next EGF Contact Persons meeting and Networking Seminar



6.4 Update on EGF related events planned in the Member States



7. Q&A session and AOB



8. Wrap-up of the meeting

THANK YOU!

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