

Aragón - retail



Reference	EGF/2010/016 Aragón retail
Member State	Spain
Sector	Retail trade
Submitted to European Commission	6 May 2010
Total budget planned	€2 400 000
EGF contribution	€1 560 000
Intervention criterion	Article 2 (b) Regulation (EC) No 1927/2006
Period of reference	1/6/2009 to 28/2/2010
Redundancies during period of reference	1 154 in 593 enterprises in the NUTS II ES24 Aragón region
Active employment measures	To be provided for 1 154 workers and include: <ul style="list-style-type: none"> - Occupational guidance and counselling - General training and re-training and training in personal development - Intensive job-search assistance - Tutoring after reintegration into work - Participation and outplacement Incentives. - Assistance for carers of dependent persons

BACKGROUND

- The financial crisis led to a liquidity shortage among financial institutions and concerns over their solvency. These concerns were subsequently transmitted to the 'real economy' (i.e. the non-financial sectors), as credit facilities were withdrawn and business and consumer confidence fell.
- Rising unemployment – which in Spain is close to 20 %, i.e. double the EU-27 or the Euro zone– and reductions in working hours (no overtime, reduced working week, temporary stoppages etc), coupled with the scarcity of credit and concerns over possible further contractions in the labour market, explain the downturn in retail sales.
- In the Autonomous region of Aragón, the unemployment rate increased from 6,2 % in Q3/2008 to 12 % in Q3/2009. The redundancies in the retail sector will aggravate the unemployment situation, which has already deteriorated as a result of the financial and economic crisis.
- In February 2010 unemployment in the services sector represented 56 % of the total unemployment in the region.