

Construction 71



The two NUTS II regions of Border, Midlands and Western (IE01) and Southern and Eastern (IE02) in Ireland. comprise the entire State of Ireland.

Reference	EGF/2010/021 IE/Construction 71
Member State	Ireland
Sector	Architectural and engineering activities; technical testing and analysis
Submitted to European Commission	9 June 2010
Total budget planned	2 135 107
EGF contribution	1 387 819
Intervention criterion	Article 2 (b) Regulation (EC) No 1927/2006
Period of reference	1.7.2009 – 31.3.2010
Redundancies during period of reference	841 in 554 enterprises
Active employment measures	To be provided for 554 workers and include: <ul style="list-style-type: none"> - Occupational Guidance, - Training programmes (vocational / second & third level education programmes), - Enterprise / self-employment supports, - Training allowances and income supports.

BACKGROUND

- This application is part of a series of three, all concerning the construction sector in Ireland. The other two applications are in support of workers made redundant in NACE Revision 2 Divisions 41 ('Construction of buildings') and 43 ('Specialised construction activities').
- The global financial and economic crisis started with the sub-prime mortgage crisis in the United States in mid-2007, with contagion rapidly spreading to the financial markets. The credit crunch severely affected the banks in Ireland, with further effects on mortgage loans and building activity in the country.
- When the crisis hit, the share of those employed in construction in Ireland dropped from 12,25 % in Q4 / 2007 to 9,2 % in Q1 / 2009 and 6,25 % by Q3 / 2010. Many of the redundancies in the sector were caused by the effective closure of the employing enterprise for reasons cited such as liquidation, receivership, closure, insolvency, end of contract and bankruptcy.
- The application relates to 841 redundancies in 554 enterprises spread throughout the whole of the State of Ireland. The entire Irish labour force is undergoing structural change primarily as a result of the collapse of the construction and banking sectors.