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Editorial: Labour migrants head North

Iro came first. She arrived from Greece to study. Then the crisis hit, Iro found a job and stayed. Now her brother Dimitris has joined her to look for work in Norway. Do they represent a wave of job seekers from crisis-hit southern Europe to the Nordic region, we wonder in this month's theme.

COMMENTS

08.02.2013

BY BERIT KVAM

This edition's In Focus looks at what the numbers say about labour immigration to the Nordic countries. We talk to Eures consultants, job seekers and employers and Nordic embassies in the south:

"The number of people who come to us to ask about work has tripled in just a few years, and we also see different groups of people," says Sofia Keramida at the Swedish embassy in Athens. The future is bleak in Spain too, says Antonio Alonso-Villaverde. He works with Swedish authorities to recruit doctors from Spain. But the motives for moving north have changed a lot since he arrived in Sweden in 2000 to finish his speciality training, he tells the Nordic Labour Journal: now people are driven by necessity rather than a dream to do something new.

Iceland too has noticed an increase in the number of job seekers who want to escape the hardest hit southern European countries. "We think we have a financial crisis here in Iceland, but that is a misunderstanding," says Friðbjörn Steinsson, product manager at the tinsmiths Stjórnublikk. Portuguese who worked with the company before but who lost their jobs when the crisis hit Iceland often approach him. Now several of them are back working there.

The European crisis is not over. Latest figures from the OECD shows steady unemployment in the south of Europe and in Spain it is even rising. Should we expect a wave of labour immigrants to the Nordic countries?

Greek siblings Iro and Dimitris are typical labour migrants: they seek what they know. Contacts are important when choosing destination. Norway would not have been Dimitri's first choice if his sister was not already there.

So far OECD's figures do not indicate a wave from crisis-hit southern European countries. Not even to Norway where unemployment is lower than in any other Nordic country.

"Despite the Euro crisis we see no immigrant wave from southern Europe," says Norway's Minister of Labour Anniken Huitfeldt.

Perhaps the recruitment measures reflect the actual situation: we want more workers as long as they have the desired skills. Ironically that is exactly what the crisis-hit countries also want when they recruit Swedish youths with language skills to their own tourist industry.



Next stop Sweden? Portuguese on a Lisbon tram

Nordic region next stop for the Portuguese?

Will the Nordic countries see an influx of labour from crisis-hit Mediterranean EU countries? Portugal's emigration rose by 85 percent in 2011 and 240,000 Portuguese - two percent of the entire population - have emigrated in the past two years. In Switzerland they already make up the largest group of people born abroad. But are the Nordic countries equally tempting?

THEME

08.02.2013

TEXT AND PHOTO: BJÖRN LINDAHL

When Nordic labour ministers met in Svalbard last year, they agreed to work together to prepare for the consequences of a possible increase in immigration from southern Europe.

So far there are few signs of a major migration wave from Portugal, Italy, Greece and Spain, or the PIGS countries as they are called, to the Nordic countries.

Unemployment is indeed very high, 26.6 percent in Spain and 26.0 percent in Greece. Portugal and Italy are on a some-

what lower level, 16.3 and 11.1 percent. But deciding to move to another country involves far more than just fleeing unemployment. There should be good chances of finding a new job, you need language skills and qualifications and the economy of the country you move to needs to be good enough. It helps to establish contact with other labour immigrants from your home country who have already moved to the new country.

What's the state of the market?

Norway, with the lowest unemployment figures of all of the Nordic countries (3.5 percent) and with a considerable need for workers including engineers to the oil sector, saw 49,800 people from non-Nordic countries arrive to find work in 2012. Most came from the EEA area, which includes the EU plus Norway, Iceland and Liechtenstein

4,231 people from Greece, Spain, Portugal and Italy got work in Norway for the first time in 2012. That was twice as many Spanish and Greek as the year before. But taking into account that just 2,800 of these counted as labour immigrants, the increase from southern Europe was less pronounced, at around 30 percent. Other countries are still far more important, like Poland and Lithuania.

"Despite the Euro crisis we're not seeing a wave of immigration from southern Europe. Less than six percent of the total labour immigration came from these countries," says Norway's Minister of Labour Anniken Huitfeldt.

Few previous PIGS immigrant

Norway has no major groups of immigrants from the PIGS countries from earlier, while in Sweden Greek immigrants celebrated their 50 year anniversary a couple of years ago.

1,254 Greeks got residency permits in Sweden in 2012, along with 1,034 Italians, 214 Portuguese and 1,255 Spanish - a total of 3,757 people. If you count the number of labour immigrants from other countries, nearly as many Swedish residency permits were granted as work permits in Norway, 45,437. The PIGS share was somewhat higher at eight percent.

In an increasingly globalised world it becomes harder to predict where workers will be moving to. The Portuguese have other alternatives, like Brazil, when looking for work where Portuguese is a first language. A new trend sees young, well educated Portuguese moving to former colonies like Angola.

Not just young men

For the past 50 years the Organisation for Economic Cooperation and Development has tried to follow the emigrant current. In the 1960s it was simple: young men moved from the south to the north, often tempted by industry jobs which were just waiting for them. Recipient countries expected them to be able to move back to their home countries after a few years.

Today's picture is more akin to a kaleidoscope.

Low-cost airlines have shrunk the world. Large groups of people can now arrive directly from countries which are further away. The age spread is greater than before and those who move often have higher education. They also enjoy far better access to information - young people will monitor Facebook to see what is happening to those who already have moved to a different country.

The currents do flow both ways to a degree, and only a few OECD countries, like Poland and South Korea, have seen very little immigration.

There are many paradoxes - the 170,000 Chinese who have moved to Spain are starting up businesses and buying property like never before. A third of the 8,613 foreigners who started a business in the past ten months in Spain were Chinese. The reason is that the low-cost shops and restaurants run by the Chinese immigrants gain customers as the Spanish feel the economic pinch.

Polish has become the second most common language in the UK. 500,000 people list it as their mother tongue. Poles choose the UK because of the language. Nationalities aside, major migration currents also create challenges.

Delicate balancing act

Going through its past 50 years of refugee policies, the OECD concludes:

"It's a delicate task to achieve a balance between attracting labour with the required skills without negatively impacting domestic labour, firmness in managing migration inflows to demonstrate to public opinion and to potential migrants that unauthorised movements are not tolerated, and the implementation of effective policies to ensure immigrant integration."

Not even Germany, Europe's engine, attracts as many skilled workers as the country's businesses would like.

In Germany companies can hire foreigners with university degrees to all jobs which fit their qualifications. Yet a new report shows that although Germany has the most open rules for highly educated labour within the OECD with no limits on numbers or quotas, employers rarely recruit from abroad.

Better than their reputation

"There is a widespread perception that international recruitment is complex and unreliable. Germany's system does involve many actors and is not fully transparent for applicants, but its negative reputation is unjustified: processing times are fast in international comparisons; the procedure is inexpensive; and refusal rates are low," reads a new OECD report, "Recruiting Immigrant Workers, Germany."

Nordic job seekers within the Nordic countries don't need a visa, residency permit or job permit. Within the EU/EEA all citizens have the right to move to another country without having to apply for a visa and they have the right to spend three months looking for work. This also means the political room for manoeuvre is small. Most rules have already been laid down.



From Greek musical dream to Norwegian oil industry job

Iro loves music and wanted to learn how to build concert halls. So she moved from Thessaloniki to Trondheim to study acoustics. Meanwhile her home country was hit by a deep crisis. Now she is happy to have secured a job in the oil industry - and her brother Dimitris has joined her in Norway.

THEME

08.02.2013

TEXT AND PHOTO: BJÖRN LINDAHL

The siblings have done the same as tens of thousands of other Greeks - left their home country to find work elsewhere.

“In my university year only 5-10 out of 200 people have found work in Greece,” says Dimitris Orfanos.

“The rest have gone abroad or are unemployed.”

In the past few months he has been staying with big sister Iro in her rented flat in Oslo.

“As soon as I finished my master’s degree in electronics and computer technology I moved here. I’m now looking for a permanent job in Norway,” says Dimitris.



They realised the Greek crisis was serious in 2010.

“Until then we believed the crisis would only hit the big companies.”

But the crisis led to the bankruptcy of many Greek companies big and small, including their uncle’s Thessaloniki engineering firm when commissions dried up in 2011. The family’s younger daughter is looking for a job as a lawyer in London.

Iro came to Norway on a scholarship to study environmental technology two years ago. She was tempted because the Norway was a leader in the field.

“If you’d have asked me two years ago whether I’d be working for an oil company, I’d have said no chance!”

But it soon became clear no new concert halls would be built in Greece in the foreseeable future. After trying her hand at freelance journalism and working in a hotel, Iro Orfanou got a job as an engineer with Aker Project. She is now hired by Kvaerner to carry out structural strength calculations on an oil platform deck. She believes that had she not been so persistent and patient she would not have got the job.

“I called a few times to ask how my application was going, before I got hired.”

Her salary is three or four times what it would have been in Greece - if there had been a job there.

“I am still not sure about oil companies wanting to drill near the North Pole, but I imagine I will be staying in Norway for the next ten years,” she says.

Had his sister not already been in Oslo, Dimitris would have considered it more natural to seek work in other countries than Norway.

“Primarily Britain, because of the language, or Germany and Australia.”

He still has not secured any job interviews, but has started to learn Norwegian. He can stay and look for work for three months without a residency permit, thanks to the EEA agreement between the EU and Norway. He could also return to

Greece and then travel back to Norway for another three-month period.

“So far I’ve managed to live off savings from jobs I did while I was a student. But you feel like a little child here. You don’t understand the language and you can’t even walk,” he says and looks out on the icy pavement outside the cafe where we meet him and Iro.

“But Norway seems to be a very well organised country. Although it is cold here, people are friendly and I really like their straightforwardness and appreciation of nature,” he says.

We go down to take some pictures outside of the Oslo Concert Hall.

Harald Oredam’s sculpture Jordmusik [Earth Music] could also be illustrating migration with its powerful organic copper shapes stretching towards each other.

“I sang opera for two years,” says Iro.

“And I had time to do some measurements and calculations for the new Oslo Opera House - before the oil industry got me,” she says.

Picture of Spanish-Icelandic couple

Laura Perote is looking for work so that she doesn't have to go back to unemployment in Spain

Spanish seek Icelandic jobs every day

Every day someone from Spain applies for a job in Iceland. Some Spanish travel there and go from workplace to workplace looking for jobs. Meanwhile, Portuguese who worked in Iceland before the financial crisis are getting back in touch with old employers to apply for work.

THEME

08.02.2013

TEXT AND PHOTO: GUÐRÚN HELGA SIGURÐARDÓTTIR

Eures advisor Þóra Ágústsdóttir at Vinnumálastofnun – the Icelandic employment service - gets job applications from Spain every day. Sometimes from Italy too.

“We have no data to show the actual increase, but it seems like people mainly from Spain and Italy, Romania and Bulgaria are really interested in finding a job in Iceland,” says Þóra Ágústsdóttir.

“I clearly see an increase in applications from Spain when I go through my email. Spain is definitely behind the largest increase,” she says.

There are jobs in Iceland which Icelanders aren't interested in, despite the five percent unemployment figures. Þóra Ágústsdóttir says most jobs are to be found in the tourism and restaurant industries during the summer, as well as in agriculture and horticulture certain times of the year.

Trying to help

The Spanish consulate in Reykjavik gets daily requests from people who want to move from Spain to Iceland to look for work. Margrét Jónsdóttir is the vice council in Reykjavik. She tries to help as much as possible. In her office is a Spanish woman looking for work in Iceland.



Laura Perote speaks English, German and French and is looking for a job so that she doesn't have to go back to unemployment in Spain. Several of Perote's friends in Spain have left the country to find work.

She says her friends can be divided into two groups; those who want to set up their own company and try to manage in Spain, and those who go abroad to find work.

Make or break

The consulate does its best to help job hunting Spanish people. Spanish job seekers call the consulate nearly every day, and many travel to Iceland to apply for jobs. For many young people this is make or break.

“They have nothing to lose and just come here,” says Margrét Jónsdóttir.

“They always find a job as cleaners or in the hotel industry and can start from there,” she says.



Halldís Eva Ágústsdóttir has lived in Spain for nearly 20 years. Four months ago she brought her Spanish partner, Marcos Gonzalez María, back to Iceland. Her partner had been a blacksmith for fifteen years but recently lost his job. Halldís Eva Ágústsdóttir had been working in a hospital reception.

She is now a bookkeeper for a Reykjavik company and he works as a blacksmith.

Need personal number

Halldís Eva Ágústsdóttir has met several Spanish families with small children who have moved to Iceland to look for work. She thinks it is an advantage if they have an Icelandic contact who can help them out in the beginning. She also says it is important to speak English. But not everybody can.

“I know some Spanish people who have had serious difficulties. A woman quickly got a job at a gym, but her husband found nothing. He is now a hotel cleaner,” says Halldís Eva Ágústsdóttir.

Her friends also had problems getting paid. In Iceland you need a personal number in order to open a bank account. This takes time unless you have got a job through the Eures work scheme.

Everybody finds work

Vice consul Margrét Jónsdóttir is optimistic and believes all Spanish jobseekers will find work in Iceland.

“They don’t remain unemployed for long,” she says.

“If they want to work and are prepared to work hard, they seem to manage well,” says Margrét Jónsdóttir.

We’re fine

Portuguese workers made up a large immigrant group in Iceland before the 2008 financial crisis. The Portuguese sometimes send job applications to the Eures advisors. The Portuguese enjoy a good network in Iceland from the time before the crisis. They contact people who they know who have

stayed in Iceland or they send applications to former employers.



Antonio Joao Teixeira, Friðbjörn Steinsson and Armando Filipe Soares work with sheet claddings for tinsmiths Stjörnublikk in Iceland.

The tinsmiths employs several Portuguese workers. Stjörnublikk had to make 50 Portuguese workers redundant during 2008 and 2009. Most went back to Portugal. They are now getting back in touch to see whether there are any jobs. They would very much like to go back to Iceland.

Project manager Friðbjörn Steinsson says Stjörnublikk receives job applications from abroad every day. Not only from Portugal, but also Eastern European countries.

“We regularly get requests from Portuguese workers who we were forced to let go during 2008-2009. Now they want to return to Iceland,” says Friðbjörn Steinsson.

“The situation in Portugal is horrendous. We think we have a financial crisis here in Iceland, but that is a misunderstanding,” he says.

“We’re just fine compared to Portugal,” says Friðbjörn Steinsson.

Doctors choose Sweden for work security and job satisfaction

Several Swedish embassies in southern European countries have seen a sharp increase in the number of people who are desperately seeking work. Meanwhile Swedish youths are wanted as guides by the tourism industry in Spain, Greece and Cyprus.

THEME

08.02.2013

TEXT: GUNHILD WALLIN

Thirteen years ago Barcelona born doctor Antonio Alonso-Villaverde Lozano moved to Sweden with his wife, a trained medic, and their child. He wanted to use his speciality training in a better way and she was tempted by the chance of getting a specialist education. He harboured a romantic idea of Sweden and the journey was an adventure, a chance to check things out. Antonio Alonso-Villaverde Lozano and his wife ended up staying and he now works as a GP in Floby near Falköping in the south of Sweden. The couple have four children and he describes his work situation as secure and happy.

Since the economic crisis hit Spain more and more Spanish colleagues approach him to ask what it is like to work in Sweden, and recently he and his employer at Västra Götalandsregionen travelled to Spain to recruit more doctors.

Bleak future

"Spain's future is bleak and there really is a need to work abroad. The reasons for moving now in 2013 are very different from when I arrived in 2000. What we have now is an 'emergency interest', a need to change your situation and find something new," says Antonio Alonso-Villaverde Lozano.

When he goes back to Spain he sees many different signs of the economic crisis. It might not be immediately obvious but he notices it little by little in the streets and when talking to people - not least colleagues he met during his recruitment trip. He tells them about the pros and cons of working in Sweden and underlines perhaps the most important thing of all - it is important not to compare countries and that each and every one will have their separate experiences. It can be better than you think, or worse. In Spain a district GP usually sees between 50 and 60 patients a day, he says, which limits your chances to make an impact. In Sweden the responsibility is different, you get the chance to do more, which professionally is more interesting.

"I also usually say the best thing is the social safety net and the hardest thing is the darkness," says Antonio Alonso-Villaverde Lozano.

Curious yet hesitant employers

The recruitment trip seems to have created a lot of interest, despite warnings of long, dark winters. Some 20 Spanish doctors with partners will arrive to Västra Götaland this spring. The recruitment drive has been in cooperation with Eures - a European network of 31 countries from the EU/EEA and Switzerland, plus 850 Eures advisors.

Eures works with recruitment and ways to find work in other countries than your own, with the aim of improving labour movement in Europe. Eures advisors organise and participate in various job fairs in Europe, often with the aim of finding a certain type of labour which their country needs - e.g. doctors and engineers. Eures advisors also notice how the economic crisis in southern Europe influences people's willingness to move to where they might find work.

"When we have participated in job fairs we have noticed many Greeks and Spanish people want information about working in Sweden, and they are willing to move - including people who already have jobs," says Malin Dahl, Eures advisor at the Malmö job centre.

Swedish employers are also curious about what the Eures cooperation can offer, especially for certain sectors and groups of workers like IT experts and engineers. Yet they still hesitate to recruit from abroad, unlike Norwegian and German employers, says Malin Dahl. The labour shortage is greater there, and that could have contributed to those countries having come further when it comes to bridging language gaps.

"But please feel free to talk about the enormous labour resource which is to be found in Europe. Many jobseekers now

have very good educations and a lot of experience,” says Malin Dahl.

Increased pressure on embassies

Staff at several of Sweden’s embassies in southern Europe have also noticed how the economic crisis has led to more people wanting to work in Sweden.

“The number of people who come to us to ask about work has tripled in just a few years, and we also see different groups of people. Greek doctors have always been interested in seeking specialist training in Sweden, but now we also see craftsmen, builders, and people in the service industry as well as people with higher education,” says Sofia Keramida at the Swedish embassy in Athens. She has been working at the embassy’s media, information and culture section for 12 years, and has witnessed a clear change in people’s interest in working in Sweden. There has also been a change in the groups of people who are prepared to move. It is mainly the consular staff who deal with the increase in requests. They notice the mounting pressure and it is they who can tell you about desperate people who ask for work and who are ready to accept anything. The embassy has also been told stories by the Greek community in Sweden about people, sometimes entire families, who have given up everything and left for Sweden in the hope of a better life. Another sign of the crisis is the number of Swedish residents in Greece who have returned back home to Sweden.

“Our newspapers are full of stories about how you apply for jobs in other European countries, who to write your CV and stories about people who work abroad,” says Sofia Keramida.

Good reputation in the media

Greeks moving abroad to find work is nothing new. Labour emigration was high during the 60s and accelerated further in the wake of the 1967 military coup. Some 900,000 Greeks are thought to have left to find work abroad during the 1960s, many to Germany but also to Sweden. The first ones came to Scania Vabis in Södertälje in November of 1960. Many more came during the 1960s and at the beginning of the 1970s. In later years young, well-educated people have shown an interest in working abroad, for instance doctors, but today you might get requests from people in their 50s who are still in work but who are looking for better conditions than what crisis-stricken Greece can offer. Germany and England are the most popular, but the Nordic countries are also of interest and are often portrayed in a positive light in Greek media.

“The fact that there are already Greek immigrants in Sweden clearly plays a role, but Sweden and the other Scandinavian countries also have a good reputation and are portrayed as safe countries with good welfare systems,” says Sofia Keramida.

People’s willingness to move is considerable. The other week a Greek newspaper published a survey from the Greek ombudsman for children’s rights, where 1,200 pupils from 22

primary and secondary schools were asked about their parents’ work situation. 82 percent said things have become worse in recent months. Among 20 percent of the pupils, one or both parents were unemployed and 29 percent had parents who were considering moving abroad in the hope of creating a better future. 70 percent of the children said their everyday lives had got worse, which meant less pocket money but also reduced opportunities to take further education.

“You don’t know what tomorrow brings. Newspapers write about improved figures coming in a few months, but so far there is nothing concrete. New taxes are introduced all the time, wages are cut, there is a public sector employment freeze and the health sector is getting worse. If you meet someone you haven’t seen for a while you are scared to ask how they’re doing, so you end up talking about the weather. You are afraid to hurt someone who might have lost their job or who has close relatives who have moved abroad,” says Sofia Keramida.

Swedish youths get work in crisis-hit countries

Spain’s youth unemployment stands at more than 50 percent, and new figures show it is even higher in Greece. Still the recruitment current flows from the north to the south. At a job fair in Malmö in early February, six tourism industry employers from Spain, Greece and Cyprus were looking for Swedish youths to staff various activities like children’s clubs, training centres and other guest activities.

“There was a great deal of interest, and more than 260 young people visited the fair. Many got an interview. They come here because they are interested in Swedish youths and their language skills,” says Malin Dahl at the Malmö job centre.



President Sauli Niinistö during the opening of the parliamentary session on 5 February 2013

German-style pay cuts tempt Finnish employers, fuels mistrust

In Finland a hot debate on the lowering wages kicked off at the start of the year, reflecting a deep lack of trust between employers and employees which had been brewing for years.

NEWS

08.02.2013

TEXT: CARL-GUSTAV LINDÉN/HELSINKI, PHOTO: LEHTIKUVA

In his new year's speech Finland's President Sauli Niinistö threw petrol on a small fire which had already been burning for a while. In order to save the country's competitiveness, he said, employees as well as bosses should ease off on their salary demands.

He led by example. Ahead of his speech, President Niinistö had asked the Finnish parliament to prepare a change in legislation which would lower the President's wage to a 2006

level, or from €160,000 a year to €126,000 - a more than 20 percent cut.

Niinistö's predecessor, Tarja Halonen (Social Democratic Party), says that she would have found it difficult to suggest a reduction in wages because of her trade union background.

The speaker of the parliament on the other hand, Social Democrat Eero Heinäluoma, felt even MPs could take a pay cut.

Delicate timing

Centre-right politician Niinistö's suggestion came at a delicate time, or perhaps it was timed that way. Employers were resenting the collective agreement of the autumn of 2011, which binds them to salary increases which might appear unwise in the current economic climate. The current government, which came to power in 2011, also based its programme on fairly optimistic forecasts.

Niinistö's speech could therefore be seen as support for the employers.

The new Chairman of the Confederation of Finnish Industries, Ilpo Kokkila, had already said wages should be cut rather than raised. Niinistö's political party colleague and former minister of economic affairs, Jyri Häkämies, suggested extending the working week by two hours - with no increase in wages. Both also said they were willing to take a pay cut themselves.

Betrayal

Employee representatives, on the other hand, feel employers have betrayed their promise of introducing three training days.

Meanwhile the debate over an increase in Finland's pensionable age carries on unabated.

Trust between the parties is basically at an unprecedented low. Trade unions have refused any renegotiating of the present agreement, which runs out in a year's time, and want to extend it with another year. They have public opinion on their side: just five percent of Finns are willing to take a pay cut according to an opinion poll commissioned by business weekly *Talouselämä* in January.

And for now it seems employers have given up their fight for lower wages. What employers are proposing is in reality an internal devaluation. Finland is part of the Eurozone and unlike other Nordic countries it cannot adapt cost levels by depreciating the value of its currency. In Southern Europe the same adaptation process is taking place, only on a much larger scale than in the Nordic region.

German role model

Those advocating pay cuts point to Germany as one Euro country which has managed the balancing act of adapting its labour costs despite the fixed exchange rate.

Since 2004, German salaries have risen slower than inflation. People's purchasing power has fallen by four percent between 2000 and 2010. Wage development has also been negative, wage increases have been below what was agreed in the collective agreement, partly because of a major increase in the number of part-time jobs and extremely low paid jobs.

Still the German locomotive steams ahead despite the fact that most of the Eurozone has taken a deep dip.

The German example still horrifies trade unions, especially the system of weakening the collective agreement through the use of so-called opening clauses. They allow companies to negotiate local exceptions from central trade agreements.

The first collective agreement with opening clauses was signed as early as in 1985, but only at the start of the 2000s did German trade unions seriously begin to feel the pressure to agree to exceptions. Yet so far lower wages represent just a smaller part of locally adapted agreements. Much more common have been longer working hours for the same pay and the abolition of perks, tax credits or bonuses.

Vague promises

In return, the offers from employers have been varied. Often it has simply been a promise not to shut the business down. Opening clauses were initially meant to be used to help companies in economic difficulties, but lately they have been used more as a common tool to improve competitiveness.

It is not altogether surprising that union representatives look to Germany with a degree of trepidation. The number of union members there has been nearly halved in the past 20 years, and the union membership rate stood at 20 percent in 2011.

Many in both Sweden and Denmark will recognise the Finnish debate on pay cuts. The recent deal agreed by staff at SAS broke the trend of steadily increasing salaries in the Swedish labour market.

"The agreement between unions and the SAS airline is unique for the Swedish labour market. There have been pay increases year on year since the 1930s," Kurt Eriksson from the Swedish National Mediation Office told national radio when the news broke.

"There were pay cuts mainly during the 1920s and 1930s. After that the negotiations have been about pay increases."

No trend

Several Swedish companies have also entered into special crisis agreements with their staff, but this does not yet make up a trend. The Confederation of Swedish Enterprise has not pushed for lower wages either, but would probably like to freeze pay at the current level. Sweden has also seen a more positive economic development than Finland and Denmark.

Some businesses also fear that the debate over lower wages could make households overly cautious with their spends, triggering a fall in consumption. Even though lower wages could help the export industry, the domestic service industry stands to suffer. Economists agree that lowering wages is the wrong way to go. Meanwhile moderation is increasingly put forward as an argument in the run up to another round of negotiations.

New employment policy for Denmark

Municipal job centres will undergo a thorough review and might need a total overhaul. Previous employment measures do not work, the government says.

NEWS

08.02.2013

TEXT: MARIE PREISLER

Too many Danes are moving in and out of unemployment in parallel with market fluctuations, and one reason is failing employment policies says the Danish government. Now it has asked an expert committee to review the country's entire employment policy.

"We need a thorough review of our entire employment policy. It would seem something is just plain wrong when we have both jobs to fill and unemployed people," Prime Minister Helle Thorning-Schmidt (Social Democrats) said as the review was announced.

Minister for Employment Mette Frederiksen (Social Democrats) agrees that today's employment policy is not good enough.

"It needs a fresh start, because for too long it has been running around in circles. This has led to controls and meaningless activation programmes rather than real skills improvement and permanent work," says Mette Frederiksen.

Denmark's employment policy costs nearly 6bn danish kroner (€804m) a year and for the past five years its execution has been in the hands of 94 municipal job centres. It is not the new expert committee's mandate to come up with a new organisation model for the employment policy, but the committee chair, former Minister of Health and Taxation Carsten Koch (S), does not exclude that the committee might suggest moving the responsibility for executing policies away from municipalities. The former centre-right government gave municipalities this power in 2007.

Today each municipality has one job centre, and unemployed people must go to the one in their own municipality even though many Danes work outside of their own municipality. Job centres have for many years been heavily criticised for having badly educated staff and for spending too much time on administration and documentation and too little on trying to link unemployed people and businesses.

The criticism has increased in the past year, also from the Minister for Labour Mette Frederiksen who labelled the sit-

uation "a gigantic systematic failure" which "wastes unemployed people's time", and the Prime Minister has highlighted the fact that some businesses have completely stopped using job centres to find labour.

The more than 7,000 job centre employees welcome the review. They say the state's deregulation of the centres obliges them to spend all their energy checking whether the unemployed really are available for the labour market. Municipalities also hope the review will sort out excessive macro management and red tape. The law regulating job centres alone is more than 22,000 pages long.

In addition to commissioning the review, the government will also seek the views of a group made up of trade union representatives, who welcome the committee's work as well.

The review will result in two reports. The first will look at the existing measures for unemployed people who are ready to get back into work. The second will look at measures aimed at those who are not yet ready to enter the labour market, i.e. people on cash benefits, sickness pay, unemployment benefit or rehabilitation. The first report and the committee's recommendations are expected this autumn, while the second report is scheduled for publication in the autumn of 2014, according to the Ministry of Employment.



Anniken Huitfeldt: Minister of Labour with an eye for equality

“More people can do some work” says Anniken Huitfeldt when I meet Norway’s new Minister of Labour just as we enter 2013. There are parliamentary elections in September. So where will she make her mark in the next six months; where does she want to make a difference as Minister of Labour in Jens Stoltenberg’s government?

PORTRAIT

04.02.2013

TEXT: BERIT KVAM

“Work is what carries the welfare state,” says Anniken Huitfeldt and adjusts the Labour Party’s slogan ‘More people in work’ to better fit today’s challenges: ‘More people can do some work’.

Norway is booming; employment figures are generally high among women as well as men and unemployment is low. The Minister of Labour will work to make sure sick people, the

elderly and people with disabilities can do some work even though they cannot work full time.

“My European colleagues face a situation of high youth unemployment and falling birth rates, very unlike what we’re experiencing in Norway,” she says, and tells me she has given advice to her colleagues and others.

“Use the economic crisis to prepare the ground for a family friendly working life.” That was her advice when she recently met Frances O’Grady, the first female General Secretary of the British Trade Union Congress (TUC), the umbrella organisation for British trade unions.

“This was also my message when I met several government ministers at an OECD meeting: use this situation to facilitate increased employment among women.”

Is a crisis and unemployment the right time for this?

“This is what we did towards the end of the 1980s and at the beginning of the 1990s. We faced major economic problems and high interest rates, and many people were losing their jobs. We prioritised the building of nurseries and increased parental leave to increase employment among women. This is where you find some of the reasons for Norway’s current good economic situation, the fact that a larger percentage of our population is in work,” says the social democrat Anniken Huitfeldt, and continues:

“High unemployment, low retirement age and short working lives eat up a lot of public budgets. If young people graduate at 25 and retire on average at 59, like they do in Italy, and you also have few women in work and we live for longer, then you have few people of working age to carry public expenditure. This has a lot to do with why so many countries are experiencing a crisis now. They have lowered taxes to create growth which has not materialised, there are fewer people in work and fewer to pay for welfare services. Work is what carries the welfare state. Getting people to work for longer and getting more women into working life is engaging everybody,” says the Minister of Labour.

From youth politician to government minister

Anniken Huitfeldt fits the Scandinavian term ‘political broiler’ - a Scandinavian term for a politician reared for office from an early age. She has held various leadership positions in the Labour Party and its youth wing AUF since she became a local AUF leader aged 16. She has grown up in and with the party and climbed the grades in AUF and in the mother party one decade behind Prime Minister Jens Stoltenberg. She has served as a minister in his governments since 2008: Minister of Children and Equality (2008-2009), Minister of Culture (2009-2012) and now Minister of Labour.

As Minister of Labour Anniken Huitfeldt is responsible for the government’s entire labour and welfare area. She faces the challenges of increased globalised competition and a Europe in economic crisis while having to secure good working conditions and a safe welfare system for all Norwegian citizens.

“It might as well be called Minister of Labour and Welfare, because in reality that’s what I am. The forerunner for this ministry is the old Ministry of Social Affairs which is 100 years old this year. Johan Castberg, our first Minister for So-

cial Affairs, helped create our employment protection legislation and the Castberger children’s legislation which meant children born out of wedlock were secured an inheritance and the right to carry their father’s name just like children born from married parents.

“This happened after years of fighting the political right. It is a proud tradition,” the politician adds.

Increased immigration and focus on social dumping

High employment rates and low unemployment has meant Norway post EU enlargement has also seen high and rising labour immigration. Polish building workers and cleaners, Swedish health workers and not least Swedish youths in their thousands have in later years come across the border to find work in Norway, the latter especially in the service industry.

“Now more Danes are coming too,” says the Minister as she keenly looks for the news story where she picked this fact up. This is positive, we need the labour, she says.

Do you see the danger in the fact that labour immigration is now increasing from European countries with high unemployment?

“We want labour, but of course some of the work we have done in later years has been focused on maintaining Norwegian standards in working life as more workers wish to come to Norway. That’s why we, together with trade unions and employers, have introduced authentication schemes for the cleaning industry and in the building trade to prevent labour from other countries and less than serious companies undermining our working life standards. We have given the Labour Inspection Authority an increased mandate to carry out controls, so we are getting a better system which will secure that companies keep to the standards they have committed to under Norwegian law.”

The nightlife industry living dangerously

Where do you see the greatest challenges when it comes to social dumping right now?

“We target trade after trade to develop precise tools. Right now we are looking for less than serious players in the nightlife industry. We have met the parties. They are focused on the fact that the industry has access to a lot of cheap labour and that there are some employers who are not playing by the rules. This is where I want to focus our work together with employees’ and employers’ organisations.

“We introduced the Agency Workers Directive from 1 January. Its aim is to secure equal treatment of labour hired through an agency so that all workers get the same wage and working conditions across businesses.

“In order to maintain Norwegian workers’ standards we need to make employees’ and employers’ organisations able to uphold Norwegian employees’ rights, so we have introduced a

range of new measures. One example is the joint liability for employers. This means providers who choose to outsource services are responsible for making sure salaries and working conditions follow Norwegian rules throughout the supply chain."

There's an election this autumn. What else will be your focus in the next six months?

Strong increase in mental health problems

"Firstly I want to focus on mental health issues and working life. What we need now is a great drive to make it easier for people suffering from mental health problems to take part in working life. The number of people on sick leave is falling, but over the past ten years sick leave has risen by 145 percent among people where mental health is the cause. This is a strong increase. That's why helping people with mental health problems in working life and getting people to do some work represent important goals.

"Graded sick leave, meaning people do some work, has helped reduce the general absence due to illness. I want to achieve the same for people with disabilities. Today 90 percent are registered as 100 percent disable. No doubt many of those with disabilities can work to an extent. It is important to get more people with reduced work capacity into working life, and to have a working life which allows you to do some work. The same goes for older workers.

"Two thirds of old age pensioners under 67 do work, but often part time. So we need to make it easier to do some work. That's the most important thing, because work brings good health, work keeps you healthy for longer, work keeps you young. So we need a working life which to a greater extent makes it easier for people to work a bit, whether you are ill, has partly reduced work capacity or are an older worker."

Strengthened youth guarantee

"Another important issue is all the young people who don't get a place in today's working life. The number of young people with disabilities outside of working life has remained steady in recent years, but we need to make sure more of them are followed up at an earlier stage. That's why we have agreed on a new youth guarantee. It means young people with reduced work capacity are followed up quicker through targeted youth projects."

OECD praises Norway in its report 'Closing the Gender Gap', but underlines the fact that the country has a very gender divided labour market.

Why is it so hard to improve gender divisions in the work place?

"There have been enormous changes in several areas. Theology, medicine and law were all very male dominated areas 30 years ago. Now there are more women than men in all of these. To a large extent it has to do with role models. We

haven't managed this well enough in traditional female occupations. It is difficult to work with areas where young people need to make a choice about jobs when they are 15 or 16 - an age when people tend to be very keen to express their own gender through their choice of occupation and education.

"This is where the greatest challenge lies. We are struggling here. People still make very traditional job choices in occupational training. More untraditional choices were made 15 years ago, but if the welfare state is to improve we need more men in occupations where women are in a majority."

Women who work part time loose out both in terms of salary and pension points. It's often called the gender trap of our time. Why is it so impossible to achieve something here?

"The number of women in work with children under 16 has increased a lot since we achieved full nursery cover, and the number of women working part time has fallen. This proves that adapting things for families with children does have an effect."

Are you satisfied?

New pension system stimulates people to work more

"It is a choice for the individual, but we see that the new pension system means benefits based on earnings have become even more central than before, which again means it is of even greater interest for women to be in work. We also see that the interest in full time positions for instance among younger nurses is much greater than among older nurses. Previously it was often the case that women who started working combined house work and working life, while a new generation of women have very different demands. Yet the largest change in later years has happened to the man's role. Surveys show men spend far more time doing house work than they used to, they work less and spend more time with their children than they did 20 years ago. So the greatest changes are women work more and men work less."

Yet it is still the case, is it not, that many women who want to work more than part time struggle to get more hours?

"Yes, and that's why we presented a white paper just before Christmas which would allow women to demand contracted employment reflecting the number of hours they actually work."

What is the greatest challenge when it comes to gender equality in your view?

"We have made a lot of progress when it comes to families. We have achieved full nursery cover, halved nursery fees, we have one full year's maternity leave and 12 weeks daddy leave. Now we see there are great challenges in today's working life. Some young women experience sexual harassment at

work, others aren't allowed to work the number of hours they want, and we have pay gaps. But the most important reason for pay gaps is part time work and differences in pay between the private and public sectors above a certain level of employment. There is more equal pay in the public sector."

What can you do about that?

"This is about moderation. We need the same level of moderation in the private as in the public sector. We have collective wage agreements in Norway. If we manage moderation we also manage to be competitive, because of course it becomes a challenge to compete internationally when we have a high salary level here in Norway - the costs to industries exposed to competition make our goods too expensive. That's why it is everybody's responsibility to secure moderate wage agreements."

If you had one choice, what would your priority be?

"The full picture. This is the Ministry of the Full Picture. It is important to contribute to working life and that more people can do some work."



Tromsø

Climate changes arctic working life

The climate is changing much faster in the Arctic than researchers had predicted. This also means great challenges for working life in an area where between four and nine million people live, depending on how you define it. The Arctic Frontiers conference has been staged in Tromsø for the eighth time.

INSIGHT

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TEXT AND PHOTO: BJÖRN LINDAHL

Uncertainty surrounding just how the climate will change was demonstrated by the general weather during the conference. It was dry and cold on opening day. The sun re-emerged over the mountain tops surrounding the city of 57,000 people for the first time since the end of November, and the people of Tromsø were ecstatic. It coloured the surrounding mountains pink and people walked around with a smile on their faces.

“It is fantastic that the sun has returned!” exclaimed the city’s mayor, Jens Johan Hjort, as he welcomed the participants to the conference.

The people who live in the Arctic understood what he meant.

The next day it was raining, but on day three the snow was coming down in flakes the size of cotton buds, making people coming in from outside look like they had been sprayed with white foam.

Faster than expected

The conference heard a summing up of the big SWIPA study financed by the Arctic Council, which comprises 230 scientific reports on the consequences of climate change. It builds on previous studies but has been updated with information from the latest ten years.

“The first conclusion in the SWIPA study is that changes in the Arctic are happening at a much faster rate than previously predicted,” said Morten Olsen from the Danish Ministry of Climate.

SWIPA is short for ‘Snow, Water, Ice and Permafrost in the Arctic’.

There is still debate over how significant climate change is on a global scale, yet no-one can deny the dramatic reduction in the North Pole ice cover and that glaciers and the Greenland ice sheet are melting fast. Processes are set in motion which in turn accelerate climate changes, for instance when snow cover is reduced. That leads to less sunlight being reflected and the resulting temperature increase has global consequences.

Good cooperation

“The good news is that the Arctic countries are cooperating well. This makes it easier to manage the way in which we have to adapt,” said Gustaf Lind, Sweden’s Arctic ambassador.



Sweden's Foreign Minister Carl Bildt, his Norwegian colleague Espen Barth Eide, and Canada's Minister for the Arctic Council, Leona Aglukkaq at the opening ceremony. Magnús Jóhannesson from Iceland to the far right will be heading the secretariat of the Arctic Council.

One visible proof of that cooperation is that the Arctic Council, which comprises the eight countries which are partly situated north of the Arctic circle, has established a permanent secretariat in Tromsø which was officially opened at the same time as the Arctic Frontier conference.

But things can get hot even in the Arctic. Most often it happens when people debate fisheries, an industry which has seen the consequences of a warmer climate as several fish

stocks have moved. Haddock, which used to swim along the south coast of Iceland, now stay north of the island.

“Internally in Iceland this creates problems because it is the fishermen in the south who have the quotas for haddock. Fishermen in the North now get so much haddock as illegal unintended catch that they cannot fill their cod quotas,” said Steingrímur Sigfússon, Iceland’s Minister of Economic Affairs and of Fisheries and Agriculture.

The mackerel creates problems

The mackerel has also started to gather in the sea outside the south coast of Iceland. Icelanders, who traditionally have not been fishing mackerel, have chosen to draw up their own quotas – quite separate from what Norway and the EU do.

“Mackerel swimming in our zone represent a biomass of 1.5 million tonnes. They are not there as tourists, they are there for business. They gain 650,000 tonnes which they take from the Icelandic ecosystem,” said Steingrímur Sigfússon.



Steingrímur Sigfússon, Minister of Economic Affairs and of Fisheries and Agriculture.

“Traditional methods of sharing a fish stock between several nations does not work when you have the kind of dynamic changes that we see now. We need to find the balance between historic catches and other factors,” he said.

Yet keeping in mind how notoriously difficult quota negotiations usually are, nobody knows what will happen if the present principles are sidelined.

Fisheries account for 40 percent of Iceland’s merchandise exports. In the past two years mackerel has reached second and third place as the most important fish stock. Historically Norway and the EU have the right to harvest 90 percent of North Atlantic mackerel quotas, while Iceland, the Faroe Islands and all other countries must share the remaining ten percent.

Erosion a major problem

But climate change means more than changes to fish stocks. When the permafrost recedes the coastline can begin to erode. Two thirds of the Arctic coastline is being kept together and is protected by ice. When it melts and the permafrost thaws, erosion can set in very quickly. Along the Laptev and Beaufort seas the coastline has receded by more than two metres a year and several Alaskan Inuit societies are preparing for the fact that they will have to move.

Although the Arctic is sparsely populated, the cold helps communication. Traditionally through the use of dog sleighs and in modern times through opening up ice roads over frozen lakes and rivers. An ice road is the only link between the Nunavut territory in Canada to the rest of North America.

Now the period when these ice roads are safe has become shorter, as they freeze over later in the year and thaw earlier in spring.

Thawing permafrost also means buildings, pipelines and airports are being deformed, despite new building techniques.

New opportunities at sea

The warmer climate also brings new possibilities. New trade routes are opening up when the ice melts. 42 vessels sailed from Asia to Europe or the other way around through the North-East Passage in 2012. That makes the route from Hamburg to Shanghai 35 percent shorter compared to when sailing through the Suez Canal.

The North-West Passage goes north of Canada. If that becomes free of ice, European vessels could reach the USA's west coast without passing through the Panama Canal.

More traffic is created by large cruise ships which sail up along the ice shelf.

"At the most we've had eight vessels at the same time around Svalbard. One such ship alone can have more passengers than the number of people who live on Svalbard," said Vice Admiral Haakon Bruun-Hansen, as an example of the new challenges facing rescue services.

"Cultural imperialism"

An increase in tourism also brings new demands and changes.



Sara Olsvig, Danish MP representing the leftist Inuit Ataqatigiit party.

"Tourists want to see unspoilt, original societies where they can taste the forbidden fruit – whale meat," said Sara Olsvig, a Danish MP representing the leftist Inuit Ataqatigiit party ('Community of the People') in one of the two seats reserved for Greenland in the Danish parliament.

She didn't mince her words when she described the EU's ban on the sales of seal products, calling it completely irrational, since the seals were neither threatened with extinction or hunted in an inhumane manner.

"This is about cultural imperialism and not about animal rights," she said.

Interest from other countries

There has been a surprising level of interest in becoming observers at the Arctic Council from non-Arctic countries.

"I recently gave a speech in Singapore about the Arctic which drew a lot of people. At least Singapore is on the right side of the globe – it is one degree north of the Equator," joked Norway's Minister of Foreign Affairs Espen Barth Eide.

Keeping in mind Singapore's dependency on shipping, the country's interest is not so strange. Last autumn the Chinese icebreaker Xue Long sailed through the North-East Passage.

For Sara Olsvig, China represents an opportunity both for major investment in the hunt for minerals, and as a buyer of seal products. In Denmark they are currently debating whether a new state company should be set up in order to invest in mining activities and to look for oil and gas in Greenland.

"I don't understand the sudden interest. When we negotiated with previous governments they didn't do anything about investments," says Sara Olsvig.

Denmark's subsidy to the Greenland budget has been frozen since 2009.

“If we want to keep the Greenland welfare state we simply must find new ways to create revenue,” she says.