The consequences of the global economy are ever more subtle and unpredictable from both the regional and the workers’ point of view. North Karelia got its share of globalization in 2007, when Perlos Oyj Ltd, the region’s most significant industrial employer and subcontractor of plastic products, closed down its operations in Finland. This meant the immediate loss of 2000 jobs from the region, and the indirect effects were estimated to have extended even further. Closings of factories are a challenge to the region, but to the individual, the loss of one’s job is always a risk situation, where the person’s coping is affected by the growth stage of the economy, the structure and functioning of the labour market, and the person’s resources for competition at the labour market. To level the risks of globalization, new forms of support and models of operations have been developed. The development of a flexible security model, which has been under discussion, means improving the chances of the labour market and the economy to become more flexible on the one hand and ensuring job security in non-steady situations on the other hand. This study examines the re-employment of the workers who were laid off from the Perlos Ltd North Karelia plants and the factors affecting the re-employment, the organization of support measures in the region, and the significance of labour-political action, such as the transition security model, in a mass dismissal situation. The research data consist of a questionnaire directed to the workers, interviews of informants, documentary data, statistics, and information gleaned from the career system of labour administration.

In the results, vocational standing and gender emerged as the most important factors predicting re-employment. Also, as expected, the jobseeker’s age turned out to be one of the most significant factors predicting unemployment. In the short run, the decreasing of the income level was more common than its rising or remaining unchanged. One half of the white-collar workers reported an increase in their income, whereas only a tenth of the blue-collar workers experienced an increase. Income development depended significantly on vocational standing but also on gender, age, the length of the employment contract with the company, and whether the person had resigned or been laid off. An examination of the relocation within the labour market of the people who had lost their jobs brought out strong selective features, which were not restricted to re-employment but also concerned the factors describing the quality of the job, such as income development and job satisfaction. For the after-care of the Perlos case, there was an exceptionally large amount of resources available, and besides, the laid-off workers received other support arranged by various quarters. In the short run, the re-employment of the laid-off workers seemed to have succeeded better than expected, but in the longer run the loss of their job has been an economical and social risk for most of them. The transition security programme provided economical security for the laid-off people and, in particular, encouraged them to study. The support of the European Globalization Fund ensured individualized services and provided further resources for the arrangement of training. Even so, one must keep in mind when taking societal support action that the closing down of production causes significant long-term social and societal expenses and that the support measures directed to individuals and households should be continued even years after the lay-offs.