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"LinkedIn can complement the
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Theme: The minimum wage — fit for the Nordic region?



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EDITOR-IN-CHIEF

Björn Lindahl

EMAIL

nljeditor@gmail.com

WEB

www.nordiclabourjournal.org

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The minimum wage — threat or opportunity?

Stop worrying and join the debate about a legally binding minimum wage across the EU. That's the bombshell from Bente Sorgenfrey, the new President for the Council of Nordic Trade Unions, NFS. Is fear for the debate the real problem, or is a statutory minimum wage a real threat to the Nordic model? The Nordic Labour Journal kicks off the debate in this month's theme.

COMMENTS

07.02.2015

BY BERIT KVAM

"It's modern slavery what's happening on the roads," says truck driver Freddy Welle in Sweden. He wants to fight for a minimum wage and a level playing field to stop social dumping and the exploitation of drivers, which is rife in his trade today. Yet Transport is the only trade union in Sweden which wants a minimum wage. The rest of the movement, led by the Swedish Confederation of Trade Unions, is opposed because it sees a minimum wage as a threat to the present collective agreement model. "We have to face the music" says Sorgenfrey. She believes the debate is important in order to make everybody aware of the strengths of the Nordic collective agreement system.

In Europe the debate is intensifying and could be on the agenda during the European Trade Union Confederation's autumn congress. There are many arguments; many EU countries have introduced a statutory minimum wage this year, including Germany, where three to four million workers have got a pay rise as a result. But how far can Europe go when the minimum wage varies from €1.04 in Bulgaria to Luxembourg's €11.10? What are the consequences for the Nordic countries, where even the lowest wages reached through collective agreements are higher than that? And can a minimum wage threaten trade union membership figures? The alternative could be to combine collective negotiations and a minimum wage.

Several models might be considered. Many Nordic countries look to Norway where universally applicable collective agreements have become a key tool to secure minimum wages. The model builds on collective negotiations which determine a pay standard within a trade. The system is now so popular that it is spreading to more trades all the time.

Yet opinions are divided. MEP Ulla Tørnes from Denmark's Liberal Party supports neither the Norwegian model nor a statutory minimum wage. "We are better served with the

Nordic agreement model where the social partners negotiate wages and working conditions with no political interference," she says.

Afraid of the debate? Bente Sorgenfrey has brought it to the Nordic table. She believes Nordic trade unions cannot hide from what is happening in the rest of Europe.

Sweden's Transport union believes a statutory minimum wage is an alternative protection against social dumping and appalling working conditions. Start talking about it, says the leader of the Council of Nordic Trade Unions. Will the trade union movement join in the debate?



Bente Sorgenfrey

The Nordics should “stop refusing to discuss a minimum wage”

Nordic countries should stop thinking a legally binding minimum wage for the EU would be tantamount to saying goodbye to the Nordic model. Learn from Norway, says the Council of Nordic Trade Unions and Danish labour market experts .

THEME

07.02.2015

TEXT: MARIE PREISLER , PHOTO: FTF/SIF MEINCKE

Stop worrying and join in the debate about a statutory minimum wage across the EU. The message from Bente Sorgenfrey, the new Danish President for the Council of Nordic Trade Unions (NFS), is clear:

“We have to face the music and join the debate about a statutory minimum wage. Everybody would then see the strengths

of the Nordic collective agreement system and the value this represents for employees and for society as a whole,” she says.

NFS represents nearly nine million employees in the Nordic countries, coming from a total of 16 trade union confederations, professional and academic unions — including the

Danish Confederation of Professionals FTF, which represents 450,000 public and private employees. Bente Sorgenfrey has been the FTF President for many years, and since 1 January 2015 she has also been at the forefront of a collective Nordic trade union movement as the new NFS President.

Grassroots criticism

She believes it is her duty as NFS President to initiate a debate about how the Nordic countries should relate to the mounting pressure to introduce a statutory minimum wage, like many other EU countries have. But she admits she is facing resistance, also from her own grassroots both in Denmark and elsewhere in the Nordic region.

“It’s a view which I get a lot of stick for from trade unions both at home and elsewhere in the Nordic region, but we simply have to have this debate. Of course I want the Nordic agreement model to stay and be used widely. But that also means we need to have an open debate about it and see whether we can prepare it better for the future.”

While Nordic trade unions believe a statutory minimum wage would be catastrophic, employees in many other EU countries see it as protection against social dumping and unacceptable labour market conditions. The Nordic trade union movement cannot ignore this, says Bente Sorgenfrey:

“We are under pressure from our European colleagues, many of whom want a European minimum wage as protection against very low wages. I believe it is my responsibility, and that of the other Nordic trade union leaders, to show them that we support this goal.”

Bente Sorgenfrey says much can be learnt from Norway where legislation secures a minimum wage level within certain trades, imposed by a state Tariff Board. This means a minimum wage is secured even for workers who are not covered by collective agreements, as long as they are working in the same trade as the agreement covers.

FTF underlines that the social partners should be the ones negotiating the minimum wage included in a collective agreement, which then can be extended to cover an entire trade. This model can for instance be applied in the construction industry, where social dumping is well known.

A recent survey shows many FTF members are positive to the Norwegian model and want to introduce it to the Danish labour market. Bente Sorgenfrey believes this shows many members are very worried about social dumping, and that some members believe universally applicable collective agreements can be used to fight it.

Get a move on

Several leading Danish labour market researchers believe the social partners need to get a move on and join the debate about a statutory minimum wage. Marlene Wind, Director of

the Centre for European Politics at the University of Copenhagen, is one.

“I personally find it ridiculous that Danish trade unions are fighting against underpaid eastern European workers while they refuse point blank to consider that a minimum wage actually could be an efficient way to do something about the problem.”

A majority of EU countries consider a minimum wage to be one answer to the many problems surrounding social dumping, and Marlene Wind believes a minimum wage in some shape or form will be introduced in Europe in the long run. The Danish professor thinks the Nordic countries should therefore seek to influence the process and in that way defend the Nordic agreement model.

“The better coordinated the Nordics are, the easier it is to get the message across that the Nordic model is valuable,” she says.

Marlene Wind does not believe there will be a joint Nordic effort until all the Nordic countries understand that a statutory minimum wage does *not* go against the spirit of the Nordic model.

“The belief that a statutory minimum wage is against the Nordic model is a myth. Norway and Iceland have realised this, but in Denmark it is pretty hard to get politicians and the social partners to see this.”

Unholy alliance

She sees several possibilities for a peaceful co-existence between a statutory minimum wage and the Nordic model:

“There is nothing about a statutory minimum wage which stops the social partners from playing a central part. It has been possible in Norway, where agreements have been made collectively applicable. Another solution is for the labour market to build on top of a statutory minimum wage.”

Still Danish employers and trade unions have entered into what Marlene Wind calls an unholy alliance against any form of a statutory minimum wage; they are opposed to it for very different reasons. Employers are against a statutory minimum wage, she thinks, because as long as there is no such thing they can continue to hire foreign labour at a very low cost.

For trade unions there is even more at stake, says Marlene Wind:

“Trade unions are afraid of losing members and their entire raison d’être. Some members will ask themselves why they should be part of a trade union if the minimum wage is legally determined. So the unions will face a big task trying to explain to members that there are far more efficient ways of fighting social dumping than to run around construction sites hunting down those who pay too little.”

The Nordics must stand together

Many Danish politicians are also opposed to a statutory minimum wage and to the Norwegian model with collectively applicable agreements. One of them is Ulla Tørnæs from Venstre - The Liberal Party of Denmark. She is an MEP and Vice Chair on the EU Committee on Employment and Social Affairs.

“I support neither the Norwegian model nor a statutory minimum wage, and I want to fight any attempt from the EU Commission to force through a statutory minimum wage. We are better served with the Nordic agreement model where the social partners negotiate wages and working conditions with no political interference.”

Ulla Tørnæs has previously predicted that a European minimum wage would be introduced. Now she no longer believes it. She thinks the EU Commission’s view has softened considerably.

“There is still a desire within the EU Commission to introduce a minimum wage for all EU countries, but I don’t think a statutory minimum wage is just around the corner. If it should become a reality, however, the Nordic region must stand together and protect the Nordic region,” says Ulla Tørnæs.



"I believe all member states must introduce a minimum wage," said Jean-Claude Juncker, the new President of the EU Commission, when he took up his post in June 2014

Minimum wage could be on ETUC congress agenda

Nearly all European countries have now introduced a statutory minimum wage. At the end of 2014 Germany introduced a minimum wage of €8.50 an hour. But the Nordic countries are sticking to their agreement model.

THEME

07.02.2015

TEXT: BENGT ROLFER, PHOTO: EUROPEAN UNION 2014 - EUROPEAN PARLIAMENT.

The minimum wage issue might pop up again during this autumn's European Trade Union Confederation (ETUC) congress. ETUC has already decided this is a national issue, but many of the member organisations consider a statutory minimum wage to be a good idea. They have also got the support of the new Commission President, Jean-Claude Juncker, who

has said he wants to work towards the introduction of minimum wages in all EU countries.

So far the Nordic countries, together with Italy, have managed to halt these proposals. There are several arguments against statutory minimum wages. The social partners in the

Nordic countries seem to agree that wage setting is and should be their responsibility and not that of politicians. Trade unions consider a minimum wage to be a risk, because it could turn into a wage ceiling for many groups of workers. It is also considered to be bad for membership levels.

These arguments also had the support of the Confederation of German Trade Unions, DGB, until a few years ago. But as the reach of collective agreements shrunk along with union membership, DGB had to change tack. In 20 years — between 1991 and 2011 — union membership figures were halved from 36 to 18 percent. There was also certain 'labour market reforms' which led to the creation of a large low-pay sector in the labour market where hourly rates in some trades were as low as three to four euro. As a result, DGB did a U-turn and called for the introduction of a statutory minimum wage in 2006.

Broad support

The proposal got broad support in the 2013 general elections, and on 1 January 2015 Germany introduced a minimum wage of €8.50 an hour. This means three to four million Germans get a pay increase. The question is what happens next when Europe's powerhouse has joined the majority of EU countries with a statutory minimum wage. Will the demand spread to the Nordic countries and might we expect proposals for a common European minimum wage?

A common European minimum wage is probably some way away, however. There are large differences between minimum wage levels within the EU; they stretch from €1.04 in Bulgaria to €11.10 in Luxembourg, according to a report from the German Institute of Economic and Social Research, WSI. Germany's minimum wage lies between the UK's €7.43 and France's €9.53.

"Your lowest collectively agreed wages in the Nordic countries are probably on a higher level," said the WSI's Thorsten Schulten during an NFS wage setting seminar at Gardermoen outside Oslo, where the report was being presented.

From full time to part time

The seminar also heard Dierk Hirschel, chief economist at the German trade union Vereinte Dienstleistungsgewerkschaft, ver.di, present the background story for the unions' U-turn.

"The German labour market has been deregulated and full time jobs have been diced up into part time jobs. We were forced to stop the slide towards job insecurity and we could not do that without help from our politicians.

"If we had had a membership of 60 to 70 percent like you have in the Nordic countries we wouldn't have been talking about a minimum wage either," said Dierk Hirschel.

Meanwhile, other trade unions in Europe think minimum wages should be implemented in more countries. As the Eu-

ropean Trade Union Confederation prepares for its Paris conference this autumn, many commentators believe the minimum wage will be a topic there.

Yet the draft paper which is now being considered by the member organisations says only minimum wages "in those countries where trade unions consider it necessary should be increased substantially". ETUC recommends a level equal to two-thirds of the national average wage. No country's minimum wage is at that level today. France has the highest relative minimum wage at 62 percent of the average, and the Czech Republic is bottom with 36 percent.



Aquaculture in Norway

Norwegian minimum wage model spreading across trades

On 1 February parts of the collective agreement covering the Norwegian fishery industry were made universally applicable, meaning agreed wages now apply to the whole of the country. Two days later it was time for the agreement for electricians. Support for the Norwegian minimum wage model is growing.

THEME

07.02.2015

TEXT AND PHOTO: BJÖRN LINDAHL

In some European countries trade unions have been weakened so much that statutory minimum wages have become a necessity. It happened in Germany from the beginning of 2015, where trade unions chose actively to spearhead the dri-

ve to introduce minimum wages. In other countries minimum wages are combined with strong trade unions. There are many different minimum wage models, but what they all

have in common is that the social partners no longer are solely responsible for wage formation.

In the Nordic countries, where trade union membership is still high, there is strong opposition to minimum wages. It is a burning issue, however, especially in the wake of the introduction of a minimum wage in Germany, and the new EU Commission President Jean-Claude Juncker's desire to introduce minimum wages in all EU countries — which he made clear as he started in his new job on 1 November.



Line Eldring, Fafo.

“I think some of the predictions for how fast a common minimum wage for the EU will be introduced are exaggerated. But Nordic trade unions are also right to be worried about the fact that this issue will remain on the agenda,” says Line Eldring, senior researcher at the Norwegian research foundation Fafo.

She and Kristin Alsos have just updated a report they wrote two years ago on statutory minimum wages in Europe and in the Nordic region, on commission from the Nordic Confederations of Trade Unions.

The report identifies three ways of regulating minimum wages:

- Through negotiations between the social partners
- Through making the minimum wage in a collective agreement universally applicable to cover an entire region, trade or occupation
- Through statutory minimum wages. It is most common to set a level which covers all workers across the labour market.

LO warns against “wage dumping”

A statutory minimum wage often lies considerably below the average or median wage for a trade.

“There is an emerging debate in Europe about a common statutory minimum wage. In the Nordic region we believe the partners should determine the minimum wages,” said Knut

Bodding, who headed the Norwegian Confederation of Trade Unions' (LO) negotiating team when Fafo organised a debate on minimum wages on 27 January.

“If you introduce a statutory minimum wage it will lie considerably below the collective agreement. You end up with two minimum wages; the one in the collective agreement and the statutory one. In the service industry this could mean a 20 percent wage cut overnight,” warned Knut Bodding.

Norwegian LO would rather make it easier to introduce a time limited universal application of collective agreements. This is a relatively new model which both Sweden and Denmark have shown an interest in. Finland and Iceland have systems where most collective agreements are made universally applicable for all trades.

Took a long time

The Norwegian wage formation system is similar to the Danish and Swedish ones. But because of the high number of foreign workers in the oil industry, trade unions started calling for other tools which could prevent wage dumping. Universal application was introduced in 1993, but it was not actually used until 2004.

“This covered seven onshore petroleum plants, because there had been so many complaints over foreign labour being paid far less and suffering far worse working conditions than what the collective agreement stipulated,” says Line Eldring.

The motivation for making collective agreements universally applicable in Norway is to make sure foreign workers are not exploited, which is unique. In the rest of Europe the debate centres on statutory minimum wages. In reality there are often two different debates:

Some want to introduce minimum wages as a way of fighting poverty and to make it possible to live off one wage. Eurofound, which aims to improve living and working conditions in Europe, has calculated the cost of introducing a pan-EU minimum wage at 60 percent of the median wage (which is half way between the lowest and highest wage). It would mean a pay increase for 28 million EU workers, or 16 percent of the labour force.

Others, however, are interested in minimum wages as a tool to fight social dumping. A statutory minimum wage makes it harder for companies to cut wages.

Much interest in Norwegian system

Denmark and Sweden are showing a growing interest in the Norwegian system of universal application. In Norway one of the social partners has to ask for an agreement to be made universally applicable. The request must be documented and it is then up to the state Tariff Board to decide. It has five members, including one from LO and one from the employers. They do not have a veto, however.

Since 2004, universal application has been used for the construction industry (2005), the shipbuilding industry (2008), agriculture (2010), cleaning industry (2011) and fishery industry as well as electricians (2015). The Board is currently considering the agreement for transport workers.

Most countries would not be very interested in the fact that parts of the collective agreement covering the fisheries industry has been made universally applicable from 1 February. But in Norway fisheries is one of the country's most important industries. In 2014 Norway produced fish and shellfish worth 68.8 billion Norwegian kroner (€8bn), an increase of twelve percent on the previous year.



Onshore fish processing plants in Norway have been facing great problems, however. Norway's Minister of Fisheries, Elisabeth Aspaker, was presented with a report just before Christmas which has now been referred for consultation:

"The fisheries and shellfish industry has for many years suffered from poor profitability. The report points out that the situation has deteriorated in recent years. It is necessary to stop the downward spiral," she said as she received the report.

Bad reputation

The report says it is unfortunate that companies are competing over salaries and working conditions, as that this has a negative effect on productivity and innovation.

"Extensive recruitment of unskilled foreign labour, where some have less than an ideal pay and working conditions, can

also contribute to a bad reputation for the fisheries and shellfish industry," the report says.

It says it is positive that the fisheries industry will be covered by a universally applicable collective agreement from 1 February.

"This represents a good balance between the need to avoid potentially unacceptable wages and working conditions, and the need for Norwegian companies to use seasonal labour."

Increased support

According to Line Eldring and Kristin Alsos support for the universal application of collective agreements has increased in Norway, both among employers and within trade unions. 75 percent of the business leaders they interviewed in 2013 still felt there was a need to introduce it within the construction industry.

Among elected representatives in Norway's private sector trade union Fellesforbundet, a full 94 percent supported the system. Previous worries about a drop in membership, because people could get a "free ride" while still being covered by the terms in the collective agreement, have been laid to rest. On the contrary, the universally applicable collective agreement system has become an important tool for recruiting more members from among labour immigrants.

There are calls in both Denmark and Sweden to introduce the Norwegian system there too.

Henning Jørgensen, a labour market researcher at the Aalborg University, does not understand why the Danish Confederation of Trade Unions is not more open to the idea, especially in the light of the increased interest in minimum wages in Europe and the worry over social dumping in Denmark.

"Making collective agreements universally applicable would be a giant leap in the fight against social dumping," he told Ugebrevet A4.



Foreign truck drivers work under terrible conditions in Sweden, thinks Freddy Welle.

Swedish Transport Union: minimum wage could stop social dumping

There is strong opposition to a statutory minimum wage in Sweden. But the parties in the transport trade have started talking about making collective agreements universally applicable. The reason: pay cuts and social dumping resulting from the freedom of movement.

THEME

07.02.2015

TEXT: BENGT ROLFER, PHOTO: BJÖRN LARSSON ROSVALL / TT / NTB SCANPIX

“It’s modern slavery what’s happening on the roads, it is horrible to see how the drivers are exploited. This is no life,” says truck driver Freddy Welle from Gothenburg.

He says there are several hundred eastern European drivers in the Gothenburg region, mainly from Bulgaria, Romania

and Poland. They sleep in their trucks and have no access to showers or toilets. They have to use nature’s facilities.

“They earn little and can’t afford to shop for food. Instead there are people from their home countries who come here and sell food out of cars.”

According to Freddy Welle the eastern Europeans earn between 4,500 and 10,000 Swedish kronor (€478 to €1,060) a month, while the Swedish Transport Workers Union's collective agreement secures a starting salary of 24,000 kronor (€2,548).

"Swedish transport companies can't compete on those terms. As a result many Swedish drivers have become unemployed."

He wants to point out that eastern European drivers are more than welcome to come and work in Sweden, but they need to be given equal terms. They should have Swedish salaries and they should pay taxes to the country they work in.

How will you achieve that?

"I believe a minimum wage would have been good. The Germans have introduced it and they've managed to stop much of this traffic. It would have been good if Transport [the union] and the employers got together to do something about this," says Freddy Welle.

Joint project

And perhaps the transport sector will become the first in Sweden to introduce some kind of minimum wage. Trade unions and employers are now working on a joint project to study universally applicable collective agreements. They have visited Finland, Norway and the Netherlands. As a result the parties might agree to make the transport agreement statutory.

"We are in a situation where we are struggling to defend the working conditions in our trade via the collective agreement. The reason is the freedom of movement within the EU which means a lot of foreign trucks come here. It is difficult for us to control them all. The trade is being pounded and serious Swedish transport firms are being squeezed out. That is why we are now talking to the employers about what we can do," says Marcel Carlstedt, a lawyer for the Swedish Transport Workers Union.

Introducing a statutory minimum wage like Germany and many other countries have done is not really an option, however. The alternative is to make the collective agreement universally applicable.

"We have been studying other countries and we will now analyse their systems. We will then write a cross-party report. It is too early to say whether we will come to an agreement," says Marcel Carlstedt.

LO opposition

The rest of the members in the Swedish Trade Union Confederation (LO) are opposed to the idea and consider it to be a threat to the collective agreement model. Non-LO member organisations The Swedish Confederation for Profession-

al Employees (TCO) and the Swedish Confederation of Professional Associations (Saco) also share this opinion.

"LO isn't exactly cheering from the sidelines, but they have not said that we cannot do this, either. I understand their concerns and if you were to make all collective agreements universally applicable it would be a major interference. But we see that we must do something to save the Swedish transport business," says Marcel Carlstedt.

He adds that unions in Finland have not been losing members as a result of making agreements universally applicable. On the contrary. Even employers' organisations have gained members. There is also less of a problem with social dumping in Finland.

Curious employers, but...

Employers in the transport trade are curious, but have yet to take a stand.

"We have a problem with less than serious players who are beating Sweden's transport business. So we want to know more about how the universal application system works. This is a fairly common system elsewhere, but we are still the only ones in the Swedish labour market who are seriously looking at it. The main problem, however, is that there is no effective control of the existing rules," says Anders Norberg, head of negotiations at the Swedish Transport Group.

He admits that universal application is "a stranger" to the Swedish model and that other members of the Confederation of Swedish Enterprise are not too keen on the idea.

"We do try to keep the state out of the wage formation process, so I am sure this will lead to debate. But in the countries we have visited the employers have not considered this to be a problem," he says.

Different opinions in the construction industry

The construction industry has a similar problem, but the parties there do not want solutions like this. One reason is that employers and trade unions have opposing views of how things really stand.

"We have not been able to identify any instances of wage dumping," says Mats Åkerlind, head of negotiations at the Swedish Construction Federation.

"This is a bigger problem than we thought. We get daily reports from workplaces where the collective agreement is not being followed," says Torbjörn Hagelin, negotiating secretary at the Swedish trade union for construction workers, Byggnads.

According to the union, hourly wages of 80-90 kronor (€8.50-9.50) are normal in the Swedish construction industry, which is only half of what the agreement stipulates. There have been reports of hourly wages as low as eight kronor

(€0.85). Torbjörn Hagelin uses the same words as truck driver Freddy Welle to describe this: "modern slavery".

Yet employers do not agree, despite several similar cases being highlighted in the media.

"Sure, you can read about examples like this, but if things were as bad as Byggnads claim, we should have discovered some cases. It is bad if people are being exploited and we are working to prevent this. But all the cases we have been looking at fall within the collective agreement. We have no examples of disputes over this," says Mats Åkerlind.

Hiding the faults

Torbjörn Hagelins answers that this is because employers momentarily fix the faults when the union demands it, but that the problem recurs after a while.

The parties in the construction industry are now trying to use the collective agreement covering main contractor liability which was agreed last year (see the Nordic Labour Journal, April 2014).

Mats Åkerlind believes that the best way forward is for the parties to develop their existing agreements, rather than implementing a statutory minimum wage.

The trade unions share the same view. Yet Torbjörn Hagelin has a couple of points to add to his wish list to make it work really well: more unannounced visits from the Swedish Work Environment Authority to building sites, and a system of attendance registers.

Sticking to the Nordic model

The traditional collective agreement model remains the norm in most of the Swedish labour market. The Swedish Confederation for Professional Employees (TCO), for instance, believes the model works well and that there is no need for change.

"We will stick to our model, but understand that what works in one country or trade might not work equally well everywhere else," says Mika Domisch, international secretary at TCO.

He points out that many European countries in crisis view statutory minimum wages as a solution.

"In these countries the agreement system has failed and wage formation would simply not work without a statutory minimum wage. We believe it is important to have a liveable income. Europe needs more purchasing power, but for us it is important that the member countries can choose which solution they want in order to achieve this," he says.



Paavo Arhinmäki

Only far left wants minimum wage in Finland

Finland is one of the Nordic countries which has not had a public debate about a minimum wage. The Left Alliance (VF), which is the party furthest to the left in Finland, is the only political party which has called for a statutory minimum wage. In April's general elections the party's manifesto will also include a promised minimum hourly wage of €10 — around €1,600 a month.

THEME

07.02.2015

TEXT: CARL-GUSTAV LINDÉN, PHOTO: MAGNUS FRÖDERBERG/NORDEN.ORG

"We believe we need legislation. There are universally applicable collective agreements, but there should be a minimum wage for all trades which lack the power to negotiate or for those which are not covered by any agreement at all," says the party leader Paavo Arhinmäki.

Until the spring of 2014 he was Minister for Culture in the current government, but left in protest against proposed spending cuts and tax rises.

It is too early to say whether the message hits home during electioneering, since VF is only polling at around 10 percent. The party is also split with a faction which wants to keep the

current model of trade specific collective agreements. Minimum wages are now decided through negotiations with employers. These minimum wages could be considered to be statutory, as the agreements are legally binding.

The Finnish Green Party (the Greens of Finland), on the other hand, want a basic level of income in order to make the benefit system simpler and more predictable for the poorest in society. The aim is to get the next government to agree to a trial of a basic income level.

A strong system

Matti Tukiainen, Director of Employment and Sustainable Growth at The Central Organisation of Finnish Trade Unions FFC, sees no reason to change Finnish legislation and introduce a minimum wage. He believes collective agreements work better than statutory minimum wages when it comes to setting wages.

“Our collective agreement system is strong and in most cases universally applicable regardless of whether the employer is organised,” he says.

VF has been impressed by German sister party Die Linke, which managed to get their demand for a minimum wage through parliament. In Germany a growing number of low-paid jobs, especially part time jobs, means the wage gap is widening. Finnish wage differences are still small in a European perspective, according to fresh research from Mari Kangasniemi and Pekka Sauramo at the Finnish Labour Institute for Economic Research in Helsinki.

In general countries with coordinated wage agreements had small differences in wages.

No threat

Matti Tukiainen cannot see anything which could change the belief in Finland’s collective agreement system in the near future. There are certainly companies which hire out labour in Finland too, but this represents a relatively small number of workers.

“And in any case it is the host company’s collective agreements which counts. In recent years we have seen the emergence of zero hour contracts, where hours are determined by the employer’s need — for instance 0-40 hours a week. Temporary contracts are becoming more common too, as well as the trend of changing a job contract into a subcontractor contract.

“There is also forced labour in Finland, where workers are allowed to carry on working, but only as long as they do it as independent contractors. This is a threat to the system.”



LO president Gerd Kristiansen in front of the demonstration against the working environment act.

Norway: strike against labour law reform, tough conflicts ahead

Will more short term contracts lead to more jobs for more people? Will it make it easier to access the labour market? Would it create more jobs or just more temporary staff? These questions are at the core of Norwegian workers' fight against changes to the working environment act.

NEWS

07.02.2015

TEXT AND PHOTO: BERIT KVAM

“The government claims that its liberalisation of the working environment act is only an adjustment, but it would actually mean a tougher working life. Both job security and working hour regulations are under pressure,” the leaders of the three trade union confederations LO (the Norwegian Confederation of Trade Unions), YS (the Confederation of Vocational

Unions) and UNIO (the Confederation of Unions for Professionals) wrote in a joint opinion piece in the daily VG on 28 January.

The confederations represent 1,500,000 workers, and that same day they called for a two hour long general strike, be-

cause “The overall effect of the proposed changes to the working environment act shakes the very foundations of the Norwegian social model”.

The Minister of Labour and Social Inclusion, Robert Eriksson, does not agree:

“We need a working environment act which is more modern and adapted to today’s working life. That is why the government is proposing several changes which will give more flexibility and workers more power over their own working day.”

He has made up his mind and published the government’s white paper before Christmas. It is now out for consultation and is being discussed in the parliamentary standing committee on labour and social affairs. It is still unclear whether a compromise can be reached with the government’s supporting parties, the social liberal party Venstre and the Christian Democrats, which would secure a parliamentary majority.

The opposition Labour Party and centre-left parties promise to reverse the proposed ease of temporary employment regulations if they get back into power. The employers support the proposed changes and say the trade unions are overreacting.

On 24 March parliament will vote on the changes to the working environment act. The head of the committee on labour and social affairs Arve Kambe (Conservatives) is now working to secure a political majority (Prop. 48 L (2014-2015)).

“I want to have a good dialogue with the social partners, both the employees and employers. It is important to me to secure the broadest possible support for the changes to the working environment act, and to get changes which will stand the test of time,” Arve Kambe tells the Nordic Labour Journal, and adds that this is only what the parties promised in the run-up to the election.

“This is part of the Conservative Party and the Progress Party’s manifesto and part of the government’s coalition agreement.”

“Defend the working environment act”

was the slogan when 20,000 strikers lined up outside of parliament in the drizzle to show their opposition to the government, and to listen to the appeals from the leaders from LO, YS and UNIO. They called for a continued fight against the government’s proposed changes to the working environment act. The strike’s nationwide support clearly demonstrated the workers’ massive opposition. Even in Vadsø, in the high Arctic north, strikers fought a blizzard to show their opposition to the proposed legislation.

“I have a dream,” says the Minister of Labour and Social Inclusion, Robert Eriksson, and argues for making it easier to get into the labour market:

“We have more than 600,000 employable people who are outside of the labour market. That’s why it is important to have legislation which supports today’s working life and prepares Norway for the future, when we will need all the available resources.”

The core of the conflict

The proposed legislation would allow employers to hire staff for twelve months. This is meant to give people outside of working life a chance to try working, and to give businesses greater flexibility.

Limits have also been suggested to prevent temporary staff carrying out work which is permanent in nature. Also: if a worker is not given a permanent job at the end of a temporary contract, the employer will have to wait for 12 months before being allowed to hire someone else to carry out the same tasks.

There is also a quota of no more than 15 percent temporary workers out of the total number of staff. It would not be possible to hire temporary staff on top of temporary staff, and employers will not be allowed to enter into individual agreements to calculate a temporary worker’s hours on the basis of a fixed average.

Extending the use of calculating working hours on the basis of a fixed average is another contentious issue. It means that it will be possible to work longer hours and more Sundays in a row, even though there is no increase in the total number of working hours. This is meant to improve the employers’ opportunity to negotiate the number of working hours.

“The proposal does not mean more working hours, more overtime or more working Sundays in total, but the government wants to make it easier to control the working hours in a way which will suit the individual worker and the individual workplace,” says minister Eriksson.

Happy employers

“I believe it is important to remember that all those who have permanent jobs will still have those jobs, and when you hire for a position which could become permanent it will still be permanent because it will benefit the company. There is a labour shortage. Attractive workers will not want to accept a temporary job if they have the chance to get a permanent one. Some are suggesting that everything will be temporary now, but only 6.8 percent of jobs in the private sector are temporary today,” Kristin Skogen Lund, President of the Confederation of Norwegian Enterprise (NHO), tells the Nordic Labour Journal.

“Of course it is unfortunate if you get a temporary job instead of a permanent one, but we believe in temporary employ-

ment as an alternative to no job at all. It is safer to get into working life, get a chance, get some experience. And we know that more than 50 percent of temporary staff are hired on a permanent basis after one year.

“We believe that this is an important stepping stone into working life. We consider it an alternative to not being in work at all, more than an alternative to permanent employment.

“Anyone who has the skills to get a permanent job will choose a permanent job and get it. Then there are some businesses which will be able to expand for instance by hiring a temporary worker. We might see an increase in temporary employment, but that would be an increase in the number of jobs. And that is a good thing. I think that if we got more temporary jobs as a result of fewer permanent jobs, we would be failing. This is not what we want, but I believe we need to achieve a certain growth in the number of jobs.

You are willing to change the practice after an eight years’ trial period. That is not going to be simple?

“Why not? It is completely unproblematic and no damage will have been done. You can just reverse it.”

More than 60 percent of NHO’s members want that option. Do you believe they will change their minds so easily?

“If it doesn’t work we would have to admit to it. Our members are not interested in more temporary jobs. They are interested in creating jobs.”

What do you think about the unions’ strike?

“I think it is an overreaction and that it shows a lack of understanding for the need for change within the Norwegian economy and working life,” says Kristin Skogen Lund.

Vibeke Madsen, CEO of Virke, the Enterprise Federation of Norway, the second largest employers’ organisation after NHO, agrees.

“In our view, the most important thing about this proposed legislation is that businesses facing restructuring and changes are allowed to consider their capacity. With temporary staff you reduce the risks for the employer and this will give results,” she says.

You are not worried about an erosion of people’s permanent link to working life?

“What I hear when I travel around the country is that it is very important for our members to be able to attract important skills and to get important workers into their companies. There is fierce competition, and they know that permanent jobs are the only ones that count. But they also need to secure their businesses financially. Our goal at Virke is to cre-

ate more jobs, but we believe this must happen in a way that reduces risk.”

Strikes are rare in Norway. The Norwegian model is based on cooperation between the social partners. When you disagree you talk through the problems and reach an agreement, often built on compromise. Now the Minister for Employment and Social Inclusion, Robert Eriksson, has alienated the unions not only because of the changes to the working environment act — he is also being accused of refusing to listen.

The trade unions want to be heard

A marathon session in front of the parliamentary standing committee on labour and social affairs running from 9am to 7pm on 21 January heard from nearly 40 different organisations, led by LO and NHO.

Jorunn Berland, head of the Confederation of Vocational Unions (YS) was one of the speakers.

“What we have been saying is that in this process we have arrived at a situation where we have been forced to say no. We wish we could have had a process where we could have said yes. This means there are things we could have accepted, but not as it stands today. If we could have kept a dialogue going it would have been much better, because we don’t really believe it is OK to just say no.”

So are you more upset about the process than the content?

“It has a lot to do with the process, and I believe the content could have been different if we had managed to get a good dialogue going. We are not now at a stage where we can accept the current proposals. If we could have had a dialogue aimed at making some adjustments, things would have been more palatable for us.”

UNIO is the third major trade union to take strike action. Their President, Anders Folkestad, is sure a compromise can be reached.

“I don’t think any government would benefit from being in conflict with the trade union movement and that is what the current government is. We disagree and we are in a conflict situation, and I think that is worrying. The political parties understand that they need to find other solutions,” says Anders Folkestad.

Is this a conflict about the process more than the content?

“This is definitely about content and the actual proposed changes to the working environment act. A lack of dialogue has amplified the anger, but the main reason is that we want to talk about the working environment act,” says Anders Folkestad.

He is worried that the proposal could hurt women in particular.

“The government is arguing for major changes both to the rules on temporary jobs and working hours, not least within the health sector. These are female-dominated sectors which are facing increased pressure both when it comes to working hours and terms of employment, and that could damage gender equality. Uncertainty surrounding the terms of employment could also have a negative impact on people’s desire to start a family,” he thinks.

LO President Gerd Kristiansen says she is working to have the proposal returned to the government. Are you on the same track?

“Yes, I believe that would be a good thing, especially as it would allow us to look at the impact of the proposed changes to rules surrounding temporary jobs, but I don’t see the majority in the committee pointing in that direction.”

Power shift

The leader of the Norwegian Nurses Organisation, Eli Gunhild By, thinks the current working environment act is more than flexible enough.

“When we see the proposed changes we know that these can easily be made using the current legislation.”

The committee wants to cooperate to secure as broad an agreement for the changes to the legislation as possible. Can you participate here?

“We are more than happy to cooperate and to come up with suggestions for the government, individual politicians and the committee, but it seems to me that they have already made up their minds. They are riding roughshod over us to get this through because it is the political will especially from the Minister for Employment.

“What they really want to do is to remove all our power. We are not interested in the power shift they have presented.”

Denmark: more refugees and immigrants into work

Far too few refugees and immigrants in Denmark are in work, and there is broad agreement something needs to be done about it. Yet there is little support for the Prime Minister's proposal to get refugees and immigrants to clean up Denmark's beaches and fix swings in kindergartens.

NEWS

07.02.2015

TEXT: MARIE PREISLER

Denmark's integration programme does not work as it should and needs reform to get more refugees and immigrants into work. This will be central to a proposed new Danish integration policy which the government is presenting soon.

Less than one in four refugees and immigrants in Denmark are self-sufficient one year after arriving in the country, and two in three participants in the three year long Danish integration programme are not in work or education at the end of it.

There is broad cross-party agreement that far too few get a job and that the integration programme is in need of reform. The social partners also support this view. There is still some way to go before a political consensus can be reached for just how this will happen, but it looks like the new integration programme will be more flexible and shorter than the existing one.

At least that is the recommendation from a committee of experts who recently advised the government on the matter. The committee is headed by the former Minister for Taxation Carsten Koch, who has been asked to look at Danish employment policies and come up with suggestions for how it can be improved.

Closer cooperation with businesses

The committee's first report came one year ago. The second one — looking at the integration into the labour market of refugees and immigrants and people on family reunion — was presented on 19 January 2015. It makes three main suggestions:

- More business-related measures
- A shorter, more intensive integration programme
- Following up those who do not get a job as a result of the integration programme.

The experts highlight the need for closer cooperation with businesses and measures like subsidised jobs or internships.

"Business-related measures work best when it comes to getting newly arrived people into work," Carsten Koch said when he presented the committee's recommendations.

Urgent

The government has asked the committee to present its results earlier than planned. The increase in the number of refugees to Denmark has made it urgent to improve the country's integration measures, says the Minister for Employment, Henrik Dam Kristensen (the Social Democratic Party)

"We are facing an urgent challenge with the increase in refugees from Syria and elsewhere, and it is crucial that we do not repeat past mistakes. We need integration measures built on rights and duties which make sure that refugees who are able to work find a place in the Danish labour market and in Danish society as soon as possible," the minister said in a comment to the Carsten Koch committee's recommendations.

Just how the government will go about achieving this is still not known. Prime Minister Helle Thorning-Schmidt (the Social Democratic Party) did use her new year's speech to tell the Danish people that new refugees should work, no matter how long they would be staying in Denmark, that her goal was to get as many refugees and immigrants as possible into the labour market. Those who can't might be asked to carry out different kinds of tasks:

"Others can get started with some of the tasks which also need to be carried out. We have beaches which need tidying. We have kindergartens where the sandpits or swings need fixing," the Prime Minister said.

Praise from the municipalities

In Denmark the municipalities are responsible for the implementation of employment and integration measures and for running the job centres. They are very positive to the Carsten Koch committee's proposals for more flexible and business-oriented measures aimed at newly arrived refugees and people on family reunion, and for speeding up the mapping of their qualifications and skills.

The Confederation of Danish Employers (DA) is also positive to the Carsten Koch committee's recommendations, but DA wants to see more economic incentives and the inclusion of immigrants who have lived in Denmark for a longer period of time.

There is not much support for the Prime Minister's proposal to make refugees and immigrants on family reunion carry out menial jobs on beaches and in kindergartens, however. The government's parliamentary base, the municipalities and the government's own expert group are all sceptical to the idea of turning refugees into menial workers. The Prime Minister's suggestion is not mentioned at all in the Carsten Koch committee's report.



Sweden's Minister for Employment, Ylva Johansson

"LinkedIn can complement the employment service"

"We must improve matching in the labour market, and the employment service needs help from other players to do this. LinkedIn could play an important role in a well functioning labour market," says Sweden's Minister for Employment, Ylva Johansson.

NEWS

07.02.2015

TEXT: GUNHILD WALLIN

It is Friday afternoon at the end of January, and Ylva Johansson has just come out of a meeting with leaders from the global professional networking service LinkedIn. Over one and a half hours they have covered many issues, including labour market trends and matching.

"LinkedIn is an interesting and modern player when it comes to matching in the labour market. We face great challenges with improving matching. People move around more, matching happens more often and this is good. I wish there was even more mobility and even more matching in the labour market, but it is very clear that right now the Public Employ-

ment Service cannot deal sufficiently with these demands," says Ylva Johansson.

"My vision is that the employment service can work with other players who work with matching to create a well functioning labour market, and in this context I believe LinkedIn could play an important part."

332 million members

LinkedIn was officially founded in 2003 and now counts 332 million members worldwide. In October 2014 the number of Swedish members passed two million and there are three million members in the other Nordic countries. The company will shortly be presenting membership figures for each country. Members use LinkedIn to publish their CVs, create networks, follow the companies which interest them and to gain access to articles relevant to their profile.

Businesses use the professional network for marketing, but also to showcase themselves as potential employers, for instance by creating special career pages. LinkedIn can also offer businesses special solutions which make it easier to attract and find the right talent. One such solution is to maximise their search for new staff and to match them with LinkedIn's members worldwide.

"An ordinary job advert reaches those who are looking for a job, but here the employer also gets in touch with people who aren't actively reading the ads. This creates a much bigger reach," says Anoek Eckhardt, LinkedIn's communications manager who is based in the Netherlands.

Can map skills in a town

Using their large membership mass, LinkedIn can provide information about the skills available in a certain town or region, allowing a company or city to find out where in the world they can find the talent they need. Anoek Eckhardt uses an example from his own home city to illustrate how they work. Amsterdam City wants to attract technologically skilled people to create a techno hub in Europe. Using LinkedIn they have mapped the skills of people who are moving to Amsterdam, who are leaving the city and why.

"We can provide this knowledge and then the city can decide how it wants to use it. It could be interesting for them to get to know the technologically skilled people who already live in Amsterdam, and their contacts," says Anoek Eckhardt.

In talks

There are also talks to establish a cooperation between the Swedish Public Employment Service and LinkedIn.

"We have met twice and have had an open debate about how we can work together. We are interested in anyone who can contribute to improved matching. A lot of the matching happens digitally these days," says Anders Gawell at the Public Employment Service.

They are looking at how relevant information can be shared between the Public Employment Service and LinkedIn. It could, for instance, allow a jobseeker who uploads a CV to share it on LinkedIn with a simple click. They have also talked about how LinkedIn could contribute to the open online seminars which the employment service is planning for the spring and autumn, for instance by teaching how to market yourself both as an employee and employer.

"We need to get better at helping people navigate in the digital jobseeker world. It is also easy to have your skills verified using LinkedIn's network," says Anders Gawell.

Not competitors

He does not consider LinkedIn or other players to be competitors to the employment service. On the contrary; cooperating with many players who work to make it easier for people to find jobs is nothing but positive.

"We want the employment service to work as a hub for different kinds of cooperation," he says.

Ylva Johansson is positive to the talks between LinkedIn and the employment service. She thinks it is a good, interesting and right thing to do. She also wants to highlight another issue which has come into focus after her meeting with LinkedIn — dealing with employers who struggle to find the right kinds of skills.

She also believes LinkedIn can be important for people who are further away from the labour market.

"That is exactly what I believe a cooperation between the employment service and LinkedIn could lead to. And if you have two million members from Sweden's labour force today, you are looking at nearly half of the total Swedish labour market. You will then have bypassed the most established routes," says Ylva Johansson before she hurries along to her next meeting.



The report's authors propose a completely new set of rules for energy efficient buildings, rather than a time consuming harmonisation of construction regulations and legislation in the different countries. Above: an apartment block in Tromsø

Technology and cooperation key for sustainable development in the Arctic

The Nordic region needs to speak with one voice and develop joint technology if the northernmost parts of Finland, Norway and Sweden want to achieve sustainable development in the Arctic, according to the report 'Growth from the North'.

NEWS

07.02.2015

TEXT AND PHOTO: BJÖRN LINDAHL

The three countries' prime ministers commissioned the report in April 2014 and it was presented during the Arctic Frontiers conference in Tromsø, which ran between 19-23 February.

Some of the proposed areas for cooperation were:

- Creating a research facility focusing solely on oil spills in icy waters
- A completely new set of Nordic regulations for energy efficient buildings which can exist in parallel with the countries' existing regulatory frameworks

- Joint marketing of the three countries' Arctic areas to attract tourists

The report's authors are Anne Husebekk, Rector at the University of Tromsø, Magdalena Andersson, governor for Västerbotten County and Risto Penttilä, Chief Executive of the Finnish Chamber of Commerce.

Joint transport plan

The political message is similar to the one found in other Nordic reports; the need to remove border obstacles, harmonise education and qualification standards and develop a joint transport plan for the Arctic areas.

All of the three countries have separate Arctic strategies, but when it comes to Arctic issues the aim should be to speak with one Nordic voice. Since all five Nordic countries are members of the Arctic Council, it should be considered the most important forum for addressing Arctic issues.

The Norwegian Prime Minister, Erna Solberg, is sceptical:

“The Arctic is Norway's most strategically important area both nationally and internationally.”

Her centre-right government has carried forward the very active Arctic policy developed by the former centre-left government of Jens Stoltenberg during their eight years in power. The government increased spending for the Arctic areas with 574 million kroner (€65m) in its 2015 budget, bringing the total spending to nearly three billion kroner (€340.5m).

Parallel with the Tromsø conference, Norway's Ministry of Petroleum and Energy opened up new blocks for oil and gas exploration in the Barents Sea. For the first time since 1994 oil companies are now able to explore areas on the border with Russia and near the Arctic ice edge in the north.

LNG part of the solution

The three authors have not taken a position on oil exploration, but consider liquefied natural gas (LNG) to be part of the solution — a source for sustainable growth and energy security

Especially if the natural gas is combined with iron ore production.

“Today, mineral raw materials in many parts of the Arctic are processed using coal or heavy fuel oil or transported elsewhere for processing. We believe that in the future, LNG can be the energy component in mineral processing activities, creating new industry clusters and achieving considerable reductions in CO₂ emissions”, the authors write.

LNG can also be important as fuel for shipping, which is facing new and stricter provisions on sulphur emissions from the beginning of 2015.



Photo: Björn Lindahl

Minister for Strategic Development Kristina Persson: make the Arctic “green”

So far she has been the least visible minister in the Swedish government. That’s about to change as she is setting up a think tank in the government offices.

PORTRAIT

07.02.2015

TEXT AND PHOTO: BJÖRN LINDAHL

Kristina Persson, Sweden’s Minister for Strategic Development and Nordic Cooperation, enters the conference hall in Tromsø just as an American oil executive describes the advantages of shale oil.

“This is a great story, a once in a lifetime opportunity,” he says, as enthusiastically as a Pentecostal preacher in an American small-town church.

Everything is looking up. American oil production is about to break new records. Production is growing by 100,000 barrels a month.

“Texas has tripled its oil production in five years. The state is now a larger oil producer than all of the 12 Opec countries, except for Saudi Arabia,” says Greg Leveille, General Manag-

er at ConocoPhillips' Unconventional Reservoirs Technology Program.

What he is not saying is that American shale oil could eliminate Norway's future plans in the Arctic. Shale oil is the reason oil prices have halved. Today's oil price of 50 US Dollar a barrel means it is no longer profitable to explore the oil fields discovered in the Norwegian parts of the Barents Sea.

Good news for the Arctic

"But for people living in the Arctic region and for Nordic cooperation the fall in oil prices could be an advantage," says Kristina Persson, as we some time later sit down — in a Nordic fashion — at a table in the university's student canteen.

"Everybody knows the Norwegian oil era will end one day. But it has been hard to do anything about this as long as things have gone so well.

"Now people are forced to think new and to develop new exportable products and services. This can become an advantage for the Norwegians, a bit like when Sweden became a bit more humble after the economic crisis.

"We were no longer the cocky big brother, but more like the helpful big sister," she says.



Photo: Pernille Ingebrigtsen/Arctic Frontiers 2015

Kristina Persson is in Tromsø for the Arctic Frontiers conference. She is being presented with a report alongside the Norwegian Prime Minister Erna Solberg and the Finnish Prime Minister Alexander Stubb. It was commissioned by the prime ministers of the three countries in April 2014 (see separate story).

One of the report's key conclusions is that the Nordics should speak with one voice on Arctic issues. That is easier said than done, however. Sweden wants a fossil fuel free society by 2050. Meanwhile, on the same day as Kristina Persson attends the Tromsø conference, Norway's government opens

up large areas in the Barents sea for oil and gas exploration. For the first time since 1994 oil companies have been given permission to drill in completely new areas on the border with Russia, near the Arctic ice edge.

"We do this because we still consider oil and gas to be part of our future energy production. We feel this region deserves the jobs and economic development which have benefited other regions in Norway earlier. We don't think it is fair to say the Arctic is an area where you are not allowed to do this," Erna Solberg tells a press conference featuring the three ministers.

LNG a diversion

The report's authors propose to invest in liquefied natural gas (LNG) as one of four main drivers for future energy development. Kristina Persson does not hide the fact that she thinks this is a diversion:

"Natural gas could perhaps be a transition energy source with lower CO₂ emissions than coal and oil. But it would be better to invest in renewable energy sources straight away."

She would rather use today's falling oil prices as an opportunity to introduce a CO₂ tax which was high enough to make renewable energy sources competitive with oil.

Kristina Persson is one of the less visible ministers in Stefan Löfven's centre-left government. When Sweden's national wire service, TT, counted the number of articles written about the different government ministers in 2014, Kristina Persson came last. But few people enjoy such broad experience of how politics works on different levels — regionally, nationally and internationally. Her CV is as long as a smorgasbord.

She started out in the Ministry of Finance in 1971, then moved to the Secretariat for Future Studies during the first oil crisis. She spent the 80s in the trade union movement — first at the Swedish Trade Union Confederation (LO), then at the LO-TCO Secretariat of International Trade Union Development Co-operation (run by LO and the Swedish Confederation of Professional Employees (TCO)), later at the Confederation of Nordic Trade Unions (NFS) secretariat, and finally at the TCO. During the 90s she was an MP and then an MEP, before becoming a county governor and deputy governor of the Swedish central bank. From 2007 she led the think tank Global Challenge, which she had founded herself.

Since the autumn of 2014 she has been a minister in Stefan Löfven's government. On the government webpage she describes her own mandate like this:

"My work involves pursuing the long-term development of ideas at the Government Offices. This will include the green transition, jobs and distribution, and initiatives to influence the global agenda for sustainable development. I will also work to ensure that the Nordic countries cooperate and make

use of their combined strength. Together we are an actor with clout."

Think tank

It sounds like you are building a think tank within the government?

"Yes, you could put it that way," she admits.

"I am now building an organisation which can provide analysis to help develop new ideas and suggestions for measures, like how you create jobs in light of all the technological change which is taking place. I am recruiting and soon we will introduce the people who will chair the analysis groups. The themes we will be focusing on to begin with include future working life, green change and global governance and development. We will work quickly and present reports on these areas in a year from now."

How many people are we talking about?

"Around 30 people will be participating in or leading these groups, including secretaries and communication workers."

What is your role as Minister for Strategic Development? Do you report directly to the Prime Minister?

"I sit in the Prime Minister's Office and have close contact with Stefan Löfven. My work is to prepare policy development and reforms.

"And then, of course, it is Stefan Löfven's and my responsibility take this to the government offices. First you discuss the issue in the analysis groups to develop various proposals, which are then discussed by the government before being taken to the level where political decisions can be made.

"Not everything gets that far, of course. Some issues are bound to lead to conflicts, I would think."

Energy efficient houses

Her role as Minister for Strategic Development with her own think tank indicates that Stefan Löfven's ambition is to govern for a long time. He wants someone who can see things in a long perspective. But so far her ministerial role has created little attention. Among just a few press releases there is one about an initiative for Nordic cooperation to harmonise regulations in the construction industry.

"National construction rules should not make energy efficient construction more expensive or difficult. If the Nordic countries want to become leaders in green technology, we need more common frameworks, rules and procurement. That will make it easier for businesses to operate across the Nordic region," she says.

She has long been engaged in the fight against border obstacles.

"I am a great believer in thinking across borders by removing the existing border obstacles. The nation states fence us in with rules, regulations and ideas, with roads and railways which in our case run north to south while they should to a much larger extent run east to west."

The Nordic region in the G-20?

In another press release you can read about her reaction to Norway's Labour Party leader Jonas Gahr Støre's suggestion that the Nordic region should apply for membership in the Group of Twenty (G-20). Together, the Nordic countries would represent the world's tenth largest economy.

"It's an interesting proposal. But first we should develop a common agenda and drive issues in international settings focused on for instance sustainability and green growth," she says.

"I have sympathy for Støre's ambition, but it is quite futile to believe that we would be allowed in no questions asked, without first making sure we qualify for a position like that. The only way to do that is to make a proper contribution.

"The Nordic countries are role models. We are in the lead and have every chance to be influential. Look at all the international surveys where we come out top."

According to the report "Growth from the North", the Nordic countries should consider the Arctic Council to be the most important venue for dealing with Arctic issues. That would mean a lesser role for the Barents Euro-Arctic Council, which has been central to Norway's cooperation with Russia.

"This diversity is good in many ways, but the sheer number of cooperation organizations, working groups, funds used to finance projects in the Arctic, and other international actors and agencies relevant to the region can lead to poor policy coordination," the report says.

Do we need all these organisations, or should we close the Barents Euro-Arctic Council?

"I intend to look into this. It must be incredibly time consuming to be involved with all these groups and commissions. And the foreign ministers must meet every year in these organisations. I wonder whether it would be possible to streamline this, but so far I have not made up my mind."

Supports annual transport meeting

She also supports the suggestion that the three countries' communication ministers should meet once a year to discuss Arctic transport issues.

"We don't need all the Nordic cooperation ministers to meet every time. Sometimes we meet in smaller groups of two, three countries. Sweden, Norway and Finland all share borders. It is not always obvious why for instance Denmark should be interested in debating Arctic transport issues."

Kristina Persson was born in Jämtland, not far from the border with Norway:

“I am a Jämte [a person from Jämtland], and that makes you half Norwegian, really. My family has always had strong links to Norway, and we have travelled there often. My first ocean swim was in the Trondheim fjord, which is also where I learned how to fish for eels and to dive, so Norway has always been close to my heart.

“As a former governor for Jämtland County I am very interested in the electrification of Meråkerbanan.”

Meråkerbanan is the Norwegian stretch of the international railway between Trondheim in Norway and Sundsvall in Sweden. The Norwegian government has decided it will be electrified, but work only starts in 2017 and will finish no sooner than 2022.