

Trentino-Alto Adige/Südtirol construction of buildings



Reference	EGF/2011/002 IT Construction of buildings
Member State	Italy
Sector	Construction of buildings
Submitted to European Commission	7.2.2011
Total budget planned	€6 029 000
EGF contribution	€3 918 850
Intervention criterion	Article 2 (b) Regulation (EC) No 1927/2006
Period of reference	1.3.2010 – 1.12.2010
Redundancies during period of reference	643 in 324 enterprises in the NUTS II Trentino-Alto Adige/Südtirol region
Active employment measures	To be provided for 528 workers and include: <ul style="list-style-type: none"> - Skills assessment and outplacement - One-to-one counselling and guidance - Vocational training, general training and retraining - Coaching - Mentoring after reintegration into work - Participation allowance and subsistence allowance.

BACKGROUND

- As a consequence of the crisis, loans to the construction sector or to individuals have been drastically reduced and the demand for new houses decreased due to declining consumer confidence and the lack of cash. Construction in the EU-27 decreased for seven consecutive quarters (Q1/2009 to Q3/2010) compared with the same period of previous year.
- The construction output in Italy has been following the same trend. This downturn in construction had severe consequences in the two Italian autonomous provinces of Trento and Bolzano/Bozen as construction represents respectively 8.6 % and 8 % of the jobs and contributes by 15 % to the provincial GDP.
- The economic situation of both provinces deteriorated in 2009 and its economic growth was negative (-3.0 % in Trento and -2.6 % in Bolzano/Bozen) compared with the previous year. Unemployment in Trento increased by 117 % in 2010 compared with 2009. In Bolzano/Bozen unemployment rate in Q3/2010 was 43 % higher than in the same quarter of the previous year. In addition 9.3 % of the redundancies that occurred in the province of Trento from March to December 2010 were workers made redundant in the construction sector.
- Of the 643 redundancies 408 occurred in Trento and 235 in Bolzano/Bozen. The territory concerned by the redundancies is extremely mountainous, covering a large part of the Dolomites and the Southern Alps, and its population density (74.7 inhabitants per km²) is low if compared either to Italy or to the EU average (198.8 and 112 inhabitants per km² respectively). Due to topography constrains the productive pattern in Trentino-Alto Adige/Südtirol has been traditionally self-sufficient, which explains the small size of the local enterprises and their dense distribution throughout the territory.