

Aragón – Construction of buildings



Reference	EGF/2011/017 Aragón Construction
Member State	Spain
Sector	Construction of buildings
Submitted to European Commission	28 December 2011
Total budget planned	€2 000 000
EGF contribution	€1 300 000
Intervention criterion	Article 2 (b) Regulation (EC) No 1927/2006
Period of reference	31/1/2011 to 31/10/2011
Redundancies during period of reference	836 in 377 enterprises in the NUTS II ES24 Aragón region
Active employment measures	To be provided for 320 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 - Job-search and outplacement incentives - Assistance for carers of dependent persons

BACKGROUND

- The construction industry in the EU saw demand plummet as a result of the crisis. Loans to the construction sector or to individuals were drastically reduced and the demand for new houses decreased due to declining consumer confidence and the lack of cash. The number of building permits granted in Spain for instance decreased by 75,6 % in 2009 and 82,8 % in 2010 compared with 2007, the last pre-crisis year. This decline in demand had a strong negative impact on employment in the construction sector.
- During 2008 and 2009, unemployment increased in Aragón, from 40 000 to 80 000 unemployed people. In the following years unemployment continued its upward trend and by the end of 2011 the number of workers registered in the public labour offices was close to 100 000. Of these, 15 % were workers made redundant in the construction sector.
- Due to the low population density in most of the territory concerned by this application (between 3 and 54 inhabitants per km²) and the risk of depopulation, layoffs can have a highly negative impact on this region and could jeopardize the efforts made to encourage the population to remain in the territory.
- The region was also affected by two other mass redundancy cases (automotive industry and retail), for which applications were submitted to the Commission and received EGF support.