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*Committee on Employment and Social Affairs  
The Chairman*

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ZP/jb  
D(2015)28432

M. Jean Arthuis  
Chair of the Committee on Budgets  
ASP 09G205

**Subject: Opinion on the mobilisation of the European Globalisation Adjustment Fund (EGF) for the case EGF/2015/001 FI/Broadcom (COM(2015)0232)**

Dear Chair,

The Committee on Employment and Social Affairs (EMPL) as well as its Working Group on the EGF examined the mobilisation of the EGF for the case EGF/2015/001 FI/Broadcom and adopted the following opinion.

The EMPL committee and the Working Group on the EGF are in favour of the mobilisation of the Fund concerning this request. In this respect, the EMPL committee presents some remarks without, however, putting into question the transfer of the payments.

The deliberations of the EMPL committee are based on the following considerations:

- A) Whereas this application is based on Article 4(1) of Regulation (EU) No 1309/2013 (EGF Regulation) and relates to 568 workers in Broadcom Communications Finland and two subsidiaries, operating in the NACE Rev. 2 Division 46 (Wholesale trade, except of motor vehicles and motorcycles) in all NUTS5 level 2 regions of Finland (except Aland), within the reference period from 11 August 2014 to 11 December 2014;
- B) Whereas in order to establish the link between the redundancies and major structural changes in world trade patterns due to globalisation the Finnish authorities argue that the redundancies at Broadcom are linked with the trend that affects the entire Finnish electronics industry and culminated in Nokia's announcement of large-scale redundancies in 2011;
- C) Whereas in the early 2000s, personnel in the Finnish electronics and electrical industry based in Finland and in overseas subsidiaries showed a steady

development, but from 2007, there was a marked change with numbers abroad increasing while the numbers in Finland began a steady decline;

- D) Whereas the event giving rise to the redundancies in Broadcom is the decision to wind down the company's cellular baseband business, a decision which affected 3 000 people globally, 600 of whom in Finland. Broadcom is closing down all its activities in Finland; whereas the design of mobile chipsets is being delocalised by Broadcom and is set to continue in the United States and Asia;
- E) Whereas 88.4% of the workers targeted by the measures are men and 11.6% are women; whereas the vast majority of the workers (94%) is between 30 and 54 years old;

Therefore, the Committee on Employment and Social Affairs calls on the Committee on Budgets, as the committee responsible, to integrate the following suggestions in its motion for a resolution concerning the Finnish application:

1. Agrees with the Commission that the application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013; agrees therefore that the EGF should be mobilised in order to provide a financial contribution of EUR 1 365 000 in respect of the application submitted by Finland;
2. Welcomes the complementarity of the proposed EGF interventions with other actions funded by national or Union funds;
3. Notes that the authorities plan to utilise 17.46% of all costs on allowances and incentives in the forms of pay subsidy (as part of the salary for each employment relationship established for a targeted worker) and allowances for travel, overnight and removal costs, which amounts to half of the maximum allowed 35% of all costs for such measures;
4. Notes that the estimated cost of pay subsidy amounts up to EUR 6000 per beneficiary, applying to a relatively small group of all targeted workers (62 beneficiaries);
5. Considers that the enterprise surveys and visits is an action which may not only benefit dismissed workers covered in this application, but may also contribute to building knowledge about employment issues within this sector for future redundancies; notes that this specific action is already a continuation of the similar measure carried out during an earlier EGF case in Finland (EGF/2013/001 FI/Nokia);
6. Welcomes the procedures that the Finnish authorities have followed to consult the targeted beneficiaries or their representatives or the social partners as well as local and regional authorities;
7. Reminds that in line with Article 7 of the Regulation, the design of the coordinated package of personalised services should anticipate future labour market perspectives and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy.

Yours sincerely,

Marita ULVSKOG,

Acting Chair, 1st Vice-Chair

c.c. Thomas Händel