

Galicia metal



Reference	EGF/2011/019 Galicia metal
Member State	Spain
Sector	Manufacture of fabricated metal products, except machinery and equipment
Submitted to European Commission	28 December 2010
Total budget planned	EUR 3 121 900
EGF contribution	EUR 2 029 235
Intervention criterion	Article 2 (b) Regulation (EC) No 1927/2006
Period of reference	23.3.2011 – 23.12.2011
Redundancies during period of reference	878 in 35 enterprises in the NUTS II ES11 Galicia region
Active employment measures	To be provided for 450 workers and include: <ul style="list-style-type: none"> - Occupational guidance and accompaniment towards business creation or self-employment. - General training and re-training, vocational training, on-the-job training, etc. - Promotion of entrepreneurship - Intensive job-search assistance. - Tutoring after reintegration into work. - Job-search and outplacement incentives, contribution to commuting expenses and assistance for carers of dependent persons.

BACKGROUND

- The global financial crisis changed several of the conditions and expectations for the future development of the shipbuilding market. Order books of European yards decreased both in CGT and value terms as an effect of the global economic crisis.
- According to CESA the shipbuilding workforce in Europe declined by 23 % over the past three years, from 148 792 workers in 2007 to 114 491 in 2010. The Spanish order book dropped from 1 052 805 CGT to 815 134 CGT between 2008 and 2009, and further to 549 963 CGT in 2010. In September 2011 the order book was of 282 339 CGT. This represents an accumulated decline of 73,18 % compared with 2008.
- The Galician shipbuilding sector represents 45 % of the Spanish shipbuilding sector. As a direct consequence of the decrease of new orders, the shipbuilding workforce in Galicia declined by 30 % over the past three years, from 10 000 workers (3 500 direct jobs and 6 500 jobs in the ancillary industry) at the end of 2008 to 7 000 in October 2011.
- The redundancies in the shipbuilding ancillary industry will further exacerbate the difficult employment situation of the region. In Galicia 6 839 enterprises out of 203 374 have closed down since 2008. The unemployment rate rose from 8 % at the end of 2008 to 17,25 % in Q3/2011.