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Theme: A labour market without work contracts

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Editorial: New ways of working challenges the social contract

"Do your duty, claim your right" describes the relationship between the individual and society. As more work becomes platform-based and cut into little pieces, the basis for taxes could be depleted, and the social contract broken. What is duty and what is right when crowdwork changes labour's form and content? Can society's institutions keep up? Can trade unions, or the labour law? And what exactly is crowdwork?

EDITORIAL
20.06.2016
BY BERIT KVAM

"Make adult and further education mandatory" is one of Poul Nielson's 14 proposals for how to develop Nordic labour market cooperation over the coming five to ten years. That might be needed in the face of the rapid technological development, where even the terminology is incomprehensible for many. If the Nordic region is to maintain its lead in the face of global competition, he writes, slogans like 'jobs for all' must be changed to 'everyone should be entitled to a safe and decent life'. This is reminiscent of a citizen's income. Does that mix with crowdwork?

The crucial point is whether the welfare state can keep up with developments and secure a good working life through such a distribution of goods.

The labour law, meant to protect the weaker part in an employment relationship, is threatened by market thinking, writes Kerstin Ahlberg. While authorities promise that permanent employment will remain the norm, a fragmented labour market and short term contracts is becoming the new reality. An increasing number of people inside and outside of the labour market are facing unreliable incomes.

Swedish Anna Breman provides a good example of the future challenges in her report for the Swedish government, 'The Future of Work'. She writes how Microsoft bought the computer came Minecraft in 2014 for 2.5 billion dollars, while Volvo a few years earlier was sold to Chinese Geely for 1.3 billion dollars. While Volvo employed 21,000 people, Mojang employed 39. She also writes how several studies show that around half of all jobs could disappear as a result of digitalisation and new technologies.

The trade union movement must get involved before the sharing economy – or the platform economy as Fredrik Söderquist from the Swedish Unionen trade union prefers to call it – explodes. He does not fear the future. This development is impossible to stop, but regulations are needed and the trade unions must find new roles in order to secure the support from people who are working through new platforms.

In his challenges and proposals for the Nordic labour market, Poul Nielson points to the role of the state, which should be to support the organisations' work to find solutions to the challenges, in order to "secure a functioning balance between the public's social system and the conditions of this different part of the labour market".

This is where things get creaky. How do you make sure the new types of labour does not tip the balance? How do you safeguard the social contract? And what exactly is crowdwork? Read this month's theme: A labour market without work contracts.

See all articles in theme

Former EU commissioner Nielson wants radical Nordic reforms

The Nordic labour market is facing challenges which can not be solved through minor changes. That was the message from Poul Nielson as he presented his 14 proposals for radical reforms.

NEWS
20.06.2016
TEXT: CARL-GUSTAV LINDÉN, PHOTO: LAURA KOTILA

Over the past year, Poul Nielson, a former Danish politician and EU commissioner, has traveled around the Nordic countries to talk to more than a hundred politicians, civil servants and labour market experts. His task? To create a basis for Nordic strategic decisions. Nielson has high ambitions. Digitisation, immigration and new forms of work are but some of the issues which are making the labour market less stable and more unpredictable.

"We must think outside of the box," he said as he presented the report in Helsinki, and asked for no less than a radical reform equal to the one which created the common Nordic labour market in 1954.

One of the challenges is how to maintain and raise the high skills level. This is what Nielson spent the most time addressing.

"It's a long time since we gave children the right to compulsory education. Now we need to give adults the right to compulsory further education," he said.

In some area, like in the academic world, continuous education is a given. Nielson pointed to the fact that large social groups do not enjoy the same opportunity to build on their skills. There is also no common system – the access to further training and education is governed by collective agreements or other agreements which don not encompass everybody.

Nielson backed his proposals with economic arguments: Better training and education leads to higher economic growth.

“The aim should be to increase the lowest level; there is a lot of money to be gained from that.”

Finland’s Minster for Labour Jari Lindström, who heads the Council of Ministers’ committee for labour during the Finnish Presidency, was largely positive to Nielson’s proposals, except on this point. Lindström associated the term compulsory with enforcement.

“I don’t like the word enforcement,” he said. Instead he preferred a phrase about measures which are ‘of benefit’ to individuals.

Lindström pointed out that it is Finland’s aim to have the best labour market in Europe by 2020, and that much of what Nielson highlights, like a psychologically balanced labour market with focus on workers's well-being, is part of their strategy. But according to Lindström you cannot force people who are not of an academic nature to take further education.

“They might be fantastic with their hands instead,” he said, and held up training through apprenticeships as a way of supporting them.

The proposal for mandatory further training and education gets caught up in a Finnish political dispute where the government, strongly influenced by the populist Finns Party, has been accused of being anti-education. Severe cuts in state funding of universities and schools have come parallel with statements which have been seen by many as displaying contempt for higher education.

On the other side, Nokia’s chairman of the board Risto Siilasmaa, one of Finland’s most senior businessmen, recently expressed his worry that the country’s skills level was not sufficiently maintained. He proposed an expiry date for exams, and demands for regular updating of peoples’ knowledge. This means everyone should return to the classroom for at least three months every five years. Those who fail to update their skills risk having their degrees disqualified. This is already the case for many occupations, especially where safety is a major factor. For many, like consultants or programmers, it is absolutely necessary to stay au jour, but the demand far from covers everyone.

Siilasmaa’s proposal was immediately questioned by the social partners, since he failed to explain how such a reform would be financed. Poul Nielson says the financing of mandatory further training and education must be possible to solve.

“The Nordic countries have after all created their workplace pension systems,” he pointed out, and believes the social partners quite easily should be able to find a solution where the state contribution makes up part of the financing.

“A less ambitious model could be based on developing the existing systems,” Nielson said, yet made it clear that ambitions should be higher than that. He proposed that the Nordic countries begin various experiments with further training and education which can be assessed by experts and lead to joint reforms.

When Nielson’s commission was made public in April 2015, it was said that his proposals should lead to “binding cooperation”. The Nordic Council of Ministers has no power to force member countries to cooperate. Nielson said that there are many kinds of binding agreements, and mentioned the UN development programme UNDP, where the Human Development Report sets targets which the Nordic countries must relate to. He envisages something similar now.

Nielson’s report is described as “scrutinising” and is the third in a row of such Nordic reports – previous ones have looked at Nordic defence and security cooperation and the health sector. The report will now be the topic for debate at a range of Nordic meetings and will lead to strategic policies.

Read more: Poul Nielson: Introduce mandatory adult education and further training in the Nordics

Poul Nielson: Introduce mandatory adult education and further training in the Nordics

The five Nordic countries should make adult education and further training a mandatory element of the labour market, and introduce real cooperation on migration. These are central issues to secure the Nordic labour market model for future years, recommends a new report from the Nordic Council of Ministers.

NEWS
20.06.2016
TEXT: MARIE PREISLER, PHOTO: LAURA KOTILA

The Nordic labour market model faces a plethora of threats, and there are plenty of reasons why cooperation to secure the model should be intensified, says the report 'Working life in the Nordic region – challenges and proposals', which former Danish government minister and EU Commissioner Poul Nielson has written on commission from the Nordic Council of Ministers.

Training for all

In it he presents a total of 14 proposals for how to strengthen the cooperation on securing Nordic citizens a good working life. Poul Nielson freely admits that some of the proposals are fairly wide-ranging. One is for Nordic governments to make training a completely systematic and integrated part of working life. The governments should agree to the principle that adult education and in-service training will be a mandatory element of working life for everyone in the Nordic labour

markets, and then work with the social partners to create two basic models in an attempt to make this vision a reality.

This would be a visionary decision, says Poul Nielson in the report, and writes that in order "to prepare ourselves for the future we need to think out of the box".

He is well aware that the proposal will face resistance on many fronts. He expects many misgivings, conflicts of interest and not least major difficulties when it comes to the allocation of costs and rights. This should not deter the countries, however. Poul Nielson points out that the creation of the common Nordic labour market in 1954 was not a routine decision either, and he is convinced that mandatory adult education and further training for all could lift the Nordic countries into a winning position in the global competition, and should therefore be tried out.

"Just as the Nordic countries were in the forefront in 1954 with the creation of a joint labour market, today we ought to be in the forefront in meeting the challenges of the future," he writes.

More cooperation on migration

In the report, Poul Nielson describes a Nordic labour market cooperation with room for improvement. It started well with the Convention Concerning a Common Nordic Labour Market of 1954. That was a progressive decision that has contributed to growth and employment in our countries, Poul Nielson writes. But he thinks there has not been enough measures aimed at harmonisation and integration in the Nordic region in the various areas of working life over the last 20 years.

Inaction is a serious problem, according to Poul Nielsen, who sees threats from many fronts. One threat, which is specifically mentioned in the report, is the pressure which refugees and migration put on the Nordic labour market model. Poul Nielsen puts aside his otherwise diplomatic language when describing the Nordic governments' ability to cooperate on refugee and immigration issues:

"Seen from the outside, the way the governments of the Nordic countries have handled the problem has not strengthened the picture of the Nordic region as an entity that stands out with close, well-coordinated cooperation," he writes.

As an example he mentioned the fact that the Nordic countries as a group have not contributed to finding a joint EU solution in the shape of an efficiently administered joint European refugee and immigration policy.

Immigration can end up being a positive resource in our societies only if there is a common will and ability to meet these challenges, based on the values at the core of the Nordic model, thinks Poul Nielson, who continues: "All the indications" are that it is better to provide newly arrived people with early participation in working life, combined with language training, rather than having them spend several years preparing for working life.

"Learning by doing is a good motto for the integration effort," he writes. He proposes that the Council of Ministers create a working group which should provide ongoing joint analysis and present proposals for a more substantial and active joint Nordic political effort in this area.

Joint rules for the psychosocial working environment

The working environment is another growing labour market challenge, which according to Poul Nielson calls for stronger Nordic cooperation. It is necessary to increase efforts to improve working environments, if quality of life is to be maintained at the workplace as people retire later, technology develops faster and global competition grows, he points out. The psychosocial working environment is particularly ripe for improvement – it needs more recognition, more research and more political focus, he thinks.

He proposes that the Nordic countries try to harmonise their legislation in the area and improve their coordination of activities while giving priority to projects which are of joint interest.

Hybrid organisation

The fragmentation of the labour market is a third tendency which already represents a challenge to the Nordic labour markets, thinks Poul Nielson, who points out that fewer employees choose to be members of traditional trade unions, while employees use more temporary and short-term staff and there is easier access to foreign labour.

There are also problems getting businesses from new sectors and large, independent groups to become members of employers' organisations, writes Poul Nielson. This fragmentation represents a joint challenge for the organisations on both sides of the labour market when it comes to maintaining their central roles in the Nordic labour market model, and the Nordic countries should support the organisations in finding more flexible organisation models.

The report does not spell out how to do this, but recommends that government ministers discuss it and produce a list of ideas for use in efforts both in the Nordic region and internationally to adapt to the demands faced as a result of the fragmentation of working life.

Improved debates

As a seasoned parliamentarian, Poul Nielson also has some recommendations for how the Nordic ministers of labour can enjoy even better political debates when they meet at the Nordic Council of Ministers for Labour (MR-A). He suggests making the meetings between ministers a "good club" rather than "an over-formalised meeting machine".

”The way to increase the political relevance of the MR-A is to make participating in this cooperation an attractive, meaningful and necessary part of the ministers’ use of their time,” he writes, and adds that meaningful and jointly prepared briefings for the ministers are necessary, as well as “a degree of boldness”.

While strongly appealing for increased Nordic labour market cooperation, Poul Nielson is also full of praise for the comprehensive and multifaceted network of relations on many levels which he sees in the Nordic cooperation in the working life area.

“On all levels – ministers, the committees of senior officials, the labour market organisations, the relevant administrative branches related to the labour market and university researchers – exchanges of experience and informal and direct forms of co-operation have been emphasised as being amongst the most important and valuable elements,” he writes.

Poul Nielson also suggests a more active approach in Nordic labour market cooperation when it comes to relations with the outside world. He suggests that the Nordic labour ministers organise stronger joint branding of the core of the Nordic labour market model both in the EU Commission, the Parliament, during meetings of ministers and in the social dialogue with the EU. The Nordic Council of Ministers for Labour should also intensify its cooperation with the ILO and reprioritise the Nordic region’s cooperation in the OECD, he writes.

Read more: Former EU commissioner Nielson wants radical Nordic reforms

New strategic analysis: Working Life in the Nordic region: Challenges and proposals

Can the Nordic model survive the sharing economy?

The sharing economy, where customers use the Internet to find providers of different services without using physical middlemen, is also a threat to the Nordic model which builds on collective agreements. Employers and employees are forming non-contract relationships within a growing number of trades. If there is a contract, it mostly states that the partners cannot be considered to be employer or employee.

THEME
20.06.2016
TEXT: BJÖRN LINDAHL

A century after the Nordic region's first labour courts were established, labour law is being challenged again. The courts were set up because ordinary courts of law could not deal with labour conflicts. Common law regulated the relationship between two persons. When collective agreements emerged, a new type of court was needed.

Now labour courts could be facing a similar challenge. The Internet, smartphones and apps have made it possible to develop new kinds of businesses where companies which do not consider themselves as employers facilitate the selling of services to customers.

The best known example is Uber, the taxi company. According to the company it only facilitates contact between the customer and a driver, who is self employed. While Uber's lawyers claim the company cannot be considered to be an employer, the marketing department brags about how many new jobs are being created.

But these are so-called precarious jobs – the definition of which is "dependent on circumstances beyond one's control". There are also precarious jobs in more traditional companies, so the line between the sharing economy and the traditional economy is blurred.

Some hairdressing salons are made up of only self employed people, or they lack proper wage agreements. Handels, Sweden's Commercial Employee's Union, has tried to fight non-agreement conditions through its own app, Schyssta listan (the Nice List), where you can see which shops and hairdressers have collective agreements, right there on your mobile.

Precarious working conditions can also mean that working tasks are organised in such a way that people end up with long breaks in their working day, during which they are not paid. People can be banned from working for competing companies during periods when there is no work to be had from the original employer. The job offers no protection against economic swings or illness, and it does not contribute towards workers' pensions.

Is new legislation needed?

Companies in the sharing economy often try to paint a picture of them creating "new" jobs. But the services which are being offered – renting a private flat like with Airbnb, or having a job performed in your home by Taskrunner – are some of the oldest occupations there are. Transport, accommodation and domestic work are hardly among the most innovative sectors.

But in order for completely new groups of people to perform a service, you often need new technology. Without Google Maps, which will tell you how to drive from A to B, Uber's drivers would struggle to compete with trained taxi drivers.

This is also called crowdworking; the outsourcing of jobs through the use of IT platforms.This could be transcribing interviews or talks, writing texts for catalogues or just tasks which are difficult for a computer to do. Amazon's Mechanical Turk is one of the major players. Pay is often very low, a couple of Eurocents per task.

In order to outbid existing companies, the new businesses must be able to provide services at a lower cost or at a faster pace. The new business concepts are dependent on having a large pool of people who will agree to take on work and be paid separately for each individual task, so that the competition for these tasks becomes big enough. If not, the business risks that those who carry out the service will not take on the tasks, an that the service cannot be delivered fast enough. Nobody wants to wait for hours for an Uber taxi.

In order to keep the contractors in place, a digital payment system is being used. Customers can grade the person providing the service, and algorithms make sure the IT platform rewards those with the highest score, giving them the first stab at new jobs. This means the employer's role of leading and controlling the work is being outsourced to the customers.

Labour law experts Jeremias Prassl and Martin Risak write in their report 'Uber, Taskrabbit, & Co: Platform as employers?':

"Through the use of platforms, businesses ranging from restaurants to IT service providers can draw on a large crowd of flexible workers to reduce or even eliminate the cost of unproductive time at work, and rely on reputation mechanisms to maintain full control over the production process or service delivery."

And, writing about the very core of the business concept:

"The resulting competition between crowdworkers will ensure that quality remains high whilst wages are low."

The two labour law researchers quote Thomas Biewald, the former CEO of the platform Crowdflower, a company specialising in a certain type of IT services:

"Before the Internet, it would be really difficult to find someone, sit them down for ten minutes and get them to work for you, and then fire them after those ten minutes. But with technology, you can actually find them, pay them the tiny amount of money, and then get rid of them when you don't need them anymore."

Crowdworking does, of course, bring some benefits for those taking on the tasks too. Sometimes it can be the only way to make any money at all. Other times it could be that the contractors need the flexibility to accept commissions when they have time, and to combine it with other things, like looking after children.

The new business models are often disruptive. They could be described as revolutionary innovations shaking up the existing market. Well-known examples include when digital photography replaced film, or when books started being distributed digitally or through the post, and not in book stores.

New and more efficient ways of distributing goods and services are part of economic development. But labour market researchers and trade unions warn that they could undermine existing welfare systems. That could happen if the income from the business is being taxed in a different country from where the services are being carried out, or if the new businesses do not pay employer's tax or fail to contribute to job security, sick leave or pension savings.

See all articles in theme

Text: Gunhild Wallin

”Trade unions must organise people working though platforms”

The sharing economy represents a challenge to the labour market as we know it. In the face of this development, the Swedish trade union Unionen has just entered an agreement with German IG Metall. The aim is to find tools for how to organise the growing part of the labour force which works through online platforms.

THEME
20.06.2016
TEXT: GUNHILD WALLIN

“Interest in the sharing economy, or the online platform economy as I call it, has exploded since last summer. The development is sometimes described as being unstoppable, which sounds gloomy. But I don’t think we should be gloomy. There is after all a growing consensus among even the major players, like the IMF and the OECD, that we cannot continue to have a labour market with stagnating wage increases for the majority of workers. We also see signs that both Airbnb and Uber are opening up to signing agreements with trade unions,” says Fredrik Söderqvist, an economist with the Unionen trade union, Sweden’s largest white collar trade union on the private labour market.

Fredrik Söderqvist is also an expert on the government’s Digitalisation Commission. Its mandate has been renewed until 31 December this year. He is closely watching the rapid development. Only five years ago, few predicted that the distribution of services though digital platforms would be as successful as Airbnb. The technological development and the use of new technology has suddenly opened up for new ways of organising work. Fredrik Söderqvist compares today’s development with what happened when the steam engine and later electricity was invented.

“In both cases it took a couple of decades before the inventions had any influence on the way labour was organised. Today’s way of organising work through online platforms is a parallel to that, in that it takes time before a technological invention changes the labour market to a great extent,” he says.

Two trades challenged so far

The digital platforms have indeed been around for a long time in a range of trades, but only in later years have they begun to be used to create work on a greater scale, like Airbnb and Uber.

“It’s really a pretty simple idea, a system using a rating system to create trust between strangers. The platforms also make it possible to organise work in a completely decentralised way. You no longer need a physical workplace in order to lead and divide up the work, which in a short time has upended both the hotel and taxi trades. The question is which trade is next,” says Fredrik Söderqvist.

The rapid development of Uber and Airbnb has made representatives for both trade unions and states furrow their brows trying to find strategies for how to handle it. Many truths and established labour market terms have been turned upside down. Who is the employee and who is the employer? Who pays taxes? And how do you safeguard the rights of those who drive an Uber taxi or hire out their flat through Airbnb? Not to mention the issue of consumer protection.

Easier to adapt with high trade union membership

Fredrik Söderqvist looks at the sharing economy in relation to the wider social debate, where international trade union membership numbers have been halved since the 1970s, where developed nations have experienced a slowdown of production and where pay gaps have been growing alarmingly. New jobs are mainly created in high- skilled sectors and in simpler, low-skilled jobs. Jobs in-between are disappearing, and digital technology heralds further cuts.

One clear example of this development is to be found in the publication ‘Digieconomic and work in the future’ by Anna Breman, a senior macro analyst at Swedbank. The publication forms part of ‘The Future of Work’, one in three progress

reports in the government’s ‘Mission: the Future’ project, where former Minister of the Future Kristina Persson gathered a range of experts and asked them to look into the future. Anna Breman was one of them, and she uses an example in her report to illustrate the size of the changes brought on by the digitalised economy.

In 2014 the computer game Minecraft was bought by Microsoft from the Mojang company, the game’s developers. It was sold for 2.5 billion dollars, compared to the 1.3 billion dollar price tag for Volvo when the car company was sold to Chinese Geely a few years ago. At the time, Volvo had 21,000 employees. Mojang had 39. Anna Breman describes Mojang, alongside Spotify, Klarna and King, as examples of successful companies characterised by being digital, global and urban.

“These companies’ large successes and few employees has created a debate about jobs in the future labour market. A majority of studies also show that some 50 percent of jobs could disappear in the next 20 years as a result of automation, digitalisation and the introduction of robots. Will the technological development get rid of jobs faster than we can create new ones?” writes Anna Breman.

At the same time Fredrik Söderqvist highlights that societies time and again have managed to adapt to major changes, even though they create great unrest for a while with people pining for strong leaders with simple solutions.

“Societies with a high level of trade union membership have been better prepared to handle the negative aspects of globalisation and structural change. Structural changes exist and have existed everywhere, but are easier to meet if society’s institutions are prepared for how to handle these challenges. And strong trade unions guarantee this,” he says.

Signs of regulations

Fredrik Söderqvist believes there are several signs the sharing economy will become regulated after all. The key to progress for the platforms is an increased standardisation of supply and contracts, which creates an uneven partnership to the detriment of those providing the service, believes Fredrik Söderqvist and many researchers with him. There is an imbalance in negotiation power, a ‘take it or leave it’ for the provider. If the platforms also become strong monopolies in their market, this tendency will be amplified.

“Those who work together will have things to say, but how do you carry your message to a platform? Well, you join a union. Gaining a common voice is the easiest way to stand up to criticism,” says Fredrik Söderqvist.

New York Uber drivers took strike action in protest over lower rates, which has led to Uber entering into an agreement with an American guild which organises drivers. Airbnb has also agreed to some regulations. The company has negotiated with an American trade union which organises workers in the service industry, and has signed an agreement for cleaners who clean out flats between visits.

And regulations are important, a fact which benefits countries with a high level of trade union membership, believes Fredrik Söderqvist. That is why it is important that trade unions figure out how to attract more members.

“You need to take stock, figure out how to navigate in new times and how to sign up more people. We need to get better at exploring the opportunities presented to us through technology when we organise our members,” he says.

Unions must moderniseFredrik Söderqvist sees great challenges ahead. Several countries, including Estonia and Norway, are developing ways of including direct taxation in the online platforms’ services to secure tax revenues. On a state level, for instance in Sweden, people are looking at how security systems can become more flexible and build on a variation or combination of types of employment and enterprises.

Trying to stop the development or in other ways to oppose it is no solution, believes Fredrik Söderqvist.

“This is a technology-driven development which is impossible to stop or to be opposed to. What we do need to do is modernise the union’s role. There is no time to waist, we must take this development face on, which means working to introduce regulation and making sure conditions are fair.”

See all articles in theme

The core idea of labour law is under threat

The core idea of labour law is to protect the weaker party in an employment relation. This is increasingly under attack from market-led thinking where the main aim is to create opportunities for everyone to get a job. This might sound good, but it could lead to a worsening of conditions for both those who have managed to get a foot in the door of the regulated labour market and for those who are knocking, waiting to get in.

THEME
20.06.2016
TEXT: KERSTIN AHLBERG, EDITOR EU & ARBETSRÄTT

"A normal work contract is a permanent contract," said Jean-Claude Juncker, President of the European Commission, when he described the Commission's plans for labour law last autumn. By that he meant that a "permanent" work contract should be the rule and that other types of employment, usually know as atypical, should be the exception.

You wouldn't be wildly off the mark to say that the majority of the working population supports what he said. If you ask people on temporary contracts what they really want, most say they would like to be permanently employed.

But looking at how things actually are – not how they should be – even temporary contracts are normal nowadays. They have become more and more common, and when European employers hire people after the latest economic crisis, the share of temporary jobs increases more than the share of permanent contracts.

The most extreme form are the so-called zero-hours contracts, where the employer does not promise a single hour of work, and every service performed represents a temporary contract in a never-ending row of contracts.

This development has taken place completely within existing labour law. It is largely governed by political decisions. Over the past ten years most governments in member states, backed (and in some cases forced) by the European Commission, have eased their regulations on employment protection. It has become easier and cheaper to fire staff and there has been an expansion of the number of ways you can hire temporary staff.

The idea has been that this would make employers more willing to hire, leading to rising employment figures. No-one has been able to show that the reforms have had any such effect. What is certain, however, is that work contracts and incomes have become less secure both for people with a foot in the door of the labour market and for those who are outside knocking.

What Jean-Claude Juncker did not say last autumn was that a normal permanent contracts is a full time contract. That used to be the case, and part time work has been seen as atypical. Now it looks like even involuntary part time work is about to become normalised in trades where full time work used to be the norm. In service jobs where demand varies a lot over 24 hours and between the days of the week, it is becoming more and more common to reduce the number of full time contracts to a minimum and to rely on more part time staff.

They can then be easier timetabled in for when demand is greatest. One good example of this is the situation which triggered the Swedish train strike in the summer of 2014. One of the members of the employer organisation Almega wanted to fire 254 full time train drivers and train hosts – and immediately offer 160 of them new contracts if they accepted to reduce their hours and go part time.

When it comes to the very latest forms insecure jobs, for instance so-called crowd work where people offer services to others facilitated by a third party, labour law has quite simply been unable to keep up. The Uber taxi service is but one example, there are other tasks which can be performed at home at your computer for a client you never get to meet. It then becomes unclear whether you are then considered to be an employee and who in that case is your employer, or whether you are self-employed and not at all protected by any labour law or regulations. Put simply: the less secure the work, the more likely it is that the worker has no protection.

The resulting knee-jerk reaction from some trade unions seems to be that these kinds of services must simply be fought as hard as possible, and preferably banned. That is probably impossible both politically and practically. As long

as it is possible to make money, businesses will find new business models which legislators have not considered banning.

Instead you have to try to develop labour law so that it also in the future provides basic protection for all who carry out a job for others and who are dependent on them. This – to protect the weaker party in a employment relation – has traditionally been the core idea of labour law.

This core idea has, however, increasingly come under fire from more market-led thinking, pointed out Professor Niklas Bruun at the research programme ReMarkLab's conference in Stockholm in May. This advocates the basic principle that everyone should have the opportunity to get a job. This means regulations securing equal treatment and non-discrimination are of utmost importance.

Giving everyone the same chance sounds great, of course. But from this theory also follows that minimum wage legislation and high unemployment benefits are bad things, as they keep people from looking for work. In that respect the right to work in reality becomes a duty to work. The most extreme version of the theory would even mean rules on employment protection and similar individual rights are obstacles to access to work and should be abandoned. Instead the law should support and protect those who provide jobs, i.e. small and medium sized enterprises, said Bruun.

Later years' dismantling of the protection of employees in Europe is to varying degrees inspired by the new, market-led way of looking at the function of labour law in society. It has been particularly influential in countries which have become EU members since 2004, argued Niklas Bruun.

But, as Professor Kevät Nousiainen, another of the conference speakers, established: If you don't have any rules guaranteeing workers' minimum rights, principles for equal treatment and non-discrimination are not of much use. An employer who offers a poor contract is still 'fair', as long as it treats all employees equally bad.

See all articles in theme

Sharing economy glossary

The new way of organising the selling of services can be confusing, and so too the accompanying terminology. Here is a short glossary for the most common expressions.

THEME
20.06.2016
TEXT: BJÖRN LINDAHL

Airbnb

is one of the best known companies in the sharing economy. The name is short for an airbed and breakfast, which was the basic idea the founders came up with when they wanted to offer simple accommodation during conference season, when hotels were booked out. Six years after its launch in 2008, the company has 1.5 million private houses and flats in 151 countries which owners are willing to rent out. Airbnb is the middleman.

Crowdsourcer

is the name of a commissioner who hires in many people to perform digital jobs fast and cheap – like writing captions for catalogues or solve different tasks which are often payed on a piece by piece basis.

Crowdsourcing

is the financing for a project like a book, a film or something else through monetary or other types of contributions from many people via the Internet.

Crowdworking

is when many people sign up in order to solve smaller services and tasks via the Internet.

The sharing economy

are different ways of hiring, sharing or lending things rather than owning them yourself. The Uber taxi service and the accommodation service Airbnb are the best known companies in the sharing economy today.

Digital reputation

In order to control the quality of services in the sharing economy, a kind of score chart is often used by the customers. Sometimes even the customers get scores. The scores are then used to give those with the most scores the most work. Digital reputation can not be transferred to other businesses, which makes the providers' situation harder.

Gig

An expression from the music industry which is being used to describe a work task which is being shared digitally.

Micro entrepreneur

is what commissioners in the sharing economy call providers. These are often in a grey area between being self-employed and employees.

Platform-based work

A common name for different services which are mediated via apps or other online platforms.

Taskrabbit

A company linking people who need and can provide simple services, like mowing a lawn, assembling IKEA furniture etc. Established in Boston, USA, but has been emulated by many, like TaskRunner in Sweden. The services were originally auctioned, but the company really started growing when prices were fixed.

Uber

The most controversial sharing economy company. Some consider it to be a kind of pirate taxi firm, others praise the company for increasing competition in the taxi trade.

See all articles in theme

The Norwegian Labour Inspection Authority sharpens its methods

How do you effectively monitor working environments? That was the key question when the Nordic working environment conference in Tampere recently discussed risk-based inspections. Which workplaces should be visited and how do you perform inspections and controls? The labour inspection authority's role is to make sure businesses follow labour law. The methods are going to change, but how?

NEWS
20.06.2016
TEXT: BERIT KVAM, PHOTO: NORWEGIAN LABOUR INSPECTION AUTHORITY

"When it comes to crimes in the labour market, we need to work in a completely different way. There is not much guidance here. We need to be tougher and take criminals out of the labour market," says Ingrid Finboe Svendsen, Director General at the Norwegian Labour Inspection Authority.

Efforts against crime in the labour market has got international attention because of the labour reform where the Labour Inspection Authority works in teams together with other authorities like the police, NAV, the tax office, treasury and customs.

"We work together nationwide in five different locations. We plan together, visit businesses together and share resources. This way we manage to catch criminal elements."

It sounds great, but these are completely separate authorities with different goals and ways of operating. How is it working together?

"Many around Europe and in the Nordic region are asking just this, how do we do it. What we have in common in Norway is that all of the authorities saw that the labour market became an arena for criminal behaviour. So we started talking together and soon realised that if we wanted to get things done in an efficient manner, we needed to start working together.

"Now we sit down together and talk about what we can see and what we do. When we are out inspecting or performing raids and target networks, we manage to shatter the networks together. This does not mean that this work is easy, but it means that we achieve more than we would have if we were doing this as separate entities."

You want to create clear goals for the action you are taking. Is it important to measure this? Now we have managed five, next year we must take ten criminal employers?

"We don't know whether putting numbers on this is the point. The point is that employers should see that it is pos-

sible to operate in a serious way in Norway. We will work to make it clear for them that this is possible, to make them see that there now is someone doing something to get rid of the cowboys in the labour market."

The Norwegian Labour Inspection Authority spends 60 percent of its time on serious employers. Which methods do you use here?

"We work a lot together with the partners, together with the companies to see how you can prevent musculoskeletal injuries linked to working practices. Psychological problems also represent a major challenge, and we look at how we can work together using available knowledge.

"We need to move away from the thinking that when the labour inspection authority comes, we must make sure were fulfil rules and follow the law. It is more important to focus on why it is important to prevent injuries, why it is important to think about risks and why it is important to provide the correct training for people who have to operate dangerous equipment. I think it is important that those who are in charge of leading the work understand the point of all this. That's when our inspections can really have a lasting impact."

Risk-based inspections on the agenda at Tampere working environment conference

Risk-based inspections was the theme for the 2016 Nordic working environment conference in Tampere. More than 100 participants from across the Nordic region were engaged in the big debate on how authorities can carry out inspections to secure a good working environment in a more efficient way.

NEWS
20.06.2016
TEKST: BERIT KVAM, FOTO RIITA GRÖNROOS

“We need to evaluate whether we are efficient when it comes to finding the most important companies, but also look at the way we carry out inspections and how we disseminate knowledge about the working environment. Are we doing this in the right way? How do we move forward?” says Wiking Husberg, ministerial adviser at the Finnish Ministry of Social Affairs and Health.

The Finnish delegation had invited all of the Nordic countries and the autonomous areas to explain their current system for risk-based inspections and their future strategies.

“We have a Nordic tradition, a Nordic form of legislation and we have a Nordic way of adapting that legislation where we don’t put the civil servant first, but the citizen. The Nordic tripartite cooperation, where Nordic civil servants don’t work in isolation but together with the labour market’s organisations, is a real cooperation. It goes beyond calling a meeting for a brief discussion and then returning to your individual jobs.

“Doing it this way takes time, but in the end the effect is better. This whole tradition and these links is what creates the Nordic cooperation, regardless of whether things are organised slightly differently [from country to country],” says Wiking Husberg. He also has experience from labour market systems in Africa, Russia and the former Soviet Union.

“This is why I really clearly can see how we in the Nordics understand each other in a different way. We try to improve things together, without ending up punishing someone or sidelining them when we make improvements.”

Everyone needs to return from work

Labour inspection authorities are under pressure in several countries. How high a political priority is the focus on working environments?

"It varies from government to government, but it is my feeling that when we bring up the right of all men and women to be able to return from home, we all agree. We must become better at removing death and suffering in the workplace. We must be safe in the knowledge that when you leave for work in the morning, you should be able to return from work with your health intact. You can then ask yourself which are the most efficient methods and what is more important: catching the thief, preventing crime or strengthening the fulfilment of the law?

"The other thing worth highlighting is how much absence caused by musculoskeletal injuries or psychosocial problems costs," says Wiking Husberg.

Finnish labour inspection authorities have for years been doing research on the costs of bad working environments.

"Three years ago we did it again together with the research institutes which cooperate with the social partners, because we wanted to find a trustworthy minimum figure for the costs of sick leave. A small group of researchers worked for a year to pinpoint these costs.

"They found out that it costs 24 billion euro a year, we are loosing two billion euro every month. If you think of the fact that Finland needs to save four billion euro every year, you realise the magnitude of that number."

Agents of change – it pays

Kevin Myers, former Secretary General at the British Health and Safety Executive (HSE), now President of the International Association of Labour Inspection (IALI)) counting more than 100 members world-wide, captured the audience's attention as the opening speaker for the three day long Nordic working environment conference.

One of the questions he asked was what role the inspectors should play. Should they only make sure the law is not being broken, or should they be agents of change? If the point is change, how do you carry out that task in the best possible way?

During Kevin Myers' time as head of the HSE, the new UK government cut the executive's budget by one third. That triggered new thinking. The solution was to reduce bureaucracy and to develop inspection methods. No inspectors were fired, but those who retired were not replaced. So what did they do? Simply put, the message was 'sell, don't tell'.

In short, that means inform and convince those with power and influence about their responsibility for looking after the health and safety of employees, the public and the consequences of the type of work carried out, in cooperation with those who were exposed to risks. There are no simple answers. This is about context, both politically and socially, but also about specific industries and about culture.

"Kevin Myers from the Health and Safety Executive shows that the UK labour inspection authority shares our Nordic reflections and considerations," says Wiking Husberg.

"They have the same problems with reaching all workplaces and finding the right workplaces. So they have concentrated on how they can improve their work and reduce bureaucracy. This gives a more nuanced image of how our colleagues work in England."

Zero fatal accidents

Kevin Myers highlighted one good example: the construction of the Olympic park for the 2012 London Olympics. It had zero fatal accidents during the construction period, and a far lower frequency of injuries compared to the trade as a whole and to the industry generally, despite the fact that the construction industry is considered one of the most dangerous.

How did they do it?

"My explanation is that the people planning the Olympics development decided early on to take health and safety seriously. The construction industry does not have a good reputation when it comes to delivering the right quality to the right time and the right cost. But you cannot say that we are the free man's slaves to the Olympics. The planning started with securing the process. Health and safety was considered a driving force for getting this done.

During the planning phase the people responsible realised that they needed many, many workers from countries across Europe, because the need was far greater than what the British construction industry could handle. They needed to carefully consider how to handle risk.

"The thinking was that if we demonstrate to the workers that we treat them with respect and take their health and safe-

ty seriously, they will answer us by delivering the quality of work which we are looking for, in a way that we want. This was part of the culture which was incorporated in the planning process from the start."

There was a lot of criticism in the press over the long planning process when they needed to make sure then entire supply chain would support what they wanted to do, says Kevin Myers. He thinks the most important thing was that the client was the one controlling the whole thing, and in this instance the client was the authority in charge of construction of the Olympic park.

"Often the client is not interested in these kinds of things, they just want the job done and consider health and safety to be the responsibility of the provider. But here the client said what has since become law in the UK: We make the rules, and some of those rules are about health and safety."

So the client introduced a culture where health and safety was important. It had value, and they used a toolkit to explain this to workers every day:

"This is what we shall do today. This is they way we shall do it. We communicated with the workers through pictures more than words. They were pictures which showed what was good practice and what was bad practice. This is the way we will do things in this project. This is how we will not do it. These are our expectations."

How was such an impressive execution received?

"It was loudly praised at first, but later it turned a bit more silent. But the experience and progress is documented on the website Learning Legacy, explains Kevin Myers.

Research of good practice

The conference also looked at whether cooperation between research and inspection authorities could create a better basis for how inspections can be best carried out. All inspection authorities have a large database where information from inspections are stored. The question is whether research could be given access to the national databases.

"Each inspector has vast amounts of experience and knowledge which he or she uses in their job, but how could this knowledge be used as a basis for the planning of future inspection work? How could research get access to the information in the national databases? Creating a system based on these experiences would provide better knowledge for where and how inspections can be performed," says Wiking Husberg.

"The best method could be to influence employers so that they change and improve the way they operate. If you get access to the information, the tacit knowledge, and can generalise it into not one, but many methods which the Nordic countries can use in different trades and situations, you could develop a repertoire for how to approach different situations and perform inspections which are better adapted and more efficient.

"The methods must be based on an overarching plan for what it is we want, based on the inspection authorities' own statistics, EU strategy and current political considerations for what we want to achieve in the coming years."

In two years time, Iceland will be hosting the Nordic working environment conference, which is held every second year. There the results from research on the inspection authorities' own statistics could form an important part of the debate.

Birgitta Forsström – The fresh thinking Nordic region's working environment director

Good leadership is crucial for well-being at work thinks NIVA's new director, Birgitta Forsström. NIVA now offers courses in health promoting leadership and diversity leadership in addition to more traditional themes. This is how she wants to create new Nordic arenas for training in the working environment area.

PORTRAIT
14.06.2016
TEXT: BERIT KVAM

Birgitta Forsström likes building networks, making people link up and creating something new in the meeting between people who need or can offer new knowledge. These are issues she wants to work with as the new director for NIVA, the Nordic Institute for Advanced Training in Occupational Health.

It is the last evening of the 2016 Nordic working environment conference and Birgitta is dancing into the summer night. The music has turned a bit sombre. Slow-slow-quick-quick, slow-slow-quick-quick. Two experts are leading us into the slow rhythms of the tango from the deep Finnish forests. This is not what she is used to, Finnish tango is foreign even though dance is her artistic expression of choice, as she puts it. Her baptism of fire as conference host for some one hun-

dred working environment experts is soon over, and it is time to enjoy the scents of nature on the little island of Viikinsaari, a summer paradise at the end of a 20 minute boat ride from Tampere.

"As a child I danced classical ballet, jazz ballet and modern dance. As an adult I have joined a dance group where we try out dances from different countries. Last year it was the Charleston, this year it's Bollywood. The year before it was African dance. Dance is my hobby and my artistic expression of choice."

Birgitta Forsström grew up in a Finland-Swedish environment. The culture and mentality is different there.

"Brighter and lighter," she says.

As director for NIVA, she can combine her own expertise in organisation and leadership with her experience as a deputy headmistress and administrative head at a vocational school, with a Nordic perspective. Her aim is to implement the changes which the Nordic Council of Ministers has commissioned her to do, combined with introducing further efforts in new areas.

"I see myself as the person who can develop NIVA into a modern and dynamic organisation. Before I started there had been an evaluation of NIVA which highlighted possible ways of going forward. Some of the goals include reaching new target groups, modernising the way we communicate and working more in cooperation with working environment research across the Nordic region.

"That is why I started with establishing cooperation with the state research institutes. We have modernised our communication and our website, and we are running a pilot for a virtual course programme."

She has her own pet projects too which she would like to develop.

"For the first time in NIVA's history we can offer a course in salutogenic leadership, health promoting leadership. Diversity and inclusion leadership is another course which I have initiated. A developing society demands leadership models which can promote health and inclusion in work and training regardless of functionality, age or ethnicity. This goes for all of our Nordic countries. Our task is to be at the forefront of bringing up new topics for exploration.

"We also offer courses at NIVA for very small groups of people. It is part of our mandate to bring together groups which wouldn't meet otherwise."

She was approaching 40 and had been working for about ten years at one of Finland's two Swedish language vocational schools, an institution offering bachelor level education. But now she felt ready for new challenges, especially when she saw this Nordic job advertised.

"I think education is one of the most interesting things there is. NIVA combines my interest for education and work. I am very focused on the fact that many struggle in their workplace, and I think a lot about why it is this way. I believe much of it stems from bad leadership.

"Being a good leader is to bring out the best in all people, to see the individual and help the individual reach their potential. That is the most important, I think, but there are other things too of course – like being a good communicator, being fair, maintaining high moral and ethical standards and never abusing your position of power. Yet perhaps the most important thing of all is the ability to see everyone and help them reach their potential."

As Finland-Swedish Birgitta Forsström feels connected to Swedish culture and she is also the Swedish consul for the Swedish language area where she lives: Hangö, Raseborg and Ingå, on the coast west of Helsinki. This is an honorary title for a person with a good reputation.

"It feels very good to have been given such a task. I feel honoured. You get a letter from the Swedish king where he also asks all the people around you to support you in this task. There is a consulate with a secretary who takes care of the practical issues. My job is to represent, and that is what I do.

Finland is bi-lingual. School children must learn both Finnish and Swedish. She is part of the population which is born and raised in Finland but who has Swedish as their mother tongue. Finland-Swedes make up five to six percent of the total population.

Most live in municipalities near Helsinki and along the Finnish south and west coasts.

Although she speaks both Finnish and Swedish, Birgitta Forsström feel more at home with Swedish and has only held jobs in Swedish speaking environments. She feel a bit like a stranger to the Finnish mentality. She searches for the right words so that what she is about to say does not come out wrong.

"Perhaps you can't put it into words, perhaps because I grew up with Swedish culture along the coast the Finnish culture is different from what I see in my everyday life," she says carefully.

"It strikes me when I arrive in a very Finnish city like Tampere that I am not used to it. It is different to what I am used to."

Then she arrives at what is a sore point for many Finland-Swedes these days. They shut their mouths with a symbolic zip motion. It is wise not to say too much. The scope for what you can say is narrowing.

"It is partly about not always being treated in a friendly way if you speak Finland-Swedish. Many believe it is too expensive

to have a Finland-Swedish population demanding services in Swedish, and there is less and less space for Finland-Swedes in Finnish society. Strong forces believe we should not maintain a bi-lingual state administration, or learn Swedish in school.

"Many want to abolish what they call forced Swedish, and you might encounter unfriendliness if you speak Finland-Swedish when arriving in a Finnish city. I haven't felt like that before, but now I feel it is getting worse. But I don't want to make a big song and dance out of it," she says and laughs a bit.

"The Nordic region feels more welcoming."

Today she is hosting the 13th Nordic conference on the working environment. The Finnish Ministry of Health and Social Affairs is responsible for the programme. The theme is risk-based working environment inspection. It is not her area of expertise, but something she wants to spend more time on going forward:

"I am currently developing a Nordic labour inspection training programme. NIVA has had request for a Nordic course. It has been important to me to find out and understand which issues are relevant on a Nordic level regardless of which country you come from."

You highlight the need for creating good communication, how?

"Perhaps by creating arenas where you can develop new knowledge. The Nordic Council of Ministers wants us to develop online courses, but perhaps one of the important things we do is bringing people together so that new things can be created.

"I don't believe we should develop into a virtual development centre, but it could complement things and allow us to do pilot programmes – for instance if someone in, say, Korea, were interested in a course focusing on Nordic ways of working. But I believe in the value of human interaction."

What is the most fun with this job?

"The most fun? To work with interesting people who are passionate about the things they know. Intelligent people who want to help develop others, and to see how enthusiastic people are when passing on their knowledge from their fields of expertise. That is the most fun thing. The sad thing? That I am a bit lonely as a boss in a small organisation. In my previous job we had a leader group where we could discuss difficult questions. In this role I feel a little bit lonely. That is the only thing."