



Industrial relations and social dialogue  
**Norway: Working life in the  
COVID-19 pandemic 2020**

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# Introduction

Norway is one of the countries in Europe that has managed to keep the infection of COVID-19 at a manageable level in 2020. To prevent spreading of the COVID-19 virus, the Norwegian government gave travel advices, implemented border control and travel restrictions. From 15 Mars 2020, a regulation was laid down on quarantine and isolation when infection was suspected. These measures have shown preventive but have also caused problems in industries using foreign labour dependent on traveling between countries. Mandatory testing of travelers was introduced from 18 January 2021. Prohibition of activities has been used as a measure in periods. In Mars – April 2020 some services involving physical contact, like hairdressing and physiotherapy, were prohibited, and in the autumn 2020, many local authorities prohibited sale of alcohol in restaurants and bars to cool down social night life. Schools and kindergartens have in periods been closed or have shifted to digital teaching and been subjected to social distancing measures. Form late December 2020, a vaccination program started, to prevent spread and infection of COVID-19. By the end of the year the statistics showed these numbers for all of 2020 (VG.no, 2020):

- Total infected: 50136 (1067.2 per 100 000 inhabitants)
- Hospitalised: 2156 (3.1 per 100 000 inhabitants)
- Intensive care: 408 (0.7 per 100 000 inhabitants)
- Deaths: 505 (3.1 per 100 000 inhabitants)

Although frightening numbers, hospitals have not been overloaded and the death rate has been kept low compared to many other countries in Europe. These results are achieved due to government-imposed restrictions, extensive cooperation between the policymakers, business and the social partners, and widespread trust in the population that the government's handling of the crisis is justified. In addition, the government has spent a lot of the yield from the Norwegian oil fund (the Government Pension Fund) to keep business floating.

The pandemic has battered Norway in two waves. The first in March – April 2020 and the second taking effect from mid-October. This has affected the economy and labour marked significantly. Growth in gross domestic product (GDP) in the second quarter ended down -6% for mainland Norway, which is the largest drop Statistics Norway ever measured for a quarter (Statistics Norway, 2020). This fall was, however, followed by 5.2% growth in the third quarter, but GDP declined in November 2020. By the end of 2020, Norway had a total of 195,000 people registered as jobseekers with The Norwegian Labour and Welfare Administration (NAV), which constitutes 6.9% of the labor force (NAV, 2020). The Norwegian government expect the Norwegian economy to recover faster than those of other countries, and that Norway by 2023 will get closer to the former expected trend in unemployment rate and the level of activity in the mainland economy than many other countries (Finansdepartementet, 2020, p. 120).

## Impacts of the pandemic on working life

In Norway several recurring national surveys have been carried out in 2020. The Norwegian Centre for Research Data (NSD) makes data from these surveys available for research. The Labour Force Survey is run every quarter and gives data for Statistic Norway's analyses and reports (NSD, 2020a). The Living Condition Survey is run yearly and is coordinated with the EU Survey on Income and Living Conditions. Working conditions has not been topic of the 2020 survey (NSD, 2020b).

Many research agencies have sent out surveys to measure living conditions during the COVID-19 pandemic. Some of these cover aspects of working life, such as the use of home office (teleworking). Opinion's Corona monitor, a repeated representative population survey, shows that in March - April 2020, close to 60% of employees in Norway were mainly teleworking, while in November 32% said the same (Opinion, 2020). Both government and employers called upon social distancing and recommended teleworking from home. In another population survey conducted in the last three weeks of April 2020 with 1,000 respondents of which 670 were working, Nergaard measured the use of home office and the use of digital solutions in Norway during the first months of COVID-19 pandemic (Nergaard, 2020). Approximately 80% of Norwegian employees have had their work situation significantly affected by the COVID-19 pandemic. 52% of the employees reported that they were instructed by the employer to work from home. Just over a quarter have been given other work tasks, 20% have had their working hours increased and just as many have had their working hours reduced. The survey showed that 58% of employees have access to company servers from home, and that as many as 72% was using video communication for meetings or teaching.

The Ragnar Frisch Centre for Economic Research in Oslo has, using real-time register data, in May 2020 documented that the close down in Mars - April had a strong socio-economic gradient, hit a financially vulnerable population including parents with younger children, and was driven by temporary lay-offs in smaller less productive and financially weaker firms. (Under a temporary lay-off an employee is temporarily relieved of his or her duty to work and the employer is temporarily relieved of his or her duty to pay wages. In Norway, the opportunity to temporarily lay off employees is regulated in collective agreements although statutory law regulates employer's duty to pay wages and the employee's entitlement to unemployment benefits during a temporary lay-off.) A wave of temporary layoffs came with the lockdown and when the government made it cheaper and easier for employers to lay off employees (Alstadsæter et. al, 2020). The researchers observed that ten weeks after the lock-down, the economic consequences of the pandemic spread to new industries and groups, while the abolition of the most comprehensive infection control measures contributed to many workers returning to their jobs (Bratsberg et. al., 2020). By 17 May, 50% of unemployment benefit applicants had disappeared from The Norwegian Labour and Welfare Administration (i.e., stopped sending report card) or worked at least 80% of previous working hours. Some of the return to work can be linked to the phasing out of infection control measures (reopening of closed businesses).

In a Fafo-report from June 2020, the future of the Nordic model is discussed in light of the pandemic, earlier crisis and general development traits (Fløtten & Trygstad (eds.), 2020). The report discusses whether the crisis will enlarge existing cracks in the Nordic model or whether it will be possible to strengthen it based on increased trust to authorities and the spirit of hard work (dugnadsånd) that was present during the hard weeks of lockdown.

Researchers at the Institute for Social Research in Oslo measured in a population survey with 2,000 respondents in April whether the population followed health advice given by the government and concluded that many followed the advice to keep distance, wash hands, as well as reduce social activity. The study finds that concern for the health of elderly and sick persons is the factor that best explains compliance with the government's advice (Wollebeck et. al., 2020).

In April and May, the Nordic Institute for Studies in Innovation, Research and Education (NIFU) did a survey for the Norwegian Directorate for Education and Training directed towards schools and school owners (mainly local and regional authorities). The respondents in the survey were 631 primary schools, 95 secondary schools, 9 regional authorities, 99 local authorities, 868 teachers in primary schools and 1,440 teachers in secondary schools (Federici and Vika, 2020). The survey aims to measure how schools and their owners handled various aspects of the situation that arose after 12 March in Norway, when the schools were closed due to the COVID-19 pandemic. The survey turns its attention to academic and pedagogical conditions, conditions for telework and use of digital tools, how teaching was organised and the contact between school and homes. Hence, it also reveals the pandemic crisis impact on teachers work and working conditions. Over 50% of the teachers said their workload was increased due to the crisis measures, and 90% of them said their digital competence had increased during the weeks since March 2020 (Federici and Vika, 2020, pp. 37, 68).

In November and December 2020, the Norwegian Institute for Public Health (FHI) sent out a survey to 55,000 inhabitants to study the quality of life and mental health under the pandemic. Data has not yet been analysed (FHI, 2020).

## Political context

In January 2020, Norway got a minority government constituted by the Conservative Party (Høyre) with its coalition partners, The Liberal Party and the Christian Democratic Party, when the right-wing Party of Progress left the coalition. There were no general elections in 2020, but the political parties prepare for an upcoming parliamentary election in September 2021. The opposition in parliament, The Norwegian Labour Party, the Centre Party, Socialist Left Party and the Party of Progress, has for a large part supported government actions concerning the pandemic crisis. The government has in its preparations involved parliament in most cases and practiced frequent consultations with the social partners and other social actors. This has created an open debate on most issues, and legitimacy to legislative measures and government's advice. Proposition of a Corona Act, a temporary law on regulatory authority to remedy the consequences of outbreaks of COVID-19, created a short period heated debate on democratic processes and the balance of power between government and parliament. The law that gave the government the right to supplement or deviate from a number of laws, was in force from 21 March to 27 May 2020. During the second wave of infection at the end of the year, the parliamentary opposition has in many cases pushed government to extend its measure compared to the government's first proposals. There has, however, been little delay due to political dissensions and the state agencies have been acclaimed for swift implementation of the government's measures. An independent commission is appointed by the government to give a thorough and comprehensive review and evaluation of the authorities' handling of the COVID-19 pandemic. Its first report is expected Mars 2021.

# Governments and social partners response to cushion the effects

The Norwegian government's responses to the pandemic crisis can be divided into measures preventing the spread of infection, measures to support society and business, and actions to deliver adequate public services.

The effect of the pandemic on the economy and social life, as well as the government's measure to prevent the spread of infection, made the government to propose and implement measure to support society and business. In the early face of the pandemic a state loan guarantee for airlines<sup>i</sup> was introduced and the air passenger tax was temporarily abolished<sup>ii</sup> to help airlines that was particularly hard hit by the crisis. To ease the economic pressure on other industries, the government introduced financial measures like a temporary opportunity to write-back corporate deficit<sup>iii</sup> in 2020 against taxed profits the two previous years, and it restored the Government Bond Fund<sup>iv</sup> and set up a state guarantee scheme for loans to businesses<sup>v</sup>. A broad reaching compensation scheme for business<sup>vi</sup>, as well as a temporary income assurance scheme for self-employed and freelancers<sup>vii</sup> and support for agriculture and agricultural industries<sup>viii</sup>, were introduced in the first face of the pandemic.

In addition to support business, measures were taken to support people getting laid off from companies struggling with market failure or companies that is required to shut down. The government temporarily amended the regulation of temporary lay-off<sup>ix</sup> to reduce employers' costs of lay-off and increase the unemployment benefit for the unemployed. This seemed an important measure in the first wave of the pandemic, when the government wanted to avoid an increase in permanent dismissals. From 9 March to 15 April 2020, 342,228 people applied for unemployment benefit. In accommodation and food and beverage services the unemployed constituted 57% of the employed in the industries. After demands from unions and the opposition in the parliament, the amendments to the regulation of lay-off has been prolonged several times. A compensation scheme for laid off apprentices<sup>x</sup> was adopted in Mars 2020, and an important move to make it easier to acquire new skills and knowledge were taken when the government, on an initiative from the social partners, in April 2020 made it possible to study or do training while receiving unemployment benefits<sup>xi</sup>. This measure was supported by tripartite educational programs<sup>xii</sup> for the laid off and unemployed in several industries. When schools and kindergarten were closed, parents had to stay home to take care of smaller children. For the calendar year 2020, the government therefore doubled, from 10 to 20, the number of care days a parent is entitled to receive care benefit<sup>xiii</sup>.

Over the summer 2020, many measures were prolonged or introduced in new versions, like the compensation scheme for business<sup>xiv</sup>, a grant scheme for cultural events<sup>xv</sup> or support for large open events<sup>xvi</sup>. However, new measures more often had the character of supporting new activity than just giving income support. On initiative from the social partners, the government introduced a wage support for companies that re-employ<sup>xvii</sup> previously laid off staff. Access to funding<sup>xviii</sup> and an economic stimulus package<sup>xix</sup> were made available to entrepreneurs and growth companies. A package to stimulate green<sup>xx</sup> growth was introduced as well.

Along with the aid and stimulus to business, went the government's and social partner's struggle to keep essential services going through the pandemic crisis. To maintain operations in the health and



care services and other essential services during the COVID-19 pandemic, the Norwegian Directorate of Health made 13 Mars 2020 exceptions to the closure order of kindergartens and educational institutions<sup>xxi</sup> to provide a service for children of healthcare personnel, personnel in the transport sector or personnel within other functions critical to society. The social partners quickly followed up signing an agreement on working time regulations in kindergartens<sup>xxii</sup> in case that there might be a need to provide an extended service to children of employees in essential services. In Mars 2020, collective agreements at industry level expanding the access to use of overtime were made for hospitals<sup>xxiii</sup>, municipalities<sup>xxiv</sup> and for private nursing homes and paramedic<sup>xxv</sup>. In the state sector as well, the social partners agreed to facilitate working time planning<sup>xxvi</sup> to ease crisis handling.

<sup>i</sup> Eurofound (2020), [State loan guarantee for airlines](#), case NO-2020-14/728 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>ii</sup> Eurofound (2020), [Temporary cancellation of the air passenger tax](#), case NO-2020-1/718 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>iii</sup> Eurofound (2020), [Temporary reversal of corporate deficit](#), case NO-2020-13/716 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>iv</sup> Eurofound (2020), [Restoration of the Government Bond Fund](#), case NO-2020-13/729 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>v</sup> Eurofound (2020), [State guarantee scheme for loans to businesses](#), case NO-2020-13/727 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>vi</sup> Eurofound (2020), [Business Compensation Scheme](#), case NO-2020-10/730 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>vii</sup> Eurofound (2020), [Temporary income assurance scheme for self-employed and freelancers](#), case NO-2020-14/724 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>viii</sup> Eurofound (2020), [Support for agriculture and agricultural industries](#), case NO-2020-16/799 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>ix</sup> Eurofound (2020), [Temporary amendment to the regulation of layoffs](#), case NO-2020-12/720 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>x</sup> Eurofound (2020), [New compensation scheme for laid off apprentices](#), case NO-2020-12/781 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xi</sup> Eurofound (2020), [Right to combine unemployment benefit with training](#), case NO-2020-17/949 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xii</sup> Eurofound (2020), [Tripartite educational programmes for the laid off and the unemployed](#), case NO-2020-14/1083 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xiii</sup> Eurofound (2020), [Extended right to care benefit for employed parents](#), case NO-2020-1/755 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xiv</sup> Eurofound (2021), [New business compensation scheme for enterprises with large fall in turnover](#), case NO-2020-36/1651 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xv</sup> Eurofound (2021), [Grant scheme for events with cultural or artistic content](#), case NO-2020-40/1660 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xvi</sup> Eurofound (2021), [Support scheme for large open events](#), case NO-2020-10/1658 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xvii</sup> Eurofound (2020), [Wage support to re-employ previously laid off staff](#), case NO-2020-27/1206 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xviii</sup> Eurofound (2020), [Easing access to Innovation Norway's total framework](#), case NO-2020-13/1208 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xix</sup> Eurofound (2020), [New measures for entrepreneurs and growth companies](#), case NO-2020-13/1211 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xx</sup> Eurofound (2020), [A package to stimulate green growth](#), case NO-2020-22/1227 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxi</sup> Eurofound (2020), [Schools and kindergartens open to personnel in critical society functions](#), case NO-2020-11/757 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxii</sup> Eurofound (2020), [Frame agreement on working time regulations in kindergartens in connection with coronavirus](#), case NO-2020-14/1082 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxiii</sup> Eurofound (2020), [Hospitals: New collective agreement expands access to overtime](#), case NO-2020-12/1073 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxiv</sup> Eurofound (2020), [Municipalities: New collective agreement expands access to overtime](#), case NO-2020-12/1074 (measures in Norway), COVID-19 EU PolicyWatch, Dublin

<sup>xxv</sup> Eurofound (2020), [Private nursing homes and paramedics: New collective agreement expands access to overtime](#), case NO-2020-12/1077 (measures in Norway), COVID-19 EU PolicyWatch, Dublin

<sup>xxvi</sup> Eurofound (2020), [New state sector agreement to facilitate working time planning](#), case NO-2020-12/1079 (measures in Norway), COVID-19 EU PolicyWatch, Dublin

# How COVID-19 accelerated and disrupted working life policies and impacted social dialogue

## Accelerated developments

Digitalisation in the public and public sectors has for many years been a target for the Norwegian government. The rapid close down of all businesses and administrations under the COVID-19 pandemic in March and April 2020 made in weeks what might have taken years to complete when it comes to diffusion of applications for video communication and training in the use of them. Both in private and public sector employees were sent home to telework. Many companies were not digitally prepared to handle the large traffic on VPN to company servers and had to upgrade. However, both companies and employees have in 2020 faced a rapid change in the use of digital working tools. People following the developments in working life is discussing whether this trend is going to continue after the COVID-19 pandemic and if it will change the way we organise work.

For many years there has been a political discussion about how to finance continuing and further education to keep the workforce up to date with new ways of production and a changing working life. For unemployed it can be necessary to do training to qualify for new jobs. However, it has been prohibited to study when receiving unemployment benefit. Hence, unemployed have found themselves trapped and unable to undertake further education. In March 2020 the social partners took initiative to change this regulation, and the government made it possible to study or do training while receiving unemployment benefits as a measure against the COVID-19 crisis. This was an important move to make it easier for temporary unemployed to acquire new skills and knowledge. This measure was received well, and in December 2020, the government proposed to make a permanent change to the regulation from 1. July 2021. The aim is to make it possible for unemployed to finance continuing and further education with unemployment benefits in combination with support and loan from the Norwegian State Educational Loan Fund.

## Disrupted developments

The COVID-19 pandemic has of course preoccupied the government for most of the year 2020. However, no major developments in working life policies have been completely halted. In March 2020, the yearly wage settlement was postponed to August, and in November 2020, the Norwegian Confederation of Trade Unions (LO) decided to delay its congress, originally planned for May 2021, with one year due to the COVID-19 pandemic. Other union events have also been postponed. Negotiations between the employers and the unions in public sector over age limit for specific occupations (e. g. prison guards, police officers, cleaners) covering 200,000 employees stranded in February 2020. A new pension system requires that the parties adjust the regulation of age limits to fit the new system. Although breach in the negotiations was not caused by the pandemic, new talks have not been scheduled. In May 2020 it was clear that a commission with representation from the social partners that was looking into whether employees in small part time positions and short time employment part of the pension scheme postponed its work due to the pandemic (FriFagbevegelse.no, 2020a). Norwegian Confederation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO) disagreed in the matter, and the Commission was supposed to deliver a report in May. In December 2020, the government reported that the parties to the Basic

Agreement in the state sector had postponed the negotiations over an amendment due to the risk of COVID-19 infection. The new date for negotiations is 15 March 2021 (Kommunal- og moderniseringsdepartementet, 2020).

## Impacts on the social dialogue and collective bargaining

The pandemic caused a halt in the yearly wage settlements in Norway, which take place during the spring months. On Friday 13 March 2020 the front runners in the negotiations, The Norwegian United Federation of Trade Unions (Fellesforbundet) and The Federation of Norwegian Industries (Norsk Industri), agreed to postpone negotiations on the collective agreements until August 2020. The reason was the situation that has arisen in connection with the COVID-19 pandemic. This led to agreement among all other parties as well, to postpone the negotiations in the wage settlement of 2020 to the autumn. In an understanding between the National Mediator and the main organisations, all mediation was postponed until August 2020, when it was accomplished through video conferences. Overall, the wage settlement has in 2020 followed the usual pattern where the settlement in the industry made a frame, this year at 1.7% annual wage increase, for the following negotiations. The frame included wage drift and wage carry-over and was lower than unions expected in January. Due to the severe situation for many companies, the unions have been reticent about raising demands, but some industrial action has taken place. The social partners have during 2020 worked closely with the government and parliamentary politicians to design and adjust the crisis measure to help companies and employees through the pandemic. Employers and unions have brought knowledge and insight from working life into the decision making, that is regarded crucial to support for the measures. The pandemic, with all the government's measures, has brought the government and the social partner into close collaboration (LO-Aktuelt, 2020). Whether this cooperation will continue when the crisis is over is uncertain, but all parties acknowledge the strength and legitimacy it has brought to the public policy measures in times of crisis.

## Other important policy developments

In January 2020, an amended to the regulation of whistleblowing in the Working Environment Act took effect. The new regulation is more precise in its description of what can be subject to whistleblowing and give the employer a clear responsibility to investigate a notice. In addition, the amendment gives a better protection to the whistleblower (Arbeidstilsynet, 2020). In 2019, negotiations over an amendment to the Basic Agreement in the state sector was halted, and a Fafo research institute was hired to how the agreement is used and to what extent it contributes to cooperation between the parties at all levels in the state sector. This research was carried out during the summer 2020, and a report was delivered to the Ministry of Local Government and Modernisation and the unions in November 2020 (Hagen et. al., 2020).

## Labour disputes in the context of the pandemic

Due to the pandemic, the yearly wage settlement in 2020 was moved from the spring months to the autumn. From September 2020 to January 2021, seven disputes over collective agreements at industry level have ended with industrial action (Riksmekleren, 2020). In five of the conflicts, two or more unions were involved directly. None of the disputes were directly related to issues caused by the pandemic, although the pandemic situation may have influenced a dispute over workload for physicians in urgent treatment centers. This dispute was stopped by state intervention with legislation after six days.

A strike among security guards, involving two unions, lasted for 47 days and comprised at the end around 50% of the organised security guards. In addition to increased wages, permanent employment was among the demands. After renouncing some of the wage demands, the unions got on terms with the employer's association in negotiations.

A total of 8,600 bus drivers went on strike over a collective agreement (Bussbransjeavtalen) covering several unions and multiple employer organisations. They demanded wages to be even up with the industry workers' wage level and better working time arrangements. The dispute was settled with assistance of the State mediator after 11 days.

In the Norwegian Church, priests and church employees from 10 different unions fought to preserve a minimum wage level with a 30-day long strike. Some churches were without service during Christmas.

In January, unions started two strikes in private childcare institutions and private nursing homes. The conflict in childcare institutions had been going on for over two weeks when the state intervened and stopped the industrial action with legislation 26 January. The dispute will be settled by the National Wage Board (Rikslønnsnemnda). The disputed collective agreements cover multiple professions, and in these sectors often two different agreements cover professions or occupations of the same kind. Hence, unions have used industrial action several times in attempts to even out wage or employment conditions, either between sectors or between professions.

Overall, the wage settlement has been quite normal, despite the COVID-19 pandemic, with an expected number of strikes. The employers and unions alike have for a large part respected the pattern bargaining system and the frame set by the industry bargaining at 1.7% annual wage increase. The economic difficulties made by the pandemic made it necessary for unions to show responsibility.

# Major developments in working time regulation as a result of the pandemic

## Legislation on working time

There have not been any amendments of the legislation on working time in Norway in 2020.

## Collective bargaining on working time

To facilitate the adaption to crisis management during the COVID-19 crisis, the social partners, mainly in the public sector, made special collective agreements on working time. On 15 March 2020, the Employers' Association Spekter and the central trade unions in the hospital sector (Unio, LO Stat, Akademikerne and YS Stat) made an agreement on working time in hospitals<sup>xxvii</sup> to make it possible on short notice to increase staffing in hospitals and other associated institutions, and, for infection control reasons, to reduce the number of shifts and unnecessary movement of staff between different wards. The agreement was made pursuant to section 10-12 (4) in the Working Environment Act that gives larger trade unions right to enter into a collective agreement that deviates from the act's working time regulations. The special agreement expanded the limits of overtime (from 10 to 20 hours per 7 days) and gave the employer the opportunity to averaging working hours. The limit of total working hours in any 24-hour period were raised from 10 to 16 hours. According to the agreement, employers are obliged to discuss the use of overtime with shop stewards before overtime work under the agreement is implemented. On 18 March, the Norwegian Association of Local and Regional Authorities (KS) and the central organisations in the municipality sector<sup>xxviii</sup> (Unio, LO Kommune, Akademikerne and YS ) made a similar agreement in the municipality sector to make it possible on short notice to increase staffing in nursing homes and in home care, and, for infection control reasons, to reduce the number of shifts. The state employer and the central organisations in the state sector (Unio, LO Stat, Akademikerne and YS Stat) made on 16 March 2020, an agreement on reduction of rest period, extension of overtime and amendment to the flexitime agreement<sup>xxix</sup>. The purpose of the agreement was mainly to help reduce the use of resources in connection with working time planning in the state agencies, and reduce insecurity for the employees, as long as the extraordinary situation related to the coronavirus was ongoing. The parties agreed that the minimum rest period between two shifts should be reduced from 11 to 8 hours in agencies which service is essential to society, and in such agencies, the collective agreement expanded the limits to overtime (from 10 to 20 hours per 7 days) and gave the employer the opportunity to averaging working hours. The limit of total working hours in any 24-hour period were raised from 10 to 16 hours. In private sector the Norwegian Federation of Service Industries and Retail Trade (NHO Service og Handel) and the unions in private nursing sector (e.g. Fagforbundet, Norsk sykepleierforbund) on 20 March made an agreement on working time<sup>xxx</sup> to make it possible on short notice to increase staffing in private nursing homes and paramedic, and, for infection control reasons, to reduce the number of shifts and unnecessary movement of staff between different wards. The unions made a similar agreement with another employer organisation, Enterprise Federation of Norway (Virke), to cover the rest of the private nursing sector. In the end of March 2020, the employers' association, Private Kindergarten National Association (PBL), and unions organising kindergarten personnel (Fagforbundet, Utdanningsforbundet, Delta), made an agreement

on working time regulations in kindergartens<sup>xxxii</sup> in case that there might be a need to provide an extended service to children of employees in essential services (for example hospitals, nursing homes). According to the agreement, kindergartens could extend opening hours and keep open at night to provide care after discussions with shop stewards. On 31 March, the state employer and the central organisations in the state sector (Unio, LO Stat, Akademikerne and YS Stat) made an agreement concerning child welfare institution<sup>xxxiii</sup> under the Child, Adolescent and Family Agency. The agreement was meant to be used if there was a need to take care of young people who live in a child welfare institution and who were infected with coronavirus, or were ill with suspected coronavirus, where it was not possible to use ordinary shift.

## Ongoing debates on working time

In Norway, there were no general debates on working time issues in 2020. In the wage settlement, however, bus drivers went on strike to amend the collective agreement on working time issues. Bus drivers often do split shifts, resulting in long working periods, and demanded adjustments to the existing collective agreement. In the end, the strike gave increased wages but not changes in working time.

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<sup>xxvii</sup> Eurofound (2020), Hospitals: [New collective agreement expands access to overtime](#), case NO-2020-12/1073 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxviii</sup> Eurofound (2020), [Municipalities: New collective agreement expands access to overtime](#), case NO-2020-12/1074 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxix</sup> Eurofound (2020), [New state sector agreement to facilitate working time planning](#), case NO-2020-12/1079 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxx</sup> Eurofound (2020), [Private nursing homes and paramedics: New collective agreement expands access to overtime](#), case NO-2020-12/1077 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

<sup>xxxi</sup> Eurofound (2020), [Frame agreement on working time regulations in kindergartens in connection with coronavirus](#), case NO-2020-14/1082 (measures in Norway), COVID-19 EU PolicyWatch, Dublin

<sup>xxxii</sup> Eurofound (2020), [Agreement on care for young people in child welfare institutions who are infected with coronavirus, or are ill with suspected coronavirus](#), case NO-2020-14/1081 (measures in Norway), COVID-19 EU PolicyWatch, Dublin



## Impacts of the crisis on wages and wage setting

The Technical Calculation Committee for Income Settlements (TBU), which facilitates the wage settlements for the social partners and the authorities, presented its report ahead of the income settlements in June 2020. The report stated that the prospects for the Norwegian economy had changed due to *“the closure of economic activities, behavioral changes as a result of the course of the infection, lower international demand and lower oil prices”* (NOU 2020:8). The estimated fall in mainland Norway's GDP was around 3–4% for 2020 with a possibility of a larger decline, the committee argued, and estimated the increase in the consumer price index to 1.2% for 2020. In the wage settlement, the parties based their demands and position upon the Technical Calculation Committee's description of the economic situation. Hence, the COVID-19 pandemic impacted the bargaining through this common understanding of the situation. When the industry workers had a settlement of 1.7% annual wage increase, other industries followed and agreed their collective agreements within the same economic frame. This happened in all bargaining sectors. The Technical Calculation Committee for Income Settlements will deliver its evaluation of the wage settlement of 2020 during the spring 2021. There were some reports of wage reductions due to the pandemic (FriFagbevegelse, 2020b), but not as part of industry level settlements, and this is not common or significant. However, many employees were dependent on state unemployment support during periods of lay off. This might have caused some income reduction for those temporarily laid off. Harder hit by the crisis are self-employed and people without a regular salary.

## What is new in working life in the country?

Working life in Norway has adapted to the impact of the COVID-19 pandemic in many ways. During periods of lock down, all employees in private and public sector that could do work from home were asked to telework. To see that teleworking works quite well, was a new experience for many. Through the crisis, they got familiarised with digital applications for communicating. This makes it more likely they will continue using telework after the pandemic. Researchers and consultants in working life matters discuss whether this will change working life by making the permanent workplace less significant or perhaps superfluous. In Norway, the considerable spending by the state has cushioned the impact of the COVID-19 pandemic on business. Some industries, like the tourist industry and aviation are hard hit, but in many industries changes to working life were small. Independent of what the future will bring, teleworking from home is perhaps the change that has influenced most employees during the pandemic. The crisis has of course had impact on the labour market, and the increasing number of laid off and unemployed is the most severe consequence in working life for the individual as well as for the society. How to get people back to work will be target one for the government (Finansdepartementet, 2020, p. 6). The fear of losing half a generation to unemployment is present. Some people have argued that the pandemic crisis gives us a unique opportunity to push the economy in the direction of a green shift, by promoting environmentally sustainable production, transport and recycling (Osmundsen, 2020). During the crisis in 2020, the government introduced measures to stimulate green growth<sup>xxxiii</sup>, but this made up only a minor part of the support to business and will not in the short run make any changes to the ways we organise production and working life in Norway. A tax relief for the oil and gas sector, decided by the parliament in June 2020, testify to business as usual.

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<sup>xxxiii</sup> Eurofound (2020), [A package to stimulate green growth](#), case NO-2020-22/1227 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

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All Eurofound publications are available at [www.eurofound.europa.eu](http://www.eurofound.europa.eu)

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