

AT&S – Electronic equipment (printed circuit boards)

Reference	EGF/2010/008 AT/AT&S
Member State	Austria
Sector	Electronic equipment
Submitted to European Commission	11.3.2010
Total budget planned	€1 878 658
EGF contribution	€1 221 128
Intervention criterion	Article 2 (c) exceptional circumstances Regulation (EC) No 1927/2006
Period of reference	1.9.2009 – 31.12.2009
Redundancies during period of reference	167 (district of Leoben/Steiermark)
Active employment measures	to be provided for 74 workers, and to include: <ul style="list-style-type: none"> - occupational orientation - various options of training - active job search - various allowances for the duration of the training and job search activities

BACKGROUND

- The electronic components manufacturing industry in the EU has been seriously affected by changes in world trade patterns. The shift of printed circuit board (PCB) mass production to low-wage countries in Asia, and more specifically to China, has been a trend observed for some years.
- The global economic and financial crisis and the associated recession exacerbated this already difficult situation for European enterprises in the sector. PCB production in Europe decreased in 2008 by 10,8 % compared to the previous year, and the number of European PCB manufacturers decreased from 333 in 2007 to 307 in 2008.
- AT&S is one of the leading PCB manufacturer and has several production sites in Austria and Asia. The company transferred its PCB mass production from its plant in Steiermark to Shanghai, sharply downsizing the former, which resulted in a chain of lay-offs: in 13 ½ months (from mid-November 2008 to the end of December 2009), more than 600 AT&S workers lost their jobs in Leoben.
- The chain of redundancies in AT&S put the Styrian labour market under severe pressure as it does not offer sufficient employment options for the workers, many of whom are lower-skilled people. High rates of unemployment affect the future prospects of the territory: unemployment at the local level increased by 51,6 % in August 2009 and at province level by 33,7 %, compared to a lower figure for Austria as a whole.
- Steiermark is also affected by other mass redundancy cases, for which EGF applications have been submitted to the Commission: EGF/2009/009 relates to the automotive sector (744 redundancies) and EGF/2010/007 relates to the metal sector (476 redundancies).

