

## Gelderland - Construction



<b>Reference</b>	EGF/2011/009
<b>Member State</b>	The Netherlands
<b>Sector</b>	Construction
<b>Submitted to European Commission</b>	15 December 2011
<b>Total budget planned</b>	€4 459 375
<b>EGF contribution</b>	€2 898 594
<b>Intervention criterion</b>	Article 2(b) Regulation (EC) No 1927/2006
<b>Period of reference</b>	1 February 2011 – 1 November 2011
<b>Redundancies during period of reference</b>	516 redundancies in 54 small and medium sized enterprises.
<b>Active employment measures</b>	Including: - job-search assistance - training - outplacement assistance - entrepreneurship promotion

### BACKGROUND

- The construction industry in the EU had seen demand plummet as a result 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. A sharp decline in output by 12,9 % from 2008 to 2010 was identified in the Dutch construction industry. The economic and financial crisis resulted in cuts in order to reduce the government budget deficit. Reduction of public expenditure had a direct negative impact on investments in infrastructure and housing programmes. The budget cuts have negative consequences for employment in the sector.
- Construction represents 6,5% % of total employment in Gelderland (approximately 60 000 workers in 2011) compared with other sectors of industry such as chemical (9 000), food (15 000) and metal / electrical (40 300) industries.
- The unemployment rate in 2011 in Gelderland was 5,9 %, a fraction higher than the Dutch average. In 2010 4 100 jobs were lost in the construction sector (drop by 6,5 %). In 2011 a small recovery was seen (500 jobs), however, the fourth quarter of 2011 was again characterised by numerous redundancies in the sector. Youth unemployment increased by 10 % in 2011.