

Fact sheet – Microsoft 2 (Finland)



Reference	EGF/2017/002 FI/Microsoft 2
Member State	Finland
Sector	Computer programming, consultancy and other services
Submitted to European Commission	1.02.2017
Total budget planned	5 866 800
EGF contribution	3 520 080
Intervention criterion	Article 4(1)(a)
Period of reference	12.07.2016-12.11.2016
Redundancies during period of reference	1,248
Active employment measures	To be provided for 1,000 workers and include: <ul style="list-style-type: none"> - Coaching and other preparatory measures - Employment and business services - Training and start-up grants - Pay subsidy and allowances for travel and accommodation (related to trainings)

BACKGROUND

- Microsoft Oy is a fully owned subsidiary of Microsoft (US), in Finland. It is in the mobile phone business, engaged in mobile phone programming (operating systems).
- Between 2008 and 2015, employment in the technology industry in Finland dropped from 326 000 to 289 000.
- The major lay-offs in the Finnish ICT sector led to several EGF applications in recent years. The Finnish ICT sector is experiencing considerable difficulties to compete in the global market, particularly with East Asian companies.
- In the mobile phone business the international competition is mainly in the area of the operating systems. The Windows based operating system of Microsoft has lost market share worldwide (its share was 0.8% in 2016).
- The lay-offs and the complete closing down of Microsoft Oy are a result of this trend. There are 1,248 workers made redundant in Microsoft Oy and in 11 of its suppliers, of which 1,000 workers are targeted by the measures. Many of them have very specialised knowledge. They reside in the regions of Helsinki-Uusimaa (Uusimaa), Länsi-Suomi (Pirkanmaa) and Etelä-Suomi (Varsinais-Suomi).
- The redundancies occurred in regions already greatly affected by unemployment in the ICT sector and with unemployment rates higher than the national average.
- The increase in long term unemployment of highly qualified workers is also a concern.
- The application provides for a number of tailor-made measures to serve the specific needs of the redundant workers, to develop existing or create new skills and to promote entrepreneurship, to increase the mobility of the redundant workers, nationally and internationally.