

## Niederösterreich – Austria Tabak



<b>Reference</b>	EGF/2011/010 AT/Austria Tabak
<b>Member State</b>	Austria
<b>Sector</b>	Tobacco products
<b>Submitted to European Commission</b>	20.12.2011
<b>Total budget planned</b>	€ 6 064 615
<b>EGF contribution</b>	€ 3 941 999
<b>Intervention criterion</b>	Article 2 (c) exceptional circumstances Regulation (EC) No 1927/2006
<b>Period of reference</b>	20.8.2011 – 19.12.2011
<b>Redundancies during period of reference</b>	320
<b>Active employment measures</b>	to be provided for 270 workers, and to include: <ul style="list-style-type: none"> <li>- occupational orientation</li> <li>- various options of training, including higher technical and vocational training</li> <li>- active job search</li> <li>- various allowances for the duration of the training and job search activities</li> </ul>

### BACKGROUND

- As a result of the substantial decline in cigarette consumption in the industrialised European countries (as well as the USA and Japan), contrasted by the sharp increase in demand for tobacco products in the Asian countries and in Russia, the world's major tobacco corporations have reorganised their activities by reducing the number of European production sites, shifting production to the emerging markets.
- The owners of Austria Tabak, Japan Tobacco International (JTI), followed the same trend: JTI adapted their production processes to the new global set-up re-assigning their cigarette production volumes world-wide. This led to the closure, in 2011/2012, of Austria Tabak's last remaining factory in Austria, which was located close to the Austrian-Slovak border (Hainburg, Bruck an der Leitha district). As a result of this closure, a total of 320 workers lost their jobs.
- The package of measures co-funded by the EGF will help 270 of these dismissed workers. The assistance will be organised through a labour foundation (*Unternehmensstiftung Austria Tabak*), and an organisation ([www.fab.at](http://www.fab.at)) specialised in the re-integration of workers.
- The Austrian cross-border area, where the redundancies occurred, was severely affected by the closure of the factory, impacting both the local and the regional labour markets.
- Niederösterreich was also affected by other mass redundancies for which EGF support was granted: 704 redundancies in the metal sector in 2009<sup>1</sup> and 1 274 redundancies related to the road transport sector in 2010<sup>2</sup>.

<sup>1</sup> EGF/2010/007 AT/Steiermark-Niederösterreich

<sup>2</sup> EGF/2011/001 AT/Niederösterreich-Oberösterreich