

## SR Technics Ireland Ltd



<b>Reference</b>	EGF/2009/021 IE SR Technics
<b>Member State</b>	Ireland
<b>Sector</b>	Repair and maintenance of aircraft and spacecraft
<b>Submitted to European Commission</b>	9 October 2009
<b>Total budget planned</b>	€11 455 174
<b>EGF contribution</b>	€7 445 863
<b>Intervention criterion</b>	Article 2 (a) Regulation (EC) No 1927/2006
<b>Period of reference</b>	3/4/2009 to 2/8/2009
<b>Redundancies during period of reference</b>	800
<b>Active employment measures</b>	To be provided for 850 workers and include: <ul style="list-style-type: none"> <li>- Guidance and Training</li> <li>- Redundant apprentice on- and off-the-job training</li> <li>- Entrepreneurship and self-employment</li> <li>- Third level education</li> </ul>

### BACKGROUND

- The reduction in air transport activity as a result of the global financial and economic crisis placed enormous cost pressures on airlines, and reduced the actual volume of maintenance, repair and overhaul (MRO) activities worldwide.
- Although the tendency of airlines to reduce their costs by outsourcing their MRO services to suppliers in lower-cost countries had already been visible before the crisis, the global financial and economic crisis exacerbated an already difficult situation for MRO operators in high cost regions such as SR Technics, and led airlines to pursue cost-cutting more vigorously.
- The model followed by airlines also changed, from one of 'full service' MRO contracts to specialisation and contract division. In this way the airlines replace a single MRO contract with several smaller ones, selected for cost advantages.
- Whilst no redundancies directly linked to SR Technics have been reported at suppliers or downstream producers, the loss in revenues due to the redundancies in SR Technics is expected to generate significant losses in indirect employment caused by loss in workers' incomes and a reduction in SR Technics purchases of goods and services locally and regionally.