### NORDIC LABOUR JOURNAL

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### Dec 11, 2017 Theme: The Nordics are



Newsletter from the Nordic Labour Journal 9/2017

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### The golden formula

When we can watch a robot do a summersault, we know there has been a technological leap. We cannot know the consequences, but change is needed to face what is happening. A change to what? How do we prepare for new times? These are the types of questions politicians, the labour market, researchers and the Nordic Labour Journal are mulling over. What is the golden formula?

EDITORIAL 11.12.2017 BY BERIT KVAM

'The future of work' is the term that the International Labour Organisation has turned into a global debate which will culminate at the ILO's centenary celebrations in 2019. Nordic countries are contributing with their ongoing conversation about how we want to see the labour market develop, and Nordic Labour Ministers have launched a comprehensive research project with contributions from 21 Nordic research teams. One question is the influence all the changes will have on working conditions in the Nordic region, and how the Nordic model can help shape the things to come.

The NFS's Magnus Gissler gets excited when he talks about the Nordic model in Portrait. He thinks there has been increased international interest for and understanding of the Nordic model, and that this also gives more energy to the Nordic cooperation.

The Nordics are doing well. At the ministers' meeting, Pål Molander pointed out that Nordic countries top many international surveys; the Nordics are top when it comes to happiness and gender equality, and far ahead in employment rates, digitalisation, productivity and more. The golden formula, he says, is a high degree of autonomy and good control over your own working situation. Could this be about to be forgotten?

"There's a tendency in the Nordic region to take the working environment for granted. Is it time we looked after our gold? The thing that has been our competitive advantage for so long?" said Pål Molander.

The Nordic model, based on a high degree of trust, does not happen by itself. Collective decision-making prepares people better for change, yet 42 percent of respondents in the 2017 Norwegian collective decision-making barometer feel the labour market is moving in an authoritarian direction. The tendency is clearest within certain sectors. The Nordic region is a leader in gender equality. We still have a long way to go. Ylva Johansson says women have been using #metoo to shout loudly, that this is about time, and it is serious. We must make sure that what is happening now will change everyday life for real, she says, and wants to find out what needs doing – together with the labour markets' parties. But this is not just something happening in Sweden, it is going on across the Nordic region – yet in different manifestations, as our story about the #metoo campaign shows.

Statistics used by Nordic ministers to compare the countries' development within central areas also show a mixed picture. There is for instance still reason to worry about all the young people who are neither in education or work.

Norwegian labour and welfare models depend on high employment levels. The refugees who arrived in such surprising numbers in 2015, have now been through the introduction programme and are ready to enter the labour market. But a compacted salary structure, high starting salaries and few jobs for unskilled workers makes this a challenge. The debate during the Nordic Labour Ministers' meeting shows that politicians, researchers, employees and employers really value training and skills development as tools to get newly arrived people quicker into working life.

Iceland's new Minister of Social Affairs and Equality, who also is responsible for labour, has found his seat in the new government. His challenge is to secure harmony in the labour market.

We are talking about the future, but the robot is performing its summersault now. How do we motivate young people to lead the robots, ask the Danes on the Disruption Council. It looks like the Nordic region is about to enter the future of work.



### Anniken Hauglie at the Nordic council of ministers - changing focus on working environments

A changing labour market means new demands and challenges for the labour market's parties, politicians and society as a whole. This formed the backdrop when Anniken Hauglie hosted a conversation during the Nordic labour ministers' meeting in Oslo recently. The opening theme was how working environments influence productivity.

THEME 11.12.2017 TEKST: BERIT KVAM FOTO: HÅKON JACOBSEN

"Lately the focus on working life conditions have centred on how to stop work-related crime and social dumping. We will now move the focus onto the continuous efforts to improve working environments; what creates good, productive workplaces and what impact a good working life has on workplace cooperation," Anniken Hauglie said when she hosted a tripartite conversation on working environments and competitiveness.

"Do we have enough knowledge and awareness about what works and what doesn't, in order for us to maintain a worldleading working environment?" Norway's Minister for Employment asked. To help explore the issue she had invited Pål Molander, Director General at the National Institute of Occupational Health, to present a keynote address on the topic 'The working environment's importance for Nordic competitiveness'.



"Do our measures address the challenges well enough?" he asked in his presentation and answered himself by pointing to a tendency in the Nordic region for taking the working environment for granted.

"Is it time we woke up, now that we are supposed to prepare for a new working life? Is it time to look after our gold - what has been our competitive advantage for so long?"

One of the worrying things is that a 'good working environment' these days is often linked to being offered perks like private health insurance, exercise or mindfulness during working hours. This has been proven to have little effect on working environments. He felt it was better to focus on working tasks and how work is organised.

"Perhaps it is time to focus a bit more on this as we face major change both globally and within the Nordic region," Pål Molander said, describing a reality which most of those present recognised.

Nordic countries are all doing very well: Education levels are high, they are topping international surveys on happiness, they enjoy generous welfare systems, low levels of corruption, high levels of trust, they are leaders on digitalisation and workplace gender equality, productivity is high, employment levels are high, people retire late and the Nordics come out top in working environment studies.

Despite all this, the focus is skewered. Demands for systems and documentation have contributed to a feeling of tiredness in many workplaces, and breaks with cakes have become synonymous with a good working environment. But Pål Molander challenges:

"We are in the middle of a paradigm shift when it comes to technology, where focus is now on automation, digitalisation, artificial intelligence. This shift presents us with challenges and opportunities. There are also huge developments within biotechnology, energy and material technology, and we are ahead here. We also see changes to employment models and an increase in work-related crime."

### Nordic gold

In the Nordic region we can face these challenges as long as we protect what he calls the Nordic gold, but Molander warned: The Nordics are more exposed than other countries.

"Nordic countries are high cost countries and must therefore expect a lot from workers in order to stay competitive in an increasingly globalised world. International studies show that more is expected when it comes to tempo, the amount of work and emotional demands in Nordic countries than in other comparable EU countries. We manage this in the Nordic region by empowering employees.

"Our golden formula is a high level of autonomy and control over your own work situation.

"We know a lot about what contributes to work engagement and what contributes to sick leave. An active work situation with a high degree of control leads to good health and work engagement, and higher productivity. Without that control, high expectations at work represent one of the greatest risk factors we have for work related sick leave and disability.

"This has been the Nordic gold standard - the question is whether we can maintain it in a changing labour market," says Pål Molander, who points to several challenges.

"There has been massive focus on #metoo lately. This also reflects some of the culture and climate in the workplace.

"High employment rates also means that we include more vulnerable individuals.

"It is not the case, as many claim, that you get well through working. For that you need a good working environment, especially for vulnerable individuals who have a need to be included. A bad working environment can actually damage your health. At the same time, the Nordic countries' generous welfare systems are dependent on high employment levels. This is why we need a new narrative; the working environment is about the content of the work," says Molander.

"The working environment has been an underrated tool in the social debate. Managing to balance autonomy and control, management culture and social support has given the Nordic region a competitive advantage."

Molander ends his story by pointing to the high employment rate which the Nordic welfare societies are so dependent on.

"The working environment is a crucial factor for achieving high employment rates. This has been absent from the debate. Why is this not higher on the political agenda as we enter the future of working life? Pål Molander challenged.

In addition to Nordic ministers responsible for working environments, the following were also present: Kristina Jullum Hagen, Head of the Department of Labour Market at the Confederation of Norwegian Enterprise (NHO), Magnus Gissler, General Secretary of The Council of Nordic Trade Unions (NFS) and Geir Lyngstad Strøm, Senior Advisor at The Confederation of Unions for Professionals (Unio).

The first to comment was Lasse Boje, Deputy Permanent Secretary at the Danish Ministry of Employment. He agreed with Pål Molander's assessment.

"Denmark completely agrees with this description of where the strengths of the Nordic working life lie."

He also agreed that a new working life narrative was need-ed.

### Denmark's expert committee

That is why the Danish government has appointed an expert committee tasked with reviewing everything the labour market's parties and the authorities are doing in relation to improving the working environment. It will look at all the measures that have been applied, and study how things are organised.

"This is a proper review aimed at documenting what works and what doesn't," says Lasse Boje.

The committee is headed by former Finance Minister Pia Gellerup. The labour market's parties and experts are all involved in the work which is scheduled to finish in mid-2018.

Magnus Gissler, General Secretary of the NFS, and Senior Advisor Geir Lyngstad Strøm from Unio, represented Nordic employees during the debate on working environments and their importance for competitiveness. Both largely agreed with the way Pål Molander described reality and they were curious about what the Danish expert committee would conclude.

#### Health and safety

Magnus Gissler underlined that the working environment is about health and safety at the end of the day.

"When you talk about productivity and developing the work, it is about the social dialogue and linked to the workplace, and based on how conditions are in the workplaces."

Geir Lyngstad Strøm focused on the main issue: the importance of working environments when it comes to competitiveness within the Norwegian and Nordic model, and the way working life and the welfare state are organised.

He highlighted Molander's argument on the connection between autonomy and expectations. "An important factor is the opportunity to have a highly educated labour force which enjoys a high level of autonomy at work, and which can also tolerate high expectations. That balance is important. The two are linked."

His worry is that the globalised economy and the digital economy might challenge the level of autonomy.

"That is when it becomes difficult to see how you can maintain the same level of productivity. If you have more control and expected loyalty, we don't believe it can be combined with a high degree of productivity.

"Molander's main point is to focus on the working environment as an important factor for running an efficient business. But there is a danger here, as we see in the Work Research Institute's 2016 barometer measuring joint decision making. It shows that in 2016 the number of workers who experience a high level of control fell from 89 to 77 percent, with 12 percentage points, compared with figures from 2009. In 2016, 45 percent of the respondents said the labour market was taking a more authoritarian direction.

"10 percent thought it was heading in a more democratic direction. We need to be aware of this tendency if we are to preserve the Norwegian and Nordic model," said Geir Lyngstad Strøm.

"The working environment is about more than safety. It is often about preventing ill health, role conflicts, emotional demands, demands that do not reflect the resources available. It is about the way work is organised and not about what surrounds the work. The challenge now is to put this into practice. If we manage to do that, we can increase employment rates while also increasing productivity. It would be a good starting point for preserving the Nordic model," said Unio's Geir Lyngstad Strøm.

#### **Employers agree**

Kristina Jullum Hagen from the NHO also agreed that efforts to improve the working environment have become too focused on systems and demands.

"I think we share this view of reality to a large degree. If work with improving working environments becomes too technical, we end up side-tracking it," she argued, and supported the idea of agreeing on a new narrative for the working environment.

This must also lead to changes in the way the occupational health authorities and the Labour Inspection Authority work. All the players must pull together if we are to develop a new understanding of what the work to improve the working environment entails, she underlines.

Sweden's Minister for Employment Ylva Johansson shared Pål Molander's description of the working environment's importance. However, according to Ylva Johansson, Sweden has been using a lot of resources lately in order to improve the working environment, by focusing on work. They have developed a new regulatory framework for organisational and social working environments and presented a new regulation for systematically improving working environments.

Finland's Pirkko Mattila, Minister of Social Affairs and Health informed her collegues about the initiative for a global path towards a better working environment that Finland presented at the World Congress on Safety & Health at Work in Singapore.



# The future of work is central in new Nordic cooperation programme

A new cooperation programme, a comprehensive Nordic project on the future of work, a turn in the thinking around working life, and increased focus on integration. These were all issues highlighted by Norway's Minister of Labour and Social Affairs Anniken Hauglie at the end of the 2017 Norwegian Presidency of the Nordic Council of Ministers.

THEME 11.12.2017 TEXT: BERIT KVAM, PHOTO: HÅKON JACOBSEN

The grand government's representative residence in Parkveien was the venue when Anniken Hauglie recently welcomed government ministers and civil servants from across the Nordic region for the final ministers' conference in Oslo. The labour market's parties and researchers were also invited to contribute with ideas for different policy areas. "We are facing major changes to the labour market. The Nordic cooperation can help increase our understanding and provide inspiration for national policy development through the exchange of experiences and knowledge," Anniken Hauglie said.

The new cooperation programme for the labour market sector for the years 2018 to 2021, which was adopted at the ministers' meeting, provides the overarching strategy for cooperation going forward. It covers the labour market, working environments and labour law.

Increased digitalisation, automation, the sharing economy and the consequences all this can bring to working environments and jobs security, has been given a more prominent place in the new cooperation programme. So has the focus on the integration into working life of refugees and people with disabilities.

"It will be important to highlight such issues in a Nordic context in the coming years," said Anniken Hauglie, and got the approval of the rest of the government ministers for the co-operation programme 2018 - 2021.

Dagfinn Høybråten, Secretary General of the Nordic Council of Ministers, who chaired the ministers' meeting together with the Presidency, informed about the positive reception the programme had in the Nordic Council of Ministers. He also said that the sharing economy and the future of work has impacted many policy areas in the Nordic cooperation: The business sector has initiated the project 'Growth through the sharing economy', the financial sector has held a seminar for Nordic tax exports, the environmental sector is focussing on how the sharing economy changes consumer habits and the impact on environment.

A Nordic-Baltic ministers' meeting about the Digital North was held in April, and recently a Nordic council of ministers for digitalisation for the period 2017 to 2020 has been established. One of its remits will be to monitor technological developments and secure a high level, and maintain the protection of working environments and workers' rights. The Nordic labour ministers have launched a comprehensive research project led by the Norwegian research foundation FAFO, about how the Nordic labour market might look in 2030.

### Working life an arena for integration

Integration has been a central theme for Nordic cooperation in the wake of the refugee crisis. This year a major Nordic research programme run by NordForsk worth some 50 million Danish kroner (C6.7m) was established. Funding will be available from 2018.

When it comes to working life, the Norwegian Presidency has focused on the theme of migration and integration and the link to work participation. The Norwegian Presidency conference held in Oslo on 13 June 2017 was part of this.

Professor Grete Brochmann delivered the opening address there. She led two public commissions that presented reports which mapped the impact of immigration on Norwegian welfare and economy; NOU 2011: 7 'Migration and welfare – the future of the Norwegian model' and NOU 2017: 2 'Integration and trust. Long-term consequences of high immigration'. The mandate for the last commission highlighted sustainability, precisely aimed measures and trust. The integration and trust commission, as it was called, was asked to assess the socio-economic consequences of different types of immigration.

Minister of Labour and Social Affairs Anniken Hauglie had also invited Professor Grete Brochmann to introduce a discussion at the Nordic labour ministers' meeting on migration and integration with focus on the labour market, where both the Nordic ministers and the labour market's parties were present.

"The reports are first and foremost about Norway, but all of the Nordic labour and welfare models are facing similar problems," said Grete Brochmann.

"The 2015 refugee crisis put the Norwegian immigration system under acute pressure. The number of refugees was higher than ever before – a situation we believed might prevail. Per capita, Norway was one of Europe's largest recipients with more than 31,000 asylum seekers. Among the Nordics, Sweden towers above all the other countries when it comes to the number of arrivals, but all of the countries except Iceland were very much affected.

"The reports conclude that immigration represent an opportunity for the Norwegian welfare society by adding competencies and labour from outside which is in short supply domestically. It also brings new thinking and strengthens flexibility in the labour market," Grete Brochmann said.

"But this is dependent on new citizens being integrated and that they participate in the labour market in line with the majority population as much as possible.

"It is also important to mention that the weakest groups in the labour market today are the ones that Norway and the rest of the world must welcome for different reasons than economic ones."

### **Challenging salary structure**

The Nordic welfare models depend on high levels of employment and a relatively narrow salary structure in order to maintain today's welfare system. In Norway, like in the rest of the Nordic region, wage levels in some non-skilled jobs are relatively high. This calls for a high level of productivity. A compacted salary structure makes it particularly challenging to include people with low skills levels.

"This kind of labour is therefore more likely to become dependent on state support. This is both a result of the nature of the Norwegian social model and a challenge for its future. Especially if there is an increase in the proportion of people with low qualifications," said Grete Brochmann.

### **Integration strategies**

Grete Brochmann pointed to several strategies for achieving the best possible integration into working life. The link between education, qualification and vocational training has been central to the commission's analysis.

"The commission has focussed on strengthening the link between education and work, skills development and basic qualifications in order to help refugees succeed better in the Norwegian labour market.

"It turns out the Norwegian labour market does not value refugees' education from their home countries all that much. On the other hand, employment levels among refugees who have been educated in Norway are nearly as high as for the native population."

The commission identified major social rewards linked to building on foreign educations with some Norwegian education – compared with starting from scratch. Or alternatively, having a tenuous link to the labour market as a non-skilled worker. The reward will be greater the more efficient the qualification pathway is, and the quicker you remove obstacles to people's participation in the normal education system.

"Educations that combine training and work should be used to a greater degree," she recommended.

"You also need to prepare alternative models and evaluate these. It is very surprising how little is known about this field, where billions of kroner is being invested.

"It is also necessary to help employers hire people with lower qualifications and uncertain levels of productivity. Authorities should consider increasing the use of wage subsidy schemes and occupational rehabilitation.

"Programmes that combine training, vocational education and work should be developed and used to a greater degree," said Grete Brochmann, and warned against low-wage competition which lowers the threshold and reduces yield. Work must pay, the Norwegian model depends on this.

"A high employment level and high minimum wages are prerequisites for high benefit levels, which is a characteristic of the Norwegian model," said Grete Brochmann.

#### Highest number of refugees in Sweden

The Nordic countries are similar in many ways. But there are differences too. Sweden has welcomed the most refugees, and has done a lot to include the newly arrived into society. 23 percent of the population is born abroad. Although employment rates are rising, there are differences in the rates between domestic born and foreign born. The gap is five percent for men and ten percent for women.

One risk identified by the Swedish Minister for Employment and Integration Ylva Johansson, is social segregation when many refugees and immigrants gather in deprived parts of a city. To prevent this from happening, new legislation makes sure all of Sweden's municipalities must welcome refugees.

### The education system is key

From 1 January 2018 in Sweden, newly arrived people with lower educations will have a duty to study. There will be changes to vocational training in upper secondary education, with the introduction of a vocational package. This should be enough to get a job, but not a complete education – this can be added later.

Sweden has introduced a fast-track system together with the social partners, aimed at people with vocational educations. There is also strong emphasis on skills evaluation and special measures where needed.

The government has also entered into an agreement with the labour market's parties for how to hire people with lower educations, and letting them grow into the job, explained the Minister for Employment and Integration Ylva Johansson.

Representatives for the social partners, with Chief Economist Roger Bjørnstad from the Norwegian Confederation of Trade Unions (LO) and Head of the Department of Labour Market at the Confederation of Norwegian (NHO) Enterprise Kristina Jullum Hagen, were active in the debate.

### Skills, skills, skills

"One of the basic traits of the Nordic model is small differences. For the LO it is crucial that integration policies focus massively on skills improvement in order to meet this challenge," said Roy Bjørnstad from Norwegian LO, and added:

"LO wants to push fast-tracking into working life through the early mapping of skills, increased use of education and workrelated measures in the introduction programmes, and especially the use of Norwegian language training and skills-improving measures in parallel with internships. Wage subsidies can be a good thing, but they must be followed closely with skills-improving measures. We hope Norwegian authorities will contribute even more actively to the skills pathway going forward," said Roy Bjørnstad form LO.

"On a socio-economic scale, we are worried about the falling employment rate that we can see in Norway, and what it will mean for the Norwegian economy in the long run if we fail to maintain high employment rates also among immigrants," added Kristina Jullum Hagen from NHO.

"The other way to look at this issue, is the need for labour which we hear about from our members, who struggle to fill positions. It should be possible to utilise the labour that arrives in Norway in a better way, and to create a win-win situation for those who come here and for the businesses that need labour, especially skilled labour," said Kristina Jullum Hagen, and highlighted what Grete Brochmann had said in her introduction – that it is important to combine work and education in a better way than what is the case today. "In Norway we have the two year introduction programme. There are now 27,000 participants on that programme. This is more than ever before. It is what we do now that will determine whether the people who are here get a successful transition into working life," said Kristina Jullum Hagen.

### A need for more knowledge

"It is surprising how little is known about this field, where billions of kroner is being invested," said Professor Grete Brochmann in her address. The Nordic Council of Ministers wants to do something about this. The Ministers of Labour therefor asked the Secretary General to initiate the coordination of a Nordic knowledge base for what kinds of measures work in terms of integrating immigrants into the labour market, without overlapping existing knowledge, including that from the OECD.

### Joint Nordic project on the future of work

The Nordic ministers of labour have launched a comprehensive research project led by the Norwegian research foundation FAFO, studying how Nordic working life might look like in 2030. The knowledge resulting from the research will be used for further cooperation on the future of work in the working life sector.

THEME 11.12.2017 TEXT: BERIT KVAM

"I am very pleased that we have managed to initiate a broad, solid and future-oriented Nordic project focussing on these challenges. The project aims to identify what will be the main trends in the Nordic labour market in the coming 20 to 30 years. The aim is to create new knowledge and recommendations for Nordic politicians, authorities and the social partners," said Anniken Hauglie and added:

"The Nordic countries need more knowledge about how the Nordic labour market model can work in a very different future labour market."

An interim report from the project The Future of Work will form a contribution from the Nordic region to the ILO's centenary celebrations in 2019. The project will also create some of the basis for the Future of Work conferences held in Sweden in 2018 and in Iceland in 2019. The reports from these conferences and from Norway's 2017 Future of Work conference will also be presented to the ILO.

"The final report from the entire project will be presented in 2020. It will provide the Nordic countries with the recommendations resulting from the project," said Anniken Hauglie at the presentation of the project during the ministers' meeting.

#### A project in its early days

During the ministers' meeting, Jon Erik Dølvik, one of FAFO's overall project leaders, provided an introduction to the project, which is in its early days. Seven universities and 25 research teams across the Nordic region are involved, and Dølvik promised it would be a policy-relevant and communication-oriented project.

"This is a brave initiative," said Jon Erik Dølvik, and praised the authorities who have initiated such a large project. It had been a long time since the last time, he felt. "Our mandate is to provide knowledge for the Nordic processes that lead up to the ILO's centenary. We will be comparative internally in the Nordic region, but also when it comes to other countries. We will be action-oriented, stay in close dialogue with our commissioners and help contribute to knowledge-development and learning between the Nordic countries."

The project's structure is broad, and organised in seven research areas with specialised teams. The first research area will look at the drivers; demography, immigration, globalisation, climate change and technological change. Part two is about the digitalisation and automation of traditional work in private industries and the public health sector. Part three is about the emergence of different levels of attachment and types of working life, like the platform economy – where the fragmentation of working life and the erasing of employee and employer roles challenge the Nordic system, which is based on the wage earner role.

One question is what these changes will mean for working conditions in the Nordics, and how the Nordic model will be able to influence these new developments. Institutions develop technology. The challenge for the Nordic countries will be their ability to change.

This will be followed up with a study of working life health and working environment strategies, plus one which will look at the consequences for labour law. In the end there will be a final report.

Jon Erik Dølvik believes the changes offer enormous opportunities for innovation and increased productivity.

"There are studies that show productivity growth could be doubled. The question is how the value creation is distributed, whether it will generate sufficient purchasing power among the population as a whole, and as a result high enough demand for labour to employ those who might become superfluous.

"That is when we come to what so far has been a far too dominating question: Will jobs disappear? Will we end up with three-hour days and citizen wages, as was claimed when computers arrived in the 1980s? I very much doubt it," said Jon-Erik Dølvik, and referred to David Autor, a leading American economist who points out that there has always been productivity growth and technology growth. It has generated more employment in different sectors.

"Or take McKinsey, which not so long ago predicted that 30 to 40 percent of our jobs would disappear, but now reckons early adopters of new technology, including the Nordic countries, perhaps will experience a net increase in employment levels as a result of digitalisation."

So Dølvik warned not to jump to conclusions in this debate:

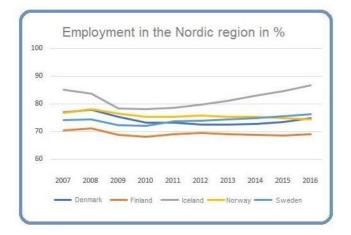
"There are good reasons to believe that this time things could be different."

### Strong numbers for the Nordic labour market

The Nordic labour markets remain strong and unemployment is at its lowest level for the past three years in all of the Nordic countries. The numbers vary from 2.9 to 8.6 percent, but four of the five countries expect unemployment to fall further, according to the Nordic Economic Outlook 2017.

THEME 10.12.2017 TEXT: BJÖRN LINDAHL

The Nordic countries are in different phases of the economic cycle, but common for all of them is that things are looking fairly, or very, bright. Danish unemployment figures are among the lowest for 40 years – they were lower only in 2007 and 2008, the Nordic Labour Ministers' meeting in Oslo stated.



### Source: Eurostat

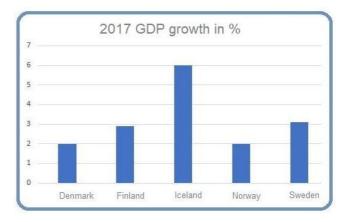
Several of the Nordics have bounced back from the severe fall in employment figures in the wake of the 2008 economic crisis. There is a wide range – Finland's employment rate for 2016 was 69.1 percent, compared to Iceland's 86.6 percent. Finnish employment levels are also expected to pass 70 percent next year, before reaching 70.5 percent in 2019, according to the Nordic Economic Outlook.

**Iceland** has experienced the strongest growth, but has also reached the peak of its economic upturn. In 2016 growth stood at a full seven percent, while this year it is expected to be five to six percent. The tourism industry has been very strong, but there are signs that growth is slowing down there too. The labour market is under pressure and the need for labour is met with an increasing number of foreign staff. Despite the pressured economy, inflation has remained low.

**Sweden** has the second largest growth figures out of the Nordic countries. The country reached its peak as early as in 2015, with 4.5 percent growth. In 2016 it had dropped to 3.3 percent, while this year it is expected to end on 3.1 percent. GDP has increased by more than three percent three years in a row. That has not happened since 1998.

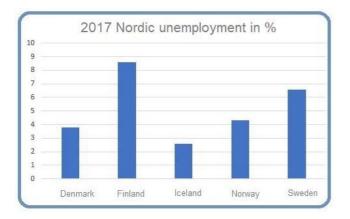
One of the reasons behind the strong figures is high investment levels. Not since the 1970s has more housing been built, when one million homes were constructed over a ten year period.

Swedish unemployment figures have been falling since 2014, and are at their lowest level since 2008. They have mostly fallen among young people between 14 and 24. Youth unemployment is at its lowest since 2003. In 2018 it is expected to fall to 5.9 percent.



Source: Nordic Economic Outlook 2017. \*The figure for Norway is the mainland economy, excluding the petroleum sector Denmark's GDP growth is expected to reach its highest level since 2006, growing 2 percent this year. The main drivers are exports and private consumption.

**Finland** has the highest unemployment rate, but is has fallen from 9.4 percent in 2015 to 8.6 percent this year, and is expected to fall to 7.8 percent in 2018.



#### Source: Nordic Economic Outlook 2017

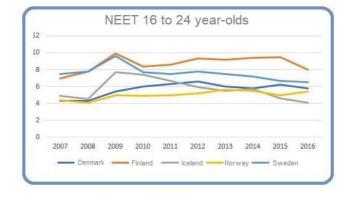
Finland's economic upturn is in an earlier stage and is driven by stronger export figures for the country's traditional products like paper, manufacturing industries and chemical products. Combined with a lot of construction activity and a relatively rapid GDP growth, this will influence employment levels. All in all this will have an impact on nearly 400,000 people.

That is ten times more than in **Norway**, where unemployment – despite a considerable cut to oil investments – did not grow to more than 4.7 percent in 2015. The oil price has nearly doubled compared to its lowest level in 2016. Unemployment is now falling even in the southern and western parts of Norway, home to most of the petroleum sector.

A weaker krone has led to increased exports of non-petroleum goods. GDP for the mainland economy is expected to grow by two percent this year, which is double the figure for last year.

In **Denmark** the upturn is broad and GDP is expected to grow faster than it has since 2006. Growth is expected to be two percent, and 1.8 percent next year. According to the Nordic Economic Outlook, 150,000 more people are in work now than in 2013, and last year alone 50,000 people found jobs. This trend is expected to continue, and the total employment level will increase with nearly three million people – close to the highest level ever.

Things have been a bit more mixed for the most vulnerable group – young people who are neither in education nor jobs.



#### Source: Eurostat

If you look at 16 to 24 year-olds, the number has fallen compared to the tops that were reached in 2009, except from in Denmark and Norway, which had the lowest levels in the Nordic region before the economic crisis, but where the number has risen somewhat in recent years.



### Magnus Gissler: Growing international interest for Nordic agreement model

"In my view the trend has changed, and the interest for and understanding of the Nordic model has grown internationally. This also gives more energy to the Nordic cooperation," says Magnus Gissler, General Secretary of The Council of Nordic Trade Unions (NFS).

PORTRAIT 10.12.2017 TEXT: GUNHILD WALLIN, PHOTO: MARTINA THALWITZER/FRÖKEN FOKUS

In February it will be four years since he entered the NFS's secretariat, situated in Drottninggatan in central Stockholm. The secretariat is small, with only four people, but they work for 16 trade union confederations from five Nordic countries which represent nine million members.

"We are both a large and a small organisation," says Magnus Gissler.

During these four years he has witnessed a growing interest for the Nordic agreement model. One important factor has been the growing polarisation which has been taking place in many countries. An increasing number of people are falling outside of the labour market, and support for populist rightwing parties is growing.

Non-existent or poor real-term wage increases create unrest both politically and socially. Many also say the powers that be do not listen, especially in light of the election of President Trump and Brexit. Magnus Gissler also feels he meets distrust in democracy more and more often. Not through his work at the NFS, but in many other settings.

Perhaps this is why a growing number of international players are interested in studying the Nordic countries. They are successful and often top different lists for everything from productivity to happiness.



For NFS's coordinating task, progress is made through cooperation. From left to right: José Pérez Johansson, Eva Carp, Magnus Gissler and Maria Häggman. Photo: Linda My Hagberg

"There are dangers, challenges and tensions in our societies too, but we strongly believe that our models work and that we are better prepared than many other countries to face the problems," says Magnus Gissler.

#### Five agreement models

He is at pains to point out that the Nordic model really is five different agreement models. But they all share the same starting point, and this is where the cooperation springs from.

"The models share so much in the way they are constructed. And then you have what is unique from a European perspective – that terms and conditions in the labour market are regulated by the social partners. You also have the Nordic society model with welfare systems, education and the countries' shared need to be competitive, development and growth. We are all small export-based countries," says Magnus Gissler.

When he talks about the Nordic agreement model his eyes sparkle. In light of his current job and also his previous choices of work, it is hardly surprising that Magnus Gissler is a man with his feet firmly planted on trade union ground. He was an active student member of The Swedish Confederation of Professional Employees, TCO, while reading civil economics in Uppsala. After a while he also became the student ombudsman – a job which is in some sense similar to his current job as General Secretary. Now, as then, much of his work is about listening to the organisations that he works for.

"We are a consensus organisation, and our strongest asset is to listen to our organisations, finding solutions and compromise. We want to find what people have in common, but sometimes we also have to acknowledge that national starting points are so different from each other that there is no basis for agreement. Then it can be better to wait rather than force solutions through," says Magnus Gissler.

### Solidarity gives negotiating strength

His love for Nordic cooperation started before the NFS. Magnus Gissler worked for fifteen years at the Swedish Confederation of Professional Employees, and then three years at the Nordic Financial Unions, NFU. This was at the time when the finance sector was going through major changes. Many finance institutions went from being national to being Nordic and focussed more and more on the Baltics. This would change the sector's Nordic trade union cooperation.

"It went from being mainly a forum for exchanging experiences and building relations, to one where we solved concrete problems between employers and employees during mergers, acquisitions and such," he says.

He gets his drive from Nordic cooperation and Nordic trade union cooperation, but also from working in the European and international trade union arena.

"There is a power and a dynamic in coming together over what are shared starting points in trade union work as a whole. Working together and finding the strength together to change things – solidarity, quite simply," he says.

NFS works according to a strategy which is agreed by the congress every four years. It sets out the direction both for strategies and activities, and the current document covers the period 2015 to 2019. Two areas are priorities – the Nordic agreement model and labour mobility. The strategy covers three focus areas – a sustainable, inclusive working life, sustainable welfare and development and sustainable growth and competitiveness.

"We will prioritise the third part now, sustainable growth and competitiveness. We will identify which factors lead to successful growth and competitiveness, and link work to education, life-long learning, welfare systems and the collective agreement's importance for social dialogue and democracy in working life," explains Magnus Gissler.

#### Flexibility in the Nordic cooperation

There is no set way for how the work will be carried out. New knowledge and the sharing of experiences can happen at seminars, through reports or via cooperation with researchers. Magnus Gissler also feels it is important not to force the Nordic cooperation into a set shape which must always remain the same. Sometimes it is important to leave space for national overtones in for instance a report or at a seminar. That does not have to mean that there is no exchange of information or knowledge to be had."

He also feels the same about language skills. If someone finds something difficult to understand, this can be fixed. A recent seminar on digitalisation and the future of work was held in English, because Friedrich Ebert Stiftung from Germany was there. Sometimes simultaneous interpreters are used.

"It is important that the Nordic cooperation doesn't get hung up on language knowledge. If there are linguistic challenges, we can solve it. We have to be practical," he says.

Magnus Gissler participates when the Council of Ministers for Labour meets. He is very positive to the issues that are raised and that highlight current challenges – lately they have included migration, working environments and getting into the labour market. It has proven that the issues raised in Poul Nilsen's report 'Nordic Working Life' are taken seriously. He is also happy that the council of ministers has initiated the comprehensive research project 'The Future of Work', which highlights challenges in the labour market like globalisation and digitalisation – very topical issues also for the NFS. The research project will be headed by Fafo in Norway, in cooperation with researchers from across the Nordics.

As a rule, the NFS does not initiate new areas for debate, unless member organisations raise questions beyond the strategy and action plan. But sometimes real life dictates action outside of earlier laid plans, for instance the highly topical #Metoo campaign. The NFS is planning several activities and a seminar on the issue for early next year. Magnus Gissler is shocked over what he has been reading and hearing, and over the scale of the thing.

"These have been the scariest stories, and they are often linked to areas where permanent employment is unusual. Instead, people are arbitrarily judged by individuals who have a lot of power. The entire debate shows that we must regulate power and influence, and we need to shine new light no how people with power use that power," he says.

#### Time for soul-searching

Trade unions must also look at the way they work, sexual harassment happens there as much as in other sectors. He believes this issue should be a priority at seminars, but that it also is important to actively push for and support the International Trade Union Confederation's demand for a new ILO convention against gender-based violence and harassment.

"Even if a convention doesn't solve the problem in a day, it would be a very important tool for gender equality."

At the same time, every boss should reflect over his or her own responsibility and do a bit of soul-searching. "This also goes for me. When am I weak and vague? When have I accepted someone's improper joke which I should not have accepted? #Metoo creates awareness and thoughtfulness," says Magnus Gissler.

After four years as General Secretary, he is content and happy to just have been given a new mandate. No day is the same, and he can never predict what will happen at the start of the day. His 20 year-old son Gustaf has a neuromuscular disability which has given him a different attitude to life.

"Gustaf has taught me not to take anything in life for granted, and to live in the present. I have also learnt to accept things as they are. I can influence many things, but not everything," says Magnus Gissler.

On our way out we walk past his office. The unmistakable sound of a young boys' choir reaches us.

"Choir music is similar to my work here. Many voices together create a fantastically beautiful musical experience, greater and more beautiful than if the individual sang on their own. If I were to travel in the Nordic region and around Europe and say that I burn for Nordic cooperation, nobody would listen. But I represent nine million trade union members who have come together, so my engagement is something that is larger than myself, and that is why it is powerful," says Magnus Gissler.



### Teaching Danes how to manage robots

Your future colleague might well be a robot. This will mean great changes in the labour market according to a new report discussed by the Disruption Council during its fourth meeting.

### NEWS

08.12.2017 TEXT: MARIE PREISLER, PHOTO: BOSTON DYNAMICS

A robot that looks like a human being walks through the snow carrying 11 kilos on its back, and performs perfect summersaults. This can currently be seen in a video which is widely shared on social media. In not too long advanced robots will also be walking around in our workplaces, solving tasks which today are carried out by living colleagues. This is a development which will both create and kill Danish jobs.

That is the conclusion of a report from the consultancy firm McKinsey presented to the Disruption Council, a forum for dialogue created by the Danish government. The council comprises a number of government ministers, the social partners and others. During its latest meeting on 4 and 5 December 2017, the Disruption Council discussed the report's conclusions and its ideas for how Denmark can prepare its education system for a labour market where robot technology, automation and digitalisation plays an increasingly important part.



### **Robots taking jobs**

Around four in ten working hours performed by Danish workers can in future be automated, using nothing more than existing technology, according to the McKinsey report 'The effects of automation on the Danish labour market'. Machines and robots can solve more than heavy lifting and other physical tasks, like cognitive tasks including searching for information, online customer service and simple information processing. And this will lead to the loss of many jobs. The report predicts that 250,000 to 300,000 Danes could be hit by 2030 – especially those who have jobs where at least 60 percent of tasks can be automated, and who can only apply for other jobs which look like they will be automated.

The worst hit groups will be:

- · Many operators
- · Transport workers
- About half of all manual workers, including smiths, mechanics and manual production workers
- One in four service workers, e.g. warehouse workers and travel agents
- · A smaller group of office workers

Meanwhile other jobs will emerge, but fewer and in different sectors: McKinsey predicts that towards 2030 there is a potential for 90,000 to 150,000 new jobs directly connected to automation technology. There will primarily be a need for highly educated people with solid analytical backgrounds. Automation can also lead to increased prosperity and demand, which again creates employment. But this will be in trades where robots and machines cannot solve many of the working tasks.

#### Education the way to go

Danes must be educated to face this new reality, and this is a problem. Because young people are not applying for the relevant vocational training and technical courses. So it was no coincidence when the members of the Disruption Council spent some time of their two day-long meeting visiting EUC Nord, an educational institution offering vocational training courses.

The Minister for Employment Troels Lund Poulsen also participated, and told TV2 Nord:

"We need more people to choose vocational training. So we must try to learn how to inspire more young people to choose that path."

The Minister for Employment also pointed out that it is important that Danish workers take relevant further education to get the skills which will be needed in the future.



Watch the summersaulting robot here

### Businesses dragging their feet

The robot that can do summersaults is developed by the Boston Dynamics company. The fact that its clever antics is a viral hit, shows that many Danes and Danish businesses still have not moved beyond being baffled and amazed at what technology can achieve, believes Philip Wiig, Country Managing Director for Accenture Denmark.

In a column in the online ITWatch publication, he encourages the Disruption Council to make sure Denmark moves forward. He recommends focussing on three things:

- Removing obstacles in order to free the potential that technological solutions inherit
- Showing Danish businesses which practical steps they can take in order to work more innovatively while challenging their present business model
- Helping future students see the opportunities and potential available when working with technology

"The scary reality is that Denmark is one of the countries where young people are less interested in learning about big data analysis, building apps and coding. Young people in the USA are twice as interested in these issues, while numbers are even higher in India," writes the country head for Accenture Denmark in his column.

Companies are also dragging their feet, he believes. They have started investing in so-called intelligent robots, but according to Philip Wiig that is a term which covers sophisticated algorithms and 'traditional' automation, and it will not push things forwards and lead to the implementation of innovative business models, he believes. Businesses themselves say they do not have the time nor the skills to embrace the full potential of robot technology, according to Accenture's research.

The Disruption Council will present its conclusions by the end of 2018.



## From opera to Slush – how #metoo is changing the Nordics

The global #metoo campaign, which sheds light on sexual harassment and aims to break the culture of the silence surrounding it, has arrived in the Nordics. Many groups in Sweden, from actors and journalists to lawyers and trade union members, have signed petitions. We take a closer look at the situation in Denmark and Finland.

NEWS 08.12.2017 TEXT: MARCUS FLOMAN, PHOTO: CATA PORTIN

Last year the world had not yet heard a single word about the #metoo campaign, but the fact that sexual harassment was going on, well – everyone knew. In Sweden there was harassment during several music festivals, and in Finland many women said they had experienced unwanted attention and sexual harassment at the start-up and technology event Slush. The organisers reacted and clearly distanced themselves from the men who had behaved in such a manner. This year, Slush had doubled the number of security guards and introduced a zero-tolerance policy against harassment. Each participant had to sign up to showing respect – and 'not to behave like a pig'.



Marianne Vikkula, Managing Director at Slush. Photo: Sami Välikangas

So far there has been no reports of harassment during this year's event, but managing director Marianne Vikkula says they will not comment on the response they got from participants until later in December.

### The time after #metoo in Finland...

In the wake of #metoo, women from many different trades in Sweden have collectively said 'it's enough'. In Norway, both actors and musicians have signed a petition while in Iceland politicians and actors have told their stories of assaults.

In Finland, more than 1,000 women in the culture sector have signed a petition and told about improper and abusive behaviour from men in their own sector.

Schools are central in terms of how the future working life and labour market will look like. In Finland the education service, schools, teachers and pupils got together to face up to harassment.

"All children should be guaranteed their integrity, safety and opportunity to grow and be themselves, protected from harassment. The role of schools and education providers is to maintain a safe learning environment for all children and young people," says the Finnish Minister of Education Sanni Grahn-Laasonen.



#DAMMEN BRISTER (the dam bursts) is a petition against sexual harassment in the Swedish-speaking community in Finland which 6,111 women have signed

At the Katedralskolan i Åbo, an upper secondary school in Turku, teacher Mikaela Korin-Niemi explains how pupils have been actively discussing where the limit goes between acceptable and unacceptable behaviour.

"At school we have spent the past few weeks having many deep discussions about the fact that it is no accident that problems occur in workplaces and schools in particular, and how problematic it is when people of authority do improper things.

"We have had good conversations about how the person with power is the one who is responsible."

Korin-Niemi adds that she feels the school now has a good starting point for continuing the work towards a safer school environment – an environment where it should be easy to raise any issues of improper behaviour.

Töölö gymnasium, an upper secondary school in Helsinki, already has a gender equality plan which was co-written by students and teachers.

"Pupils particularly wanted us to address insulting language and where to draw the line for what is acceptable. If these lines are crossed, both teachers and students who witness it should put a stop to it," says headmistress Marina Sjöholm.

### Have you previously been told of any sexual harassment in your school?

"We do not have any knowledge of problems in our school. But in my experience, our students are very aware of their rights," says Sjöholm.

One of the main conclusion to be drawn from the #metoo campaign, is that harassment and unwanted attention especially towards girls and women is more widespread than many had previously thought.

"It is absolutely possible that many students in previous years have accepted things they should not have accepted. That is why it is so important that we continue to talk about the themes which have been highlighted through the #metoo campaign."

Bicca Olin is the leader of the pupil and student organisation Finland's Swedish Youth Association, FSS. She says all schools need a gender equality plan.

"It is needed both for students and for personnel. Everyone in the school should also know what to do if something does happen. It is important to have a low threshold for reporting incidents," says Olin.

Finnish newspapers have written about some schools where a long range of both former and present students have talked about sexual harassment from teachers. At one school, a Helsinki art college, police have closed down their preliminary investigations into a male dramatic art teacher. The Ministry of Education has demanded that the City of Helsinki ensure that all pupils can study in a safe school environment.

### The majority of schools are discussing the issues surrounding the #metoo campaign, but some schools say they do not know of any problems in their own environment. What is your comment?

"If there are schools in Finland where they have succeeded – where there are no sexual harassment problems, well I say congratulation to them. I see that as very unlikely. Sadly. The #metoo campaign has shown us how widespread this problem is," says Bicca Olin.

She underlines how important it is to have an emergency plan in case a problem should arise.

"Schools have an educational role and must make sure no school leaver ever becomes guilty of sexual harassment."

### After some time of silence, #metoo arrived in Denmark

Workplaces in Finland were a bit slow to react to the #metoo campaign, and the same could be said for Denmark.



Danish classical singer Anna Carina Sundstedt was following the Swedish debate closely, and thought: When will this manifest itself in Denmark?

"To begin with everything was just silent. Then I thought I might carry out a little survey, and asked 40 female singer whom I knew. After a while the group grew, and slowly stories of assault and harassment started coming in," says Sundstedt.

In the end 132 female singers signed a petition – #visyngerud ('we sing out') – against harassment and for harassment to stop. The manifesto was aimed at the patriarchal culture in Denmark.

"There clearly are those who are willing to exploit their position of power. The problem in Denmark is that Danish women traditionally do not want to see themselves as victims. But the stories we gathered show that there are victims.

The debate in Denmark also heard from many who questioned why some women are telling their stories now, after so many years of silence.

"This is part of the problem. People have kept silent in fear of losing their jobs. These are often women at the start of their career, who have not wanted to gain a reputation of being 'difficult people'," says Sundstedt.

She expects people in positions of power to behave in a completely professional manner.

"When we are working and studying, people have to shape up and behave."

The head of the Royal Danish Theatre Morten Hesseldahl has reacted to the petition and said he wants to investigate whether there are employees who have felt victimised.

"I think it is good that he takes this seriously and that he underlines that freelancers are in a particularly vulnerable position."

Anna Carina Sundstedt says another three trades in Denmark are about to join forces to launch another petition against harassment.



### Metoo - also at the Oslo ministers' meeting

"This is a huge thing," says an engaged Ylva Johansson, Sweden's Minister for Employment. The working environment was a topic for debate during the Oslo labour ministers' meeting. There she explained the scale of #metoo in Sweden. Next year her country will be heading the Nordic Council of Ministers, focussing on integration, the future of work and measures to stop work-related crime.

NEWS 08.12.2017 TEXT: BERIT KVAM, PHOTO: VICTOR SVEDBERG

Sweden's Minister for Employment and Integration Ylva Johansson is involved in the #metoo campaign. A huge thing, which she hopes will lead to actual changes in working life, she tells the Nordic Labour Journal: "Women are shouting out, which is high time and also serious. We must take this opportunity to make sure that what is happening now will change everyday life for real.

"Life in the workplace is the most important here. That's why I have invited the labour market parties to talk about #metoo and how we can strengthen our work. Criminal activities should of course be reported to the police, but this is also about unwanted behaviour, unacceptable behaviour, unacceptable and undignified working environments, and how this can be part of the systematic work to improve working environments."



Minister for Employment Ylva Johansson and senior adviser Dan Grannas at the Nordic Labour Ministers' meeting in Oslo. Photo: Håkon Jacobsen

### New legislation

Sweden has just strengthened its work to systematically improve the working environment with new rules for organisational and social working environments. New legislation aims to make sure all workplaces introduce preventative measures and secure gender equality.

"Women have used the hashtag #metoo in trade by trade to tell their stories. This is obviously not an issue which has been part of the systematic work to improve working environments. I think it has been very wise to link this to the terms covering different trades," she says, and underlines the importance of what is now happening.

"I believe this is incredibly important and incredibly big. It is very good that women finally speak out about what women have been victims of - always, but it has been so quiet."

On 8 December she will meet the labour market's parties to discuss what can be done:

"How do they work with this? What do we need to do more of?"

### Do you worry innocent men can be prejudged?

"Right now it is important that women finally speak out. It is then the responsibility for us as politicians and the labour market's parties to make sure that this becomes an important part of the daily, systematic work to improve the working environment. I think gender equality issues have not been a priority in the daily work out in the workplaces, and employers carry an enormous responsibility. It is incredible that this is going on to such an extent without employers reacting. This needs to change."

### Will you bring this up on a Nordic level?

"I think that if we are to continue the discussion on working environments, then this is an important issue in the systematic work to improve the working environment. Finland took an initiative for further cooperation which we must now consider how to carry forward. This could be one way of doing it."

### Sweden's Presidency of the Nordic Council of Ministers

In 2018 Ylva Johansson will invite her colleagues to a ministers' conference on workplace integration with a special focus on women.

"The Nordic region is advanced when it comes to gender equality. Women fleeing from other countries have very different experiences, and it is difficult for them to understand Nordic equality. This is where the exchange of experiences can be useful."

Ylva Johansson has also invited the Canadian Minister of Immigration, Refugees and Citizenship, she tells the Nordic Labour Journal enthusiastically.

"He would love to come to Sweden to learn from the Nordic experiences, and I think we can learn a lot from Canada."

### The future of work

In continuation of the focus of the employment ministers in Oslo, a conference on the future of work will be held next May. In Sweden the focus will be on digitalisation, automation and artificial intelligence. A main issue will be the consequences for lifelong learning and the need for skills development in the face of this situation which will have an impact on many people's jobs.

In August there will be an experts' conference on unhealthy competition in the labour market and work-related crime.

"Sweden has learned a lot from Norway, which has focussed a lot on the fight against work-related crime and social dumping."

In late autumn, she says, there will a Nordic experts' seminar on PIAAC, the Programme for the International Assessment of Adult Competencies. This is also relevant when it comes to how we deal with this in relation to new citizens.

"The Nordic countries have seen an education revolution which has led to a very high competence level. We now need a new imperative. The experiences from PIAAC can be relevant here."



The EU Commission President Jean-Claude Juncker, Sweden's Prime Minister Stefan Löfven and Minister for Employment Ylva Johansson at the Gothenburg EU summit. Photo: Mikael Sjöberg, Swedish government.

### Something has happened in the EU

Last month the EU social summit was held in Gothenburg. Ylva Johansson had been working hard to make this happen. The engagement it created surprised her, she tells the Nordic Labour Journal.

"Not least among the heads of state and government. I spoke to Guy Ryder from the ILO, who said 'something has happened in the EU. There is something new in the air'. I felt the same way.

"The meeting as such led to few formal decisions, but it feels like there is a momentum now. All the heads of governments and all the countries are very worried about increasing gaps between people and between countries, what this could lead to.

"It was powerful," she says.

The fight against increasing gaps has been part of Ylva Johansson's agenda since she became a minister in Stefan Löfven's government in 2014.

"Yes, that's right."

She takes some of the credit for making the social summit a reality:

"Of course Stefan was the one who made this happen, but I have been working to create acceptance for the social pillar, and it was my council of ministers that saw this through. We also managed to reach agreement on new rules for the posting of workers. So there have been two important issues in the work with the social dimension."

### Will this be important for Sweden's Presidency of the Nordic Council of Ministers?

"To an extent, yes. What we are focussing on is gaps. This is about how to successfully integrate newly arrived people. If we fail here, new gaps will emerge. The Nordic labour market model is based on an unusual level of social equality. The question of how we maintain and use that strength when welcoming those who are new to our countries, makes integration an important issue during our Presidency. The women's perspective is important. The Nordic region is exceptionally good at gender equality. Many of those arriving here have fled from a different situation. It is of course a long journey arriving in a gender equal society."

### How important is the Nordic cooperation in your view?

"It is enormously important. We have had 60 years with a common labour market. That is a fantastic strength for our countries, our economies and our peoples.

"But I think many take it for granted. That worries me, so we need to be reminded every so often how much this cooperation benefits us.

"I would argue that it means more than most people realise," she says.



## Three party coalition in Iceland: Tough tasks for new minister

There are some tough tasks ahead for Iceland's new Minister of Social Affairs and Equality Ásmundur Einar Daðason, who is also responsible for labour market issues. The Minister's most important job will be to maintain peace and understanding in the Icelandic labour market.

### NEWS 07.12.2017 TEXT: GUÐRÚN HELGA SIGURÐARDÓTTIR

Negotiations with the Icelandic Confederation of Academics, BHM, are already underway. The collective agreement for the public and private sector runs out in 2018/2019.

Wage negotiations over the next one and a half years will be enormously important for securing Iceland's economic stability, believes Professor Grétar Þór Eyþórsson at the University of Akureyri. Wage negotiations with trade unions must be held.

### The greatest problem right now

There are already negotiations between the Icelandic Confederation of Academics, BHM, and employers' representatives. Changes have just been made to academics' pension systems. Grétar points out that changes to the pension system must be compensated by higher wages.

"This is perhaps the greatest problem right now," says Grétar.

"We also need wage negotiations to get academics' wages to the same level as private sector wages," says Grétar.

"It might be difficult to find the right balance here," he thinks.

### The government has plans

The government is expected to use its influence in the labour market to help reach an agreement. Exactly what that might be, Grétar Þór Eyþórsson does not know. But he thinks the government already has plans.



Grétar points out that the new Minister of Social Affairs Ásmundur Einar Daðason has already said he wants to end poverty in Iceland. He also wants to increase the tax offset for older people without cuts to their pension payments. But these are welfare issues which have nothing to do with wage negotiations.

### Must keep their promises

Þórunn Sveinbjarnardóttir is the BHM's Chair. She points out that the confederation already has held constructive talks with the former finance minister Benedikt Jóhannesson. Since the election things have changed, negotiations have already been put back two months. Þórunn says it is not good to change government ministers too frequently when wage negotiations are ongoing.

"It was good that the government parties met the social partners before finalising the government negotiations, but we still do not know the results of that meeting," says Þórunn Sveinbjarnardóttir.

"The government now needs to keep its promises of its planned course of action for the labour market," she says.

### **Experienced government ministers**

Iceland's new government is a coalition between the Left-Green Movement, the centre-right Independence Party and the centric Progressive Party. Katrín Jakobsdóttir, leader of the Left-Green Movement, is the Prime Minister.

Professor Grétar Þór Eyþórsson points out that Katrín is an experienced politician. He expects that she, as a left-wing politician, will maintain good links with trade unions. The new minister Ásmundur Einar Daðason has experience as a member of parliament, but has not been a government minister before.



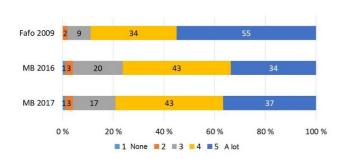
# Norwegian barometer highlights importance of collective decision-making

Changes and reorganisations are far less conflict-prone if employees both participate in and have influence over the process. Yet the trend is increasingly moving towards more authoritarian management models where standardisation and control are the most important factors. These are some of the results from this year's barometer on collective decision-making in Norway.

NEWS 06.12.2017 TEXT AND PHOTO: BJÖRN LINDAHL

It is the second time six Norwegian trade unions together with the Work Research Institute, AFI, present a comprehensive study of how much collective decision-making their members feel they have in the workplace. Compared to last year, there is a slight fall in the number of people who think working life has become more authoritarian. In 2016, 45 percent of respondents said they felt working life had become more authoritarian. In 2017 the number had fallen to 42 percent. If you break the answers down into separate sectors, you get larger changes however. The highest number of respondents who say things are moving in an authoritarian direction are found in the oil industry – a full 60 percent.

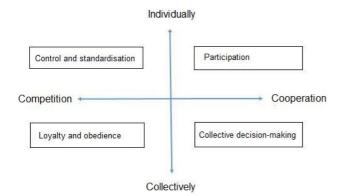
Influence on your own working situation



"Compared with last year, the differences are not so big, but there are issues which we did not look at last year which we have studied a bit closer this year," says Eivind Falkum, who has been leading the work with the barometer. The most important of these issues is to look at how the four management models which were identified in the first Collective decisionmaking barometer, influence relations between employees, employers, trade unions and management.

The four models are summed up in a matrix where one axis goes from competition at one end to cooperation at the other, while the second axis goes from individually-focussed to collectively-focussed management models:

The four management models are then summed up in the following headings:



The different management models are more or less common in different businesses. In the health and public sector, standardisation and control is becoming more common as a management model than in other sectors. Collective decisionmaking is most common in universities and university colleges. "Management introduce various control and standardisation measures with the aim of making the business more efficient," says Eivind Falkum.



The result is often the opposite, however: More conflicts and less efficient change.

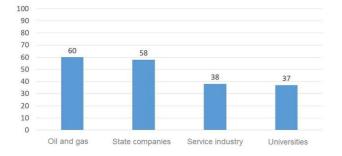
"Successful change and development processes benefit when employers, management, trade unions and employees trust each other. Both participation and collective decision-making helps strengthen the trust in owners, the board and top management," the researchers behind the barometer write.

"Trust seems to be a precondition for creating the relations that are needed for an efficient process of change," says Eivind Falkum.

"Introducing controls and standardisation is contra-productive," says Christin T. Wathne, who has been focusing on what the barometer can say about conflicts in working life.

#### NORWEGIAN BAROMETER HIGHLIGHTS IMPORTANCE OF COLLECTIVE DECISION-MAKING

Percentage who thinks Norwegian Working Life is becoming more authoritarian



This is the second time the Collective decision-making barometer has been carried out, but some of the questions were also used in 2009, which provides a greater time perspective and shows greater change. The Collective decisionmaking barometer is itself an example of this kind of trusting relationship.

"It is a pretty unique partnership between trade unions from all of the four main unions: Unio, AF, LO, YS as well as independent trade unions," said Arild H Steen, Director of AFI, during a debate between the six unions which have financed the barometer, after its presentation.

"I want to highlight another thing which is important for us who work in the oil industry: How the respect for qualified knowledge is diminishing. The reason the Norwegian oil industry has been able to deliver such good results without any major accidents like Deepwater Horizon, is that we have knowledge and competencies and a backbone which gives us authority and the power to speak out. You should speak out," said Hilde-Marit Rysst from SAFE, an independent trade union which organises oil workers.

"You can choose any major accident within our trade, and you will find people who did not dare to take the responsibility they should have taken," she said.

"You could be excused for wondering why the management models with control and standardisation are always presented as 'modern'. They mainly lead to less influence. We should have standardisation within the health sector when it leads to improved treatment, of course. But much of the standardisation has more in common with the Taylorism of the late 1800s," said Christian Grimsgaard from the Norwegian Medical Association.

One theme which the Collective decision-making barometer looks at only in passing, but which most probably will be important in years to come, is the impact of artificial intelligence on workplaces.

"Digitalisation, artificial intelligence and robots will change working tasks, and this means we need new competencies and fewer employees," the researchers write. Yet they do not think things are moving in only one unavoidable direction: "It is not a given that digitalisation and automation will weaken the Norwegian tradition for cooperation."

In order for such a development process to work, the good relations in the labour market are just what is needed, they point out.



### Risk-based inspections on the wrong track?

Nordic labour inspection authorities still have some way to go to perfect their methods for identifying businesses for inspection. But critics who imply that these authorities lack the will to seek out risk, are off target.

### COMMENTS 05.12.2017

TEXT: KARI SKARHOLT AND ØYVIND DAHL, SENIOR RESEARCH TECHNICIANS, SINTEF TECHNOLOGY AND SOCIETY

National inspection authorities tasked with monitoring working environments in their respective Nordic countries, have all chosen a risk-based approach for the work they do. They are still often criticised for how they choose their inspection targets. Some of the criticism indicates that choices are made on a basis of convenience and not in light of risk assessments. But these allegations are not correct. When you take a risk-based approach when inspecting working environments, you ideally focus your activity on businesses where you find the greatest risk for work-place accidents, illegal practices and unfortunate working environment strains. The underlying idea is that this will be the most costefficient way of carrying out inspections. Yet despite the fact that Nordic authorities in this sector ideally want inspections to be based on risk assessments, their priorities often come in for criticism.

These authorities' risk-based approach is the focus of the ongoing research project NORDRISK, which we at the Norwegian SINTEF research institute are part of. Our findings indicate that controversial choices of inspection targets are not a result of 'ill will', but rather due to not having the best tools and methods to fully understand the complex risk reality of working life.

Criticism of how the public labour inspection authorities prioritise comes both from employers' and employees' organisations, research environments and control authorities. For instance, The Swedish Agency for Public Management said in its analysis of the Swedish Work Environment Authority in 2014 that the authority's inspection practices did not mirror their ambition to reach businesses with the greatest level of risk. As a result, the Agency for Public Management now calls for a clarification of which principles should be applied when choosing businesses for inspection. The same issue is pointed out in The Swedish National Audit Office's review of the Work Environment Authority in 2016.

The Danish Working Environment Authority has been similarly criticised after an increase in the number work-related psychological problems and muscular and skeletal strains. The Confederation of Danish Employers (DA) has expressed a wish for the government's newly appointed working environment expert group to focus on how to secure a more targeted inspection regime. DA also underlines that the Working Environment Authority should prioritise the few businesses which are in real trouble, not the many that have good working environments.

Norway's Labour Inspection Authority has also come in for criticism for its choice of inspection targets, despite the fact that the authority has prioritised the development of tools for risk-based inspection methods. Vibeke H. Madsen from the employers' organisation the Enterprise Federation of Norway (Virke) is the latest in the line of critics.

In an opinion piece for NRK on 13 May 2017 she wrote that the Labour Inspection Authority had its priorities wrong, that it approached the wrong businesses in one out of every three inspections, that criminal operators got away and that the authority used "too much time on making social calls to serious businesses."

Madsen's criticism implies that the Norwegian Labour Inspection Authority not only prioritises wrong, but that it does so because it lacks the will to pursue businesses where the greatest challenges can be found. But this goes against what we find in the NORDRISK research project: We have studied and analysed relevant documents, carried out interviews with the relevant Nordic authorities and have got relevant input through a Nordic workshop.

Despite the fact that all of the Nordic authorities in this sector face challenges linked to how to develop the best possible methods for choosing businesses, we find little evidence that these challenges are due to a lack of will to seek out risk. Riskbased inspections are challenging for very different reasons – including these three:

**Different stakeholders often have different views of risk**. For instance, employees' organisations, employers' organisations, political authorities, control authorities and labour market researchers never share an identical understanding of where in the labour market the risk is highest, or which types of risk are the most serious and should therefore be prioritised. While one stakeholder considers one type of risk as high, another will consider this to be marginal. Risk is, in other words, not an objective phenomenon. There are no objective measurements for comparing different types of risk.

The risk situation in the working environment is complicated. A labour inspectorate must identify, rate, prioritise and carry out inspections across a range of different risk areas, for instance the psychosocial working environment, social dumping, work-related accidents and exposure which can damage health.

Each one of these areas can be split into even more specific types of risk. Exposure which can damage health could for instance include vibrations, heat, freezing conditions, noise, dust, radiation, biological materials, smoke, steam, gasses and solvents. It is challenging to take all these specific risks into consideration; to compare them to each other and to identify which risks to prioritise.

The number of potential inspection targets is big. Norway's Labour Inspection Authority oversees some 230,000 businesses with one or more employees, for instance. It is a very complicated task to identify which of them that really do not take things seriously. This kind of circling in 'the bad guys' requires access to broad and deep enough data material, the development of relevant analysis methods, the access to the exchange of data between different public authorities and enough analysis capacity.

Nordic authorities in this field keep developing risk-based approaches, with risk assessments for different trades and different types of risk. Yet developing an adequate method for how to identify which businesses are most exposed to risk, is a complex job. A lot of work still needs to be done.

The aim of SINTEF'S NORDRISK project is to allow all of the authorities to learn from each other's challenges and solutions, which can give them support to further develop tools and methods for risk-based inspections.

### RISK-BASED INSPECTIONS ON THE WRONG TRACK?

In order to bring the debate on risk-based inspections back on track, however, it is important that all parties understand that identifying the 'correct' inspection target is not a question of good or ill will, but a question of possessing the right tools and methods for understanding the labour market's complex risk situation.