Industrial relations

Norway: Developments in working life 2017

Developments in working life in Europe: EurWORK annual review 2017

Disclaimer: This working paper has not been subject to the full Eurofound evaluation, editorial and publication process.
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Political context affecting working life aspects

Parliament elections took place in the autumn of 2017. The government in office since 2013, led by Mrs. Erna Solberg of the Conservative Party was re-elected, thus the Conservative party (Høyre) returned to office in coalition with the Progressive party (Fremskritspartiet, FrP). Since the election the centre liberalist party Venstre has been in negotiations with the coalition in order to enter into the new government. In January 2018 the three parties decided to form coalition, and thereby establishing a minority government. In the field of labour market politics the government declaration agreed on in January 2018 and the parties declared amongst other things for the next four years to:

- Keep permanent employment as the main rule
- Reduce the use of temporary contracts in the public sector
- Increase effort to reduce long time unemployment and youth unemployment
- Adjust the legal framework in order to make more people change jobs more regularly, and that many people have other affiliations to the labour market than what has been the rule up to now.
- Strengthen the effort to reduce work related crime and undeclared work.
- Follow up the proposals of an expert commission on working time that delivered its report in 2016.
- Revise the tripartite agreement on an inclusive working life.
- Accommodate for organising employees and employers and for a well-functioning tripartite cooperation.

Social partners reactions following changes in governments

The trade union confederation, LO, had put efforts into having the social-democratic Labour party (Arbeiderpartiet) return into office (after losing the elections in 2013), and by this change of government been optimistic in the Parliament regulating labour market topics that had been deregulated by the government in office, especially when it came to opening up the regulations on temporary employment. Even though the leading coalition’s majority was reduced from that of the 2013 election, the result was disappointing for the centre-left coalition led by the Labour Party (Arbeiderpartiet), which had been ahead in the polls until the last few weeks before the election, and also a disappointment for the trade union confederations. Opposed to LO, the employer confederation NHO does not support any of the political parties economically, but the organisation has supported many of the measures in the field of labour market politics introduced by the government in office.

Labour market reforms or major packages of working life regulations

No major labour market reforms were initiated or announced in 2017.

Developments in industrial relations 2017

Representativeness

No major changes in the way which representativeness of social partners is regulated or assessed during 2017.

Actors

No major developments affecting the main actors took place in 2017.

Institutions

No major legislative or institutional changes to the main social dialogue took place in 2017.
Changes in the social dialogue processes
There were no major changes in practice of national-level social dialogue in 2017.
National social dialogue in 2017 – Scope and Contribution

Main social dialogue topics and outcomes in 2017

<table>
<thead>
<tr>
<th>Themes</th>
<th>Description of issue</th>
<th>Code(s)-interaction</th>
<th>Type of Interaction</th>
<th>Code(s)-Outcome</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>General labour market topics</td>
<td>Labour market issues, as unemployment and employment rates have been an ongoing discussion in the tripartite cooperation at peak level.</td>
<td>1</td>
<td>Among other things have labour market issues been on the agenda in the formal tripartite committee, Arbeids- og pensjonspolitisk råd where all peak confederations meet with the Minister of Labour and Social Affairs.</td>
<td>7</td>
<td>While the issue is not closed, the Government has appointed an expert committee that will examine problems related to inclusion of different groups into the labour market, whether the labour force has the competence required to meet the ongoing technological development and more (see mandate).</td>
</tr>
<tr>
<td>Skills, training and employability</td>
<td>The labour market and the economy as such will have to adapt to skill requirements in the future working life.</td>
<td>1</td>
<td>The government has appointed a commission to look into what kind of skills are required in future working life. Both researchers and social partners as well as</td>
<td>7</td>
<td>Annual reports should be delivered, the first one on 1 February 2018.</td>
</tr>
<tr>
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<tr>
<td>Pension reforms</td>
<td>The Minister of Labour and Social Affairs and the peak level social partners are to discuss how to adjust the public sector pension scheme to the national pension reform.</td>
<td>3</td>
<td>A tripartite working group was formed in the autumn of 2017. According to the Minister there is a need to adjust the occupational pension schemes in the public sector in order to increase the flexibility for public sector employees and to make it more profitable to continue working instead of retiring.</td>
<td>7</td>
<td>The aim is to come to an agreement by 1. March 2018.</td>
</tr>
<tr>
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<tr>
<td>Wage setting systems, including the setting of minimum wages (but excluding the ‘regular’ annual debates about the determination of the level of the new minimum wage)</td>
<td>Minimum wage was set for hotel and restaurants.</td>
<td>3</td>
<td>An application from LO was dealt with by the Tariff Board, where both the employer organisation NHO and the trade union confederation LO are represented.</td>
<td>2</td>
<td>Following an application from LO, the Tariff Board decided to extend the collective agreement for hotel and restaurants was extended for the first time.</td>
</tr>
<tr>
<td>Working time regulations</td>
<td>The expert committee on working time, appointed by the government delivered its report in 2016, but did not reach an agreement on major issues covering waiving of protection for certain groups, and rota work. These issues were referred to two bipartite working groups in order to see if it is possible to find common grounds for amending the act.</td>
<td>3</td>
<td>Bipartite working groups appointed by the government are discussing possible amendments to working time regulations</td>
<td>7</td>
<td>The working groups were to finish their work by the end of 2017, but so far, there is no information available on whether the discussions are closed or still going on.</td>
</tr>
<tr>
<td>Terms and conditions of employment, including different forms of contracts</td>
<td>Temporary work agencies have made use of an employment contract without pay between</td>
<td>3</td>
<td>A bill by the government was sent out on consultation.</td>
<td>7</td>
<td>The government has still not decided on whether a bill will be sent to the Parliament.</td>
</tr>
<tr>
<td>Themes</td>
<td>Description of issue</td>
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<td></td>
<td>assignments, and this contract has been widely used for hiring labour in the construction sector as well as other sectors. This practice could be considered breach of the regulation stating that permanent employments should prevail.</td>
<td></td>
<td>proposing an amendment of the Working Environment Act. The proposal is to define “permanent employment” in the Working Environment Act and to give temporary work agencies an extended use of temporary contracts compared to other companies.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health, safety and well-being at work</td>
<td>Tripartite working group on health, safety and working environment in the Petroleum industry delivered its report in 2017.</td>
<td>1</td>
<td>Tripartite working group invited to participate by the government.</td>
<td>7</td>
<td>The discussions are still ongoing in the industry as to how to implement the recommendation from the working group.</td>
</tr>
<tr>
<td>Themes</td>
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<td>Tripartite committee that reviews the current regulatory framework for protection of whistle-blowers in Norwegian working life will deliver its conclusions as an Official Norwegian Report on March 1&lt;sup&gt;st&lt;/sup&gt; 2018.</td>
<td>1</td>
<td>Tripartite committee appointed by the government.</td>
<td>7</td>
<td>The discussions are awaiting the report from the committee.</td>
</tr>
<tr>
<td></td>
<td>Work-life balance related themes, incl. family leaves</td>
<td>3</td>
<td>The report is out on a hearing among the social partners.</td>
<td>7</td>
<td>No further information on whether the discussions are closed</td>
</tr>
</tbody>
</table>

No major social dialogue debates were held on the following themes: Benefits (unemployment, sickness schemes, minimum income); Taxation and non-wage related labour costs.

Note:
Codes for ‘Type of interaction’: 1 - Tripartite debate; 2 - Tripartite negotiation; 3 - Formal consultation of both social partners; 4 - Formal consultation of trade unions; 5 - Formal consultation of employers organisations; 6 - Bipartite debate; 7 - Bipartite formal negotiations; 8 - Lobbying from at least one side; 9 – Type of interaction unknown.
Codes for ‘Outcome as per 1.1. 2018’: 1 - Unilateral decision by government; 2 - Legislation passed; 3 - Legislation prepared (in legislative process, not concluded); 4 - Tripartite agreement or joint position reached; 5 - Bipartite agreement reached; 6 - Joint opinion of social partners reached; 7 - Issue not closed, ongoing exchange; 8 - Issue dropped, no concrete outcome, no further exchange; 9 – Outcome unknown, none of these types.
Selected major social dialogue debates

Regulating temporary agency work

One of the main debates between the social partners during 2017 has been related to the use of temporary agency workers in the construction sector. Reports from the trade unions have shown a frequent use of temporary agency workers within the construction sector in some geographical areas, the Oslo-area in particular, and that parts of the hiring is breaching the law (see also Nergaard, 2017 on numbers). This made Fellesforbundet, the trade union organising construction workers argue for several amendments to the regulations on temporary agency work, and among other things a ban on hiring agency workers within the construction industry, thereby pointing to the 1982-ban in Germany. This demand was supported by the social democrats in the parliament election campaign.

The employer confederation, NHO, voiced another way forward, by making distinction between agency workers filling in for employees on leave and those working on regular projects. A proposal by the government in June 2017 work in order to address the problem seemed to lean on the suggestion from NHO, and included amendments to the regulations on temporary work agencies. This bill has been out on consultation, but the government has so far not decided how to go forward. Construction unions in the Oslo-area arranged a political strike in November 2017 in order to put pressure on the government to take action in this field.

The social dialogue process involves both a tripartite debate, formal consultation as regards the proposed legal amendments and lobbying from both sides of industry. So far the outcome of this process is still unclear. However, based on the bill sent out for consultation as well as comments made by representatives from the government and political parties forming the sitting government, a ban does not seem to be very likely.

Amendments of pension schemes

The dialogue between the social partners in 2017 covered several issues related to pension, covering both defined contribution pension schemes and early retirement pension schemes. The discussions in this field are partly related to the reform of the pension system of 2011. In the wage negotiations in 2016, a letter was sent from the Chief State Mediator to the Prime Minister asking for amending the Act on occupational schemes. A tripartite working group was established, and delivered its report by the end of 2016. Based on this the LO-affiliated Fellesforbundet and Handel og kontor initiated a report looking into possible amendments. As the report was published in June 2017, the trade unions sent a letter to the Minister of Finance putting forward demands for revised regulations on defined contribution pension schemes, and requesting a meeting. In their letter they asked for amendments to the statutory regulations securing all income to be taken into account when establishing such schemes, and thereby removing the existing threshold for part time contracts at 20% positions or lower € 10 000 a year and for persons younger than 20. The trade unions also asked for schemes to be collective and thereby covering all employees. In November 2017 the Ministry of Finance sent a bill on amendments of the Defined Contribution Pension Act (Innskuddspensjonsloven) out for consultation. The bill is a follow-up of the working group and the proposed amendments were discussed with the working group before it was sent out for consultation. So far, the outcome is not clear, and other issues related to these pension schemes are still to be discussed.

Another issue is related to the bargaining based early retirement pension for the private sector (Avtalefestet pensjon, AFP) became a part of the collective agreements in the private sector in 1989, and revised in 2008. As part of the 2008-agreement it was decided that the scheme should be evaluated in 2017 at the latest. In accordance with this agreement, the scheme was evaluated by the peak confederations on both sides, NHO and LO in 2017. The evaluation
was headed by a bipartite working group, but with an observer seat from the Ministry of Labour and Social Affairs. When commenting the report the two parties have a different view in whether the scheme has worked in accordance with its intentions. As the scheme is part of the collective agreement, it adds costs to companies bound by agreements, and employers have argued that the scheme should be extended to cover all companies. LO-affiliated Fellesforbundet that sets the path in the model of trend setting wage negotiations have stated that they want to keep it in the agreement as this is a carrot for becoming a member of the union. LO and NHO will continue the work in order to see whether the existing scheme should be amended.

Unilateral government actions – without social dialogue
They were no major examples.

Changes affecting the sectoral and company level social dialogue 2017
There were no major changes in this area

Innovation in collective bargaining
No major innovations detected.

Collective labour disputes in 2017
No significant changes in the regulation of collective disputes in 2017.
No major industrial disputes in 2017. However, a political strike was organised by trade unions in the Oslo area in the autumn of 2017. The strike aimed to put pressure on the government to ban the use of temporary agency workers within the construction industry in this area. The strike lasted for two and a half hours and trade unions affiliated to the LU-unions Fellesforbundet and El&It were initiators. Media reports that around 10 000 workers all over the country participated in the demonstration.

Working time 2017
From July 2017 the statutory regulations on evening work was changed. The Working Environment Act’s definition of night work, has restricted the possibility to work in the evenings after nine o’clock pm. Changes to the regulation (Working Environment Act § 10-11 (3)) gives employees a possibility to split their working days by working shorter during daytime, and adding an hour or two in the evening, between 9 and 11 pm. This is meant to make it easier for employees to work-life with delivering/picking up children from (pre)school, still working full-time.

Health and well-being at work 2017

Physical working environment
No major developments regarding the regulation of physical risks at work were identified.

Psychosocial working environment
As in many other countries the ‘#Metoo’ campaign has led to a large public debate about sexual harassment and assault in the Norwegian working life. Many occupations and industries have been identified in which preventive measures are needed; e.g. actors, singers, trade unions representatives, physicians, journalists, politicians. The campaign has led to
increased awareness of managers’ responsibility to prevent the problem and react actively. The debate has put emphasis on the need for good practices and systems, including procedures to capture and reporting of unwanted sexual harassment at work. Abuse of power at work has been part of the discussion.

In 2017 a new legislative amendment to the Norwegian Working Environmental Act was implemented to strengthen the protection of whistleblowers in the Norwegian working life. The legislation now also applies to hired workers, not only the company’s own employees because hired employees can also get familiar with critical circumstances in the companies. Companies with five or more employees are required to prepare notification procedures in accordance with the new legislation. To make it safer to notify public authorities, the confidentiality of the whistle-blowers’ is strengthened.

In 2017 some new provisions to the legislative text of the Norwegian Working Environment Act regulation to prevent and handle violence and threats of violence in the workplace were put into force.

**Employment status 2017**

<table>
<thead>
<tr>
<th>Type of contracts</th>
<th>Changes made during 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Standard’ employment contracts</td>
<td>No major changes made during 2017</td>
</tr>
<tr>
<td>Self-employed</td>
<td></td>
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<tr>
<td>Fixed term contracts</td>
<td></td>
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<tr>
<td>Temporary agency workers</td>
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<tr>
<td>Posted workers</td>
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<tr>
<td>Seasonal workers</td>
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<tr>
<td>Zero hour contracts</td>
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</tbody>
</table>

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