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Joint decision making and freedom of expression in the Nordics

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Everything is connected – also the Nordic region

Nordic cooperation for 2017 has been given title: A Europe in transition needs a strong Nordic Region. So what is needed to build and promote the region? More sharing of knowledge? Greater focus on the Nordic welfare model? Greater focus on which values that the Nordics choose to follow? Is a more authoritarian labour market a choice the Nordics will make?

COMMENTS
16.11.2016
BY BERIT KVAM

According to the Work Research Institute's new barometer measuring joint decision making, people's perceived level of influence over their own work situation has fallen by 12 percentage points. That doesn't ring true for the director of industrial policy at the Federation of Norwegian Industries Knut Sunde.

This could mean that we are moving towards a more many-faceted labour market where companies based on Norwegian traditions stick to values which they know will influence productivity, trust and good cooperation.

This month's theme shows there is cause to highlight working environments. The authors of the book Modern muzzle describe what happens to people who are accused of being disloyal to their employer. It affects their entire lives.

The positive example comes from Sweden where the authorities are strengthening the opportunity for employees to sound the alarm through the new whistleblower act. It is designed to improve safety for the whistleblower and to protect against repercussions from the employer. The acts underlines one of the strengths of the Nordic labour market – that the integrity of employees should be protected. When this is not the case, we protest.

What is needed to promote the Nordic region? Should the Nordics invest more in welfare? Iceland's Minister of Cooperation thinks so. She talks about the research program Nordic Welfare Watch which recently concluded in Reykjavik. It shows that the way Iceland handled the crisis gave good results. Iceland focused more on welfare than on cuts, avoided major impact on households' well-being and managed to emerge from the crisis quicker. The Nordic Welfare Watch comprises several projects, one about Nordic welfare indicators and another about crisis management and the role of local social services in times of crises.

Iceland is now taking the initiative to move this forward, proposing a comprehensive Nordic welfare forum which will address current and future challenges facing the Nordic welfare states. A system of Nordic welfare indicators will also be established, providing a roadmap for the future.

"A Nordic welfare forum can focus minds and lead to a more active debate on Nordic welfare. I think we need this," says Professor Stefan Olafsson.

A particularly important issue for the Nordic welfare forum would be the integration of refugees into the labour market. That was also the theme for the Nordic Economic Policy Review which recently held its seminar in Oslo. It highlighted the dangers of too slow integration.

The Nordic region cooperates in many arenas. The Nordic Investment Bank invests in Nordic and Baltic development projects. Director Henrik Normann in the Portrait thinks the bank has helped secure welfare and perhaps helped keep jobs in the Nordics which might have otherwise been moved abroad. The focus right now is on environmentally sound projects which make up half of the banks investments. The shift towards a greener economy is also an important factor in the new Nordic cooperation program.

Norway's Prime Minister Erna Solberg presented the 2017 program for the Nordic Council of Ministers at the Nordic Council on 1 November. It focuses on the Nordic region in transition, the Nordic region in Europe and the Nordic region in the world. Cooperation will be strengthened at home and aboard. The Nordic region will be an important power internationally.

Also the Nordic region – everything is connected.

Towards a more authoritarian labour market – without freedom of expression?

“This is not only about their working life. It is about their lives,” says Dag Yngve Dahle, who has written a book on the freedom of expression in working life together with Maria Amelie, called ‘Moderne munnkurv’, or Modern muzzle. They look at what happens to people who have been accused of a breach of loyalty to their employer.

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TEXT AND PHOTO: BJÖRN LINDAHL

The nine people are very different. Some, like Heidi Follet, knew there would be trouble when she published a cutting opinion piece about the The Norwegian Labour and Welfare Administration, NAV. Others, like ‘Mona’, were caught by surprise. She was summoned by the boss because of four words in an e-mail which she had sent to an angry government ministry employee to explain why no-one from Statoil’s leadership had attended a certain meeting.

Sometimes it is about whistleblowing. Like when an employee at Norway's Radiation Protection Authority pointed out that the leadership had set the limits for a type of radioactive waste to half of what the International Atomic Energy Agency IAEA had recommended – in order to save more than 20 million kroner (€2.2m). In a different case, a security agency employee was sacked after fronting demands for a collective agreement.

The taboo of talking about the employer

"We see a pattern where employers do not take action if employees use their freedom of expression to post comments in social media or in opinion pieces about for instance immigration or religion. But reactions can be severe if employees pass comment on the company."

Some of the most common reactions many receive, apart from a conversation with the boss under four eyes, is to be criticised in front of staff and to be excluded from the workplace community in various ways. Formal punishment can be the removal of certain tasks and the freezing of wages. Often the employer feel so bullied that he or she quits.

Dag Yngve Dahle and Maria Amelie describe how 'Mona' at Statoil reacted:

"In just a few days her existence had been turned upside-down. She had been considered a young and promising Statoil talent, but now she was labelled a disloyal traitor. She had used to start her day by drinking good quality coffee and listening to music on her way to work. Now she couldn't face getting up in the morning. She just wanted to stay under her duvet. Facing reality made no sense. Thoughts about what had happened ran through her like gushing waves, they did not stop, they returned over and over again, they came with a gnawing doubt. Was it her, was something wrong with her?"

All she had done was to answer that she too "was surprised" by the fact that no-one from Statoil's leadership had had time to attend the government ministry's external meeting. She used the same expression as the author of the letter.

What state is Statoil's generosity in?

"Is that the reason why they believe you have acted disloyally?" asked a surprised company doctor when she called Mona in to talk about why she had gone of sick.

The company doctor reported the affair as an "unjust, serious allegation" to the Norwegian Labour Inspection Authority. Lawyers in Mona's trade union agreed.

The authors ask what state Statoil's generosity is in when the company cannot even tolerate a trifling matter like that? And does what happened represent the state of the Norwegian labour market?

"We have seen a Trumpification of the Norwegian labour market," says Dag Yngve Dahle.

"The relationship between the leader and the employees has changed. It's 'You are fired' all over."

Unpleasant methods

The authors commissioned a survey from the Norwegian Society of Engineers and Technologists, NITO, which asked members whether they themselves had experienced any sanctions as a result of things they had said or written. Nearly ten percent of the members answered yes, while nearly double that – 18.1 percent – said they knew someone at work who had experienced such sanctions.

"There are some rather unpleasant methods being used to reprimand people or push them out. This has probably been the case in the past, too. But we shouldn't be surprised that people get problems, when you consider how much work means to many."

In several cases employees developed depression, and some considered suicide. Dag Yngve Dahle believes this is linked to a major change in working life, where the old head of personnel, who often took the employees' side, has been replaced by HRM leaders who support the leadership.

HRM, or Human Resource Management, is often divided into 'soft' and 'hard' HRM. The soft version focuses on employees' engagement and motivation, striving for common values and cooperation. The hard version focuses on controlling, steering and punishing staff in order to make sure they do a good job.

Hard HRM in the oil industry

"In Norway the hard HRM model has partly been imported by the oil industry, but it has also been used by companies like Telenor and by public services like NAV."

But it also runs into problems because of the rights employees have through the Working Environment Act.

“The Norwegian Working Environment Act focuses on dialogue and cooperation. The Norwegian Confederation of Trade Unions and the other trade unions are still very much focused on this, while interest among employers has dwindled. Too often they see that they can get away with hard HRM form a legal point of view. They simply point to the fact that employees should be loyalty to the leadership.”

In some instances, like when there is a danger to the environment and safety, Norwegian employees not only have the right to sound the alarm. If there is danger to human life, they also have a duty to do so.

“It is difficult to give general advice for how employees should act. But one advice could be to not call yourself a whistleblower. Because that lands you in a legal situation where you are simply entitled to compensation if you are punished – and not protection against being persecuted by your employer.

“It is a much better idea to simply quote the constitution and the freedom of expression which everybody in Norway has,” says Dag Yngve Dahle.

New Swedish legislation protects whistleblowers

A new law will be introduced in Sweden this January to improve the protection of whistleblowers, strengthening the employees' situation. However, they will still be left with much responsibility when it comes to deciding which wrongdoings are serious enough to afford them protection.

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TEXT: GUNHILD WALLIN

The new law is simply known as 'the whistleblower law', although its more formal name is 'Act on special protection against victimisation of workers who are sounding the alarm about serious wrongdoings'. It means any employee, whether he or she works in the private or public sector, can tell the media or authorities about corruption or other serious issues, without risking reprisals like withheld wages, lessened career opportunities or – in the case of temporary workers – reduced chances of having their contract renewed.

The idea is that the employee should approach the employer first, and if the employer does not act, the case can be taken to the media or the authorities.

"Workplaces benefit from having a climate in which employees dare to criticise. It is very beneficial for the labour market and society as a whole if you can safely point out wrongdoings so that these can be rectified. Today there is not sufficient protection. The question is whether the new legislation will make any difference in real life. I hope it will," says Lise Donovan, chief legal advisor at the Swedish Confederation of Professional Employees, TCO.

Complicated interpretations

She views the new law as a strengthening of the employee's right to whistleblow at work, but she also thinks it is too complicated.

"It says there must be serious irregularities or comparable ills which might lead to prison. It is difficult to determine what this constitutes, yet it remains a prerequisite in order to qualify for the law's protection. When we train our trade union representatives, who might be asked what constitutes serious irregularities, they tell us that they find it difficult to decide what is," says Lise Donovan.

Whistleblowers are often praised for their courage. Yet it has been shown that they often pay a high price. Recently the so-called Macchiarini scandal got a lot of attention in Sweden. The charismatic surgeon Paolo Macchiarini, famous for his skill of replacing patients' windpipes with synthetic ones, was invited to be a visiting professor at the prestigious Karolinska Institutet (KI) in Stockholm, and was also made a senior consultant at the Karolinska University Hospital.

But when several of his patients died over the years, some colleagues became increasingly sceptical to his professed competence, and alerted the then KI chairman. Macchiarini was initially protected, and instead the whistleblowers were threatened with dismissal. When the story leaked to the media, there was a scandal which claimed the scalp of not only Macchiarini, but also much of the KI top leadership.

Rarely a hero at home

"Employers often say it is also in their own interest to expose wrongdoings, but the Macchiarini saga at KI is a good example of how opposing interests might prevent the right action from being taken, even if there is motivation to something. As a result, the whistleblowers do not become heroes at all. Often it is also not just the employer who is critical to the whistleblower, but fellow employees too," says Lise Donovan.

This year the Swedish Freedom of the Press Act is 250 years old, which makes it the oldest in the world. Yet speaking freely about issues in the workplace as an employee is more complicated than speaking out in print or in other media as an individual. An employee has a duty of loyalty, and the first thing to do if something is not right in the workplace is to talk to the employer. This loyalty is particularly strong within the private sector, but it is also present in the public sector. In the latter, the employee does have freedom of expression, however, and can approach the media with any criticism.

"These are authorities financed by the taxpayer, which means there is a greater public interest in seeing whether the money is managed properly," says Lise Donovan.

More ways to whistleblow

Public sector employees who talk to the media are protected by the so-called *meddelarfrihet* (freedom to communicate), which is part of the Freedom of the Press Act. This could be completely open and the employer has no right to hinder or punish the person who has spoken out. If the employee chooses to criticise the company anonymously, the employer has no right to try to find out who was behind the information – there can be no investigation of who made use of their statutory right to communicate, the so-called *meddelarskyddet* (protection for informants). The employer has also no right to reprimand anyone who publicises wrongdoings in any way.

In recent years this type of freedom of expression has been chipped away at by the privatisation of public companies. *Meddelarfrihet* and *meddelarskyddet* do not apply to private company employees, but proposed new legislation would address this issue for private companies running tax-funded health, education and care institutions. A bill has been promised for November, and the new law is due to be implemented from April 2017.

Better control of taxpayers' money

"Companies which are financed through our common tax money should be safe and of a high quality. Employees and contractors must therefore be able to talk when they discover wrongdoings without the fear of reprisals. A strong protection of whistleblowers contributes to this kind of security and improves transparency around the businesses," said the Minister of Justice and Migration, Morgan Johansson, when he presented the proposed legislation called 'Stronger whistleblowing protection for private employees in public companies'.

"The big difference is that employees in private companies running health, education or care institutions now get the right to talk to the media about anything, and it is then up to the journalist to consider whether the information is serious and interesting enough to warrant publication," says Lise Donovan.

But many tax funded companies are not in the health, education or care sector.

"The way in which the proposed legislation is written, there are good opportunities to add new areas, and there is also an ongoing government investigation into which other areas might be relevant to include," says Lise Donovan.

Collective decision making important, but...

“All this research on collective decision making is important, but it has its limitations. I think far too much has been exaggerated. There is an extremely good relationship between the workers’ representatives and the company leadership,” exclaims Knut E. Sunde, director of industrial policy at the Federation of Norwegian Industries.

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TEXT AND PHOTO: BJÖRN LINDAHL

He has spent the past hour at a ILERA seminar listening to researchers from the Fafo Foundation, the Norwegian Work Research Institute and SINTEF sum up the latest years’ research on collective decision making in the workplace. It gives quite a clear picture of an increasingly authoritarian relationship between leadership and employees.

“I travel around the whole of Norway and meet many of the main employees’ representatives and I work a lot with LO (the Norwegian Confederation of Trade Unions). We work together where we can and argue over what we have to argue over,” says Knut E. Sunde.

"Demands for productivity stretches from here to the moon. We spend a lot of time trying to find win-win situations where both the company and the employees benefit from working together. If a Norwegian producer of car parts wins a seven year contract, it might depend on a six percent improvement in productivity every year," he points out.

Independent employees

According to E. Sunde, foreign employers are often surprised by how independent the employees are. They solve challenges on their own, without the need of approaching the top boss.

"Norwegian employees might leave earlier on a Friday, but if there is a problem they help out at the weekend. It's about trust," he says.

Åsmund Knutsen painted a similar picture. He is an employee representative on the board of directors at Aker Solutions, one of Norway's largest construction companies in the petroleum sector.

"In order to create confidence, trust is the most important thing. The informal contact is the most important. It is not often we can stop a process, but we can change processes. Especially if we get information as early as possible by being represented on the board."

Six different CEOs

He does not feel he has problems being heard.

"I have experienced six different CEOs during my time as an employee representative. They have rarely known more about the business than me."

According to Tore Nilssen, head of research at SINTEF Technology and Society, a new cooperation model is emerging in Norway, which is not based on collective agreements or collective decision making legislation.

"What are the employees' representatives really saying? They're saying that they spend 95 percent of their time developing the company, and five percent of the time on wage negotiations."

Tore Nilssen says collective decision making in working life happens in three ways:

- The basic, representative collective decision making based on legislation and agreements.
- The collective cooperation where all employees are involved in the organisation and the running of it.
- The new, expanded representative cooperation between the parties, which goes beyond legislation and agreements.

Buy what really happens when the employees' representatives are included in the company's development and spend 95 percent of their time doing that? And what happens in the part of the labour market which is not made up of major companies which follow all formal demands stipulated by collective decision making legislation and collective agreements?

At the opening of the seminar, Sissel C. Trygstad and Kristine Nergaard from the Fafo Foundation quoted answers they got when asking leaders from smaller companies about their view of collective decision making:

"We are so small, we don't have a collective agreement and no safety representative. But we have a caretaker who looks after things. If something is wrong, we fix it ourselves or ask the caretaker."

They also divide Norway's labour market into three:

- Companies with trade unions and collective agreements
- Companies without trade unions and collective agreements
- Cowboy companies

"The battle for the Norwegian working life model will be held in the unorganised part of the labour market," says Sissel C Trygstad.

NIB's Henrik Normann – the welfare sector needs a bank director too

Henrik Normann heads one of the most successful Nordic institutions, the Nordic Investment Bank. It is celebrating 40 years in business, and was founded with capital from all of the five Nordic countries.

PORTRAIT
16.11.2016
TEXT: BJÖRN LINDAHL, PHOTO: MARJO KOIVUMÄKI, NIB

"The Nordic countries contributed 278 million euro. In 40 years this has grown into 3.1 billion euro. During that time we have paid dividends of 800 million euro to the countries," says Henrik Normann in that special Scandinavian version of Danish which Danes use to be sure they are understood – which includes some English expressions when it is particularly important not to be misunderstood.

Since 2005 the three Baltic states have also been full members and owners of the bank. Its headquarters lie in Helsinki, with 190 employees. The dividends from NIB alone would be enough to finance the Nordic Council of Minister for more than six years.

The Nordic Investment Bank's task is to lend money to projects which either improve competitiveness or to green investments. Defining a green investment sounds easier than defining what improves competitiveness – how do you actually decide that?

"To give it a short answer: Competitiveness is what creates welfare. Together with economists like Christian Ketels at the Harvard Business School we have developed a tool to measure how a project can be defined by looking at four factors: Technology, human capital, infrastructure and market impact.

"In order to improve technology we might provide loans to research and development projects, when it comes to human capital we sometimes support education. Competitiveness also depends on good infrastructure – so we're talking electricity grids, roads and so on. Market impact is about solving tasks cheaper than the competition.

"We grade projects by looking at all these factors, from excellent to below average. If we look at what we have invested in, 50 percent of the loans have been linked to greener development, 40 percent have been linked to competitiveness while the remaining 10 percent have been projects which for instance improve the cooperation between the Nordics and the Baltics.

"Most of all we want to finance green projects which also improve competitiveness, of course. Some 30 percent of our projects tick both boxes. The best thing is if we can contribute to a sustainable future. But we also have green projects which cannot be said to improve competitiveness."

Things should not be too small

The Nordic Investment Bank does not often make the news. But when it does, it is often about some member country's politicians wanting to turn the bank into something else – like a green only investment bank or making NIB lend money to small businesses and entrepreneurs.

How do you feel about that?

"First of all, it is always positive when people show an interest in the bank. Secondly, we are already a green bank in many ways. No matter what people might think we should be doing, it is my personal opinion that there must be a certain size to make things effective. I would become worried if you established a green Swedish bank, a green Norwegian bank and a green Danish bank, for instance.

"It is better to use a common bank in that case, since the process of considering a loan is the same. By being bigger you also secure diversification of the projects, which makes things less risky.

"But NIB is an instrument for the politicians. I am not supposed to have a view of what the bank's mandate should be. All I'm saying is: Watch out so that you don't end up with too many small units!"

So what is the advantage of getting a loan from NIB, compared to other providers? Can green projects get a lower interest rate if they come to you?

"We do not compete on interest rates. But we are not into profit maximisation either. The biggest difference is that we can provide a much longer term loan. The longest loan we have provided is for a Baltic project, and it runs over 35 years."

Quality mark

"We can also not finance a project with more than 50 percent. But just the fact that a project has been promised NIB backing is a quality mark which makes it easier to finance the rest of the project. We can also go into a project which has secured half of its financing over five years and we can take on the other half, but over 20 years. We try to exploit the 'extra effect' which we can provide. The technical term for this is additionality."

Not many banks have a triple A rating like the Nordic Investment Bank – the highest credit rating a bank can get. NIB is punching above its weight, the ratings agency Moody writes, using one of President Obama's favourite expressions to describe why the bank has retained its high rating during its 40 years in the market.

"Of course we have lost money on some projects, like in Iceland in 2008. That year the bank also ran with a loss. But during the financial crisis we always had access to the international capital markets," points out Henrik Normann.

That meant the bank could keep issuing bonds, which is a way of bridging the gap which always has been the great challenge for the financial markets – the fact that those who want to lend money often operate with a shorter horizon than those who want to borrow. The biggest players in the bond markets are states and building societies.

The finance crisis was born when the building societies packaged different mortgages in a way which made it impossible of those buying bonds to see what level of risk they were taking. When house prices fell in the USA, this meant that those who wanted to lend money fled to the few institutions which were deemed to be safe, including NIB.

Cannot stop a tsunami

"We used that trust when we saw gaps emerging which meant that Nordic projects did not get necessary finance. A bank with no losses is not doing its job.

"You can never stop a tsunami like the finance crisis, but we can operate a bit against the market current," says Henrik Normann.

Has NIB also helped secure higher employment rates in the Nordics and Baltics?

"I believe a small bank like us would be arrogant to belive that. But what I can say is that we have helped secure the welfare of the Nordic countries. Indirectly we have also been able to help finance projects which have then been possible to execute in the Nordic region, and which might otherwise have been moved abroad. In that sense we have created or kept jobs in the Nordic region."

Achieving more than profitability

What is the difference between working for Danske Bank, where you worked before as Managing Director of Danske Markets, and working for NIB?

"I think I will give a politician's answer and say that the jobs have more things in common than not. But if I were to mention some differences, the aims were clearer at Danske Bank, were economic results took precedence. At NIB we have the advantage of being owned by eight nation states, but we also have the somewhat more diffuse goal of making 'an impact', we are meant to achieve more than being just profitable."

Contributing to the development of green technology is one such goal. Henrik Norman points out that it is not only the Baltic states which can benefit from NIB's extremely positive rating. All in all, NIB's balance sheet total is 28 billion euro.

"We also lend money to many municipalities in the Nordics and Baltics, and right now we are involved in a project where the city of Stockholm is constructing a waste treatment plant which can also separate the tiny plastic particles which environmental researchers are worried about, and which would otherwise end up in the Baltic Sea."

Mariana Mazzucato and Henrik Normann at NIB's 40th anniversary. (Photo: Björn Lindahl)

How active should the state be?

The main speaker at NIB's anniversary event during the Nordic Council's Copenhagen meeting was Mariana Mazzucato, who is professor in the economics of innovation at the University of Sussex in the UK.

She argues the state should be playing a greater roll in industrial development. In a range of studies of different trades, like pharmaceuticals, biotechnology and IT, she has shown how great a role basic public research plays. In one study of how the iPhone was developed, she shows how all of the most important technologies which make the mobile telephones smart have been financed with public money – like the internet, GPS, touch screens and voice recognition software like Siri.

Is it the role of the state or NIB to choose between different green technologies, for instance wave power or wind power, and thus influence development?

"If you are providing subsidies for a new technology, they should at least be time limited. You must look at whether the marginal costs will fall – is it for instance cheaper to build a wind farm in a few years from now, compared to today? We must make sure we don't develop new subsidies which could turn into the new EU agriculture subsidies – which they never managed to end. The most important thing politicians can do is not so much pick the winners, as killing off the losers."

Will the Nordic Investment Bank be here in 40 years from now?

"I belive all companies should ask themselves every five years: Are we relevant? I think NIB will be in five years from now. The financial sector will prevail, in any case. We are among the oldest trades in the world, we're mentioned in the Bible," says Henrik Normann, who likes to make jokes about bank directors and how they are far from people's favourite group of professionals.

Are the Nordic welfare states prepared for crises?

Do the Nordics spend too little money on Nordic welfare? Yes, believes Iceland's Minister for Nordic Cooperation Eygló Harðardóttir. She sees great opportunities for more welfare cooperation, and supports a proposed Nordic welfare forum and a system for common welfare indicators, to be better prepared for future crises.

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TEXT AND PHOTO: BERIT KVAM

The Nordic Welfare Watch is a three year long project which began during Iceland's 2014 Presidency of the Nordic Council of Ministers. Iceland's government wanted to use the experiences from the Icelandic Welfare Watch, and also use what Iceland learned from the crisis. This created a basis for looking into how the Nordic countries can become better prepared for future crises.

The Nordic Welfare Watch's purpose was to further and strengthen sustainability in the Nordic welfare systems through cooperation, research and the exchange of knowledge and experience. The project came to its formal end at a conference in Reykjavik on 10 November.

"Are the Nordic welfare states prepared for future crises? asked Siv Friðleifsdóttir, director of the Welfare Watch at the conference opening session.

More questions rapidly followed.

"Are local social services in Nordic countries prepared for crises? Can Nordic countries agree on 30 indicators to measure welfare? How do you best handle economic crises – do you use the power of the welfare state in order to protect the most vulnerable, or do you make cuts and go with the survival of the fittest?"

Some 100 Nordic participants from government ministries, research institutions and other interested parties were ready

to discuss these questions during the conference as the research results were presented.

Three subprojects

The Nordic welfare indicators project, NOVI, is meant to be a tool for observing and analysing developments in Nordic welfare systems, and to be used for policy development. Sigríður Jónsdóttir and Håkan Nyman presented the results so far. The project group has proposed a system of 30 welfare indicators based on nine dimensions: Health, education/skills, work, work-life balance, income, housing, social network and participation, personal safety, perceived wellbeing. NOVI should be simple enough to make it easy to gather and present data, and it should be able to work as an early warning system. The working group has made an online prototype which can be tested.

Håkan Nyman and Sigríður Jónsdóttir demonstrate the Nordic welfare indicator system.

The project *Financial crises and their consequences for welfare* is led by professor Stefán Ólafsson. It focuses on living conditions, policy development and policy consequences, and will compare the effects of the 1990s crisis and the latest one in 2008. The project will culminate in a book in the spring of 2017, where a range of Nordic and international experts are involved. The project will also see the construction of a database with comparable information on relevant aspects of the consequences for welfare, policy development, characteristics and spread.

Stefán Ólafsson's theme during the conference as *Wellbeing Consequences of the Financial Crisis,* where he also looked at how Iceland handled the 2008 crisis.

"All the data that we have on the crisis' welfare consequences show that Iceland handled the crisis better than many, even though it was one of the countries worst hit," he says, and highlights the policies which aimed to protect the most vulnerable groups in society.

"This was effectively executed. We devalued the krona. That would not have been possible if we had been in the euro. We had a strong devaluation which reduced the value of household incomes. At the same time the impact of the government's policy of redistributing taxes was softer on lower income groups and tougher on those with higher income. All this impacted greatly on employment levels, just like the devaluation policy did.

"We managed to maintain a high level of employment throughout the crisis because of the welfare policy, redistribution policy, the active labour market policy and the devaluation which also helped the tourism industry."

What role did the Icelandic Welfare Watch play?

"It was an important initiative because it was a forum where people from different parts of society and the welfare system could come together, share experiences and information about people who had problems and crises that were unfolding, and then give advice to the authorities. It was important in order to create attention around important areas. The Welfare Watch wanted to dampen the welfare consequences. Of course we couldn't solve all of the problems, but we could keep them to a minimum."

The role of social services during crises

The third subproject looked at Nordic welfare states' handling of crises, and what role local social services play in the handling of crises. Their mandate differs from country to country, but the common aim is to make sure citizens have basic services and get assistance when they need it.

During her presentation of the report, professor Guðný Björk Eydal underlined the need for a bottom-up perspective for the handling of crises. Local authorities are often the first to face the crisis, and know the ones who are hit the best.

"We see that some groups are more vulnerable than others. We all live through the same earthquake, but it hits us in different ways. Social services are often our first point of contact when the catastrophe occurs. Often the challenge is to share information while taking necessary considerations into account, like privacy. It is therefore important to be prepared for what information you will be able to share and what you won't."

The project asked whether social services can play a role in crises management planning. Research shows that this is clearly the case. Different Nordic countries handle this in different ways. In Norway and Finland social services are already part of the crisis management planning. The Nordic Health Preparedness Team (aka the Svalbard Group) now also includes social services in its plans. The research group behind the report on the role of social services in crisis management has been invited to the Svalbard Group's next meeting to talk about their findings. The researchers will propose to

share plans so that they can learn from each other and stay informed partners in crisis preparation

Professor Guðný Björk Eydal (on the left) discusses the results from the project on crisis management

Going forward? Two proposals

When the reports are published, the question is – as the director of the Welfare Watch Siv Friðleifsdóttir put it – how do you make a report into something more than a report?

She put forward two proposals: One about a Nordic welfare forum, which could be held every second year by the Nordic Welfare Centre as a meeting place for research, politics and policy makers. A forum where you can get and deliver new and relevant knowledge on topical and pressing challenges, and discuss preparedness for crises and catastrophes.

Her other proposal was to create a system of Nordic welfare indicators, NOVI, which can observe and follow welfare trends and policies, and which could become a roadmap for future development. NOVI is presented annually and in a way which can attract the attention from the outside world.

Panel debate. From the left: Anders Geertsen NMRS, Kirsi-Marja Lehtelä FIN, Axel West Pedersen NO, Lára Björnsdóttir IS, Carin Cuadra S

"It was powerful to see how well Iceland handled the crisis compared to other countries," said Anders Geertsens from the Nordic Council of Ministers' secretariat as he introduced the panel debate. The panel agreed.

"The reports show how Nordic countries managed the crisis well compared to other countries," said Finnish researcher Kirsi-Marja Lehtelä, who also commented on the convincing material presented by Guðný Björk Eydal.

The debate mainly centred on the welfare indicators.

"It was great to hear about the Nordic welfare indicators," said Lára Björnsdóttir, who set up the Icelandic Welfare Watch.

"We thought the academics had this kind of knowledge, but it turned out not to be the case. The indicators therefore became important in order to find out where we needed to take action.

Researcher Axel West Pedersen from Norway had been testing out the prototype for the welfare indicators and was very impressed. Swedish Carin Quaddra wondered whether it would be wise to include countries outside of the Nordic region in the indicator system. Many wondered about the number of indicators and how they should be presented. How would it be possible to create attention and debate around the Nordic welfare indicators? Is it possible to collect data and present an indicator which shows how welfare develops?

The Nordic welfare model is much stronger today than it was only a few years ago. It is therefore important to bring this kind of knowledge to the fore, said several of the participants during the lively debate.

Experiences from politics

"I think this is very good," the Minister for Cooperation Eygló Harðardóttir told the Nordic Labour Journal.

"It is important to highlight the indicators so that we can compare how the different countries are doing. There was some discussion whether we should have one or several indicators. For me, who has used the Icelandic welfare indicator a lot, it is absolutely clear that it is important to get several digits out, in order to use the numbers to make better decisions and secure better welfare for the people.

"I have been the Minister for Nordic Cooperation for three and a half years. When we started the cooperation, there was a lot of debate about the fact that not much was happening in terms of Nordic cooperation. Today something is happening. So it is important that these major projects lead to something. Something more than nice, big reports which are then presented at a conference, that we do something more with the results from the project."

She feels this could add value to the Nordic cooperation and it is something she will recommend.

"To look at the welfare indicators and figure out what is going well and what is not, and then to have a debate about issues which are urgent and issues which will become important in the future, this can be useful tools for the cooperation minis-

ters, but we must wait and see what the next Icelandic minister for cooperation will say. I think it is worth discussing, so it is up to the Nordic troika what they want to do with this."

Read more about the Nordic Welfare Watch here: https://eng.velferdarraduneyti.is/nordicwelfarewatch

Why did Iceland do so well?

From the crisis hit in 2008 until 2011 Iceland experienced the greatest income redistribution in Europe. It is common to think that cuts are needed to deal with economic crises. Iceland is an example of the opposite. Welfare works better than cuts, claim the researchers behind the report Welfare consequences of financial crises.

INSIGHT
16.11.2016
TEXT AND PHOTO: BERIT KVAM; GRAPHS: STEFÁN ÓLAFSSON

Professor Stefán Ólafsson presented the results from the research, which formed part of the programme Nordic Welfare Watch in Reykjavik on 10 November. He himself was surprised by the clear picture which emerged.

“The results for Iceland are much better than expected. Securing the welfare for households works better than cuts. We see this from comparing developments in Iceland, Ireland and Greece.”

In addition to head of research Stefán Ólafsson, the research group behind the project includes Olli Kangas, Joakim Palme, Jon Erik Dølvik and Jørgen Goul-Andersen from the Nordic countries, and Mary Daly from Ireland, Pran Bennet from England, Ana M. Guillen from Spain and Manos Matsaganis from Greece. The entire project will be published as a book in the spring of 2017.

The report *Welfare consequences of financial crises* contains comparative studies of the policies which were carried out and the impact they had on well-being. Country-specific studies were also made. The researchers have looked at how the burdens in the wake of the crises were shared, and what

approach worked best to end the crisis and maintain welfare. The Icelandic approach was to redistribute the burden by increasing taxes for higher earners and protecting vulnerable groups:

Welfare expenses were increased and redistributed towards lower and middle income groups

- The main aim was to protect the most vulnerable
- Taxes for high earners were increased, but lowered for others
- Benefits for lower earners were increased to avoid poverty
- Low and middle income earners were given debt relief
- Activation and job creation was considerably increased
- A devaluation of the Icelandic krona helped maintain higher employment levels

From the crisis hit in 2008 until 2011 Iceland experienced the greatest income redistribution in Europe.

The table below is from Stefán Ólafsson's talk and shows the comparison between three of the countries which were hardest hit by the crisis: Iceland, Ireland and Greece. It shows which policies were carried out and how this impacted on household welfare.

Comparative Profiles for 3 Countries

Depth of crisis; Capability; Policy emphasis and Wellbeing Outcomes

	Iceland	Ireland	Greece
Depth of crisis	Very deep	Very deep	Deepest
Initial position before crisis:			
Welfare regime	Strong	Average	Weak
Public debt	Low	Low	High
Poverty	Low	Average	High
Crisis policy emphasis:			
Austerity measures	Medium	High	High
Redistribution with taxes and transfers	High	Low	Medium-high
Equalizing income distribution	High	Low	Low
Full employment emphasis	High	Medium	Low
Devaluation of currency	High	None	None
Wellbeing outcome for households:	Best	Medium	Worst

The comparison shows the differences between the countries in terms of how hard the crisis hit. Greece stands out as the country with the deepest crisis, Iceland and Ireland was in a deep crisis. Compared to Ireland and Greece, Iceland had a good starting point when the crisis hit.

"We were in a good situation in terms of public finances. We fell from up high, the government did not have much debt. The state debt grew a lot during the crisis, because many useful measures were initiated in order to rebalance the economy."

In 2007, Iceland had the lowest level of unemployment in Europe. It tripled during the crisis. There was little poverty, compared to Greece where poverty was already high before the crisis.

Cuts

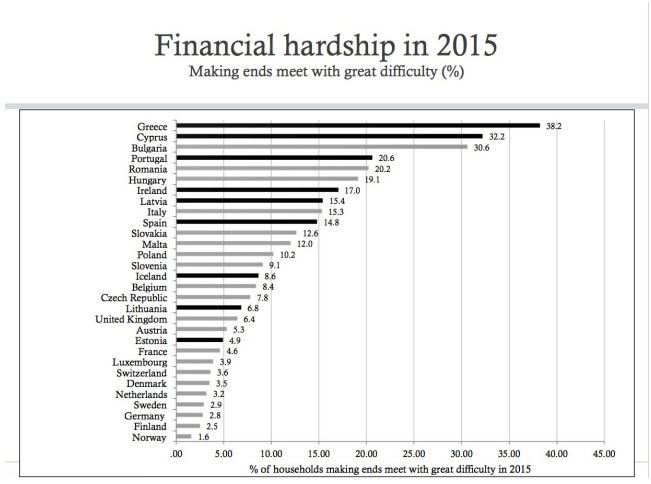
The table above shows the measures the governments put in place to counteract the crisis. All of the countries made cuts. But in Iceland they were moderate.

"We made some cuts, but to a much lesser degree than the other European countries which were hard hit by the crisis. Our cuts were not so serious, and did not have the major negative consequences as the ones we saw in Southern Europe," said Stefán Ólafsson and added:

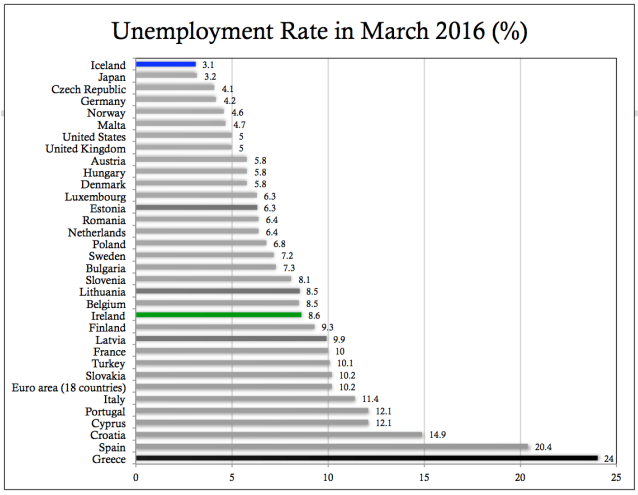
"Iceland did well in terms of using welfare resources, redistributing assets to where they were needed the most, we protected households but made cuts to health, education and administration."

Making ends meet

The table below shows the consequences of the crisis. It shows the size of the countries' populations struggling to make ends meet in 2015. The countries represented by a black line were the hardest hit.

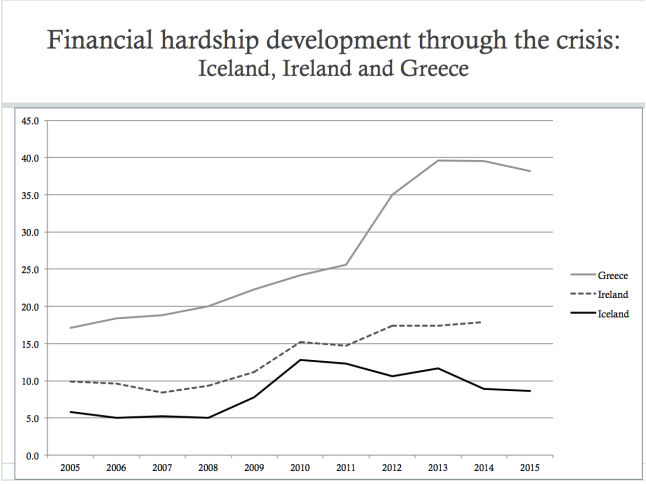


Unemployment is another measurement for how well the countries have recovered from the crisis. In March 2016, Iceland had the lowest unemployment rate in Europe at 3.1 percent. Greece had the highest, at 24 percent, and Ireland's unemployment stood at 8.6 percent, according to Stefán Ólafsson's table:



How the crisis developed

The crisis developed differently in the three countries, as the illustration below shows. The steep curve for Iceland shows how the country was hit immediately, but is now well on its way out of its problems. It is also worth highlighting that Iceland in 2014 had the lowest number of households below the poverty line out of all the countries in Europe.



Iceland did better than other countries which were severely hit by the crisis, and avoided large consequences for household welfare and emerged quicker out of the crisis, says professor Stefán Ólafsson.

From the data available, he concludes that the deeper the crisis, the larger the consequences for welfare.

“A strong welfare state cushions the consequences. The government’s ability and desire to handle the crisis did the same.

“More focus on cuts is often seen in correlation with more negative consequences for lower income groups.

“Redistribution policies cushion the effects of a crisis.”

In Iceland, many factors came together.

“The welfare policy focused on protecting the most vulnerable, and was carried out in an efficient manner. We devalued the krona. This reduced the value of households’ income. At the same time the consequences of the government’s policies were cushioned for lower income groups while they were tougher for those with higher incomes because of the redistribution of taxes. All this had a great impact on employment levels. We managed to maintain a high employment level throughout the crisis because of the welfare policy, the redistribution policy, the active labour market policy and the devaluation. It has also helped the tourism industry.”

Read more about the programme Nordic Welfare Watch here

Also read: Are the Nordic welfare states prepared for crises?

Profit limit on welfare services triggers strong emotions in Sweden

When the so-called welfare inquiry was presented on 8 November, proposing a limit to profits from welfare services, there was immediate disagreement. The centre-right parties want to remove a seven percent limit, while the Left Party is pushing the government to take even tougher action against profit.

NEWS
16.11.2016
TEXT: GUNHILD WALLIN, PHOTO: SWEDISH GOVERNMENT

The more than 700 pages long tome was presented by government-appointed investigator Ilmar Reepalu at a well-attended press conference in the government's press room at Rosenbad in Stockholm. The inquiry, launched in 2015, has been known as the welfare inquiry, but was now presented as 'Order in the welfare sector'. The inquiry's purpose was to make sure taxes are used for the business they are meant to be used for, and that any profits go back to the business. The inquiry has also looked at the rules covering private companies running health services, schools or care institutions.

"We would have been in a somewhat easier situation if much of what we are proposing was introduced some 20 years ago," said Ilmar Reepalu. During the presentation, he listed several reasons for why the inquiry came to its proposed cap of seven percent on profits from so-called operative capital, as well as a cap of 0.35 percent on the prime lending rate. In total this would mean a total cap on profits of around 10 percent.

The rest of the profit should go back to the businesses, which according to the inquiry would amount to four to five billion kronor which could help increase staffing, fund further training and contribute to other ways of improving quality. The inquiry also proposes to impose stricter conditions on companies that wish to run health, education and care institutions, including demands for relevant education for those

running welfare sector institutions – as well as economic stability.

"If the four to five billion kronor are used within the businesses, quality will improve. That is the important thing, that tax money is being used to improve quality in the businesses," says Ilmar Reepalu.

Three companies dominating

One of the ideas behind the privatisation which started accelerating in the late 1980s was to offer more people more choice. But since then many smaller businesses have been bought and now three major companies control around 40 percent of the entire private welfare services market. In Sweden the non-profit welfare sector is relatively small, and has not grown in recent decades.

Three major private players in the health sector

Company	Turnover 2014 SEK	Profit 2014 SEK
Praktikertjänst	9 812 000 000	487 000 000
Capio	6 501 000 000	406 000 000
Aleris	4 315 000 000	- 307 000 000

The three largest private health sector players have a turnover of more than 20 billion kronor (€2bn), which is around 50 percent of Sweden's total health sector market. Source: Dagens Samhälle

It was also discussed whether the inquiry should propose regulations on staffing or other quality demands, but it mainly settles on introducing a profit cap. The argument is that by increasing quality demands, more time and energy would have to be used to administer the system. That time and energy could be better used to run core services. In his presentation, Ilmar Reepalu also pointed out that it is difficult to measure quality. Are grades the most efficient way of measuring the quality of a school, for instance, or would that risk turning out good grades which are not backed up with the necessary knowledge? The inquiry also notes that for schools in particular, privatisation increases the selection of pupils. 55 percent of pupils in privately run schools have parents with higher education, for instance.

Strong feelings

The debate on profits in the welfare sector is a long-running one in Sweden, characterised by strong feelings and deep divisions. On the one side you have the Left Party, which wants to ban all kinds of profits from running health, education or care institutions. On the other you find the centre-right parties and employers' and trade organisations. The Swedish Democrats have made a U-turn and say they will now support the centre-right parties, which means there is no longer a parliamentary majority for the proposed seven percent cap.

Meanwhile, a majority of Swedes are against profits from running welfare services, according to the so-called SOM survey from 2015.

The post-inquiry debate was also quickly ignited, although it was soon overshadowed by the US presidential election. But judging from the early reactions, the debate is set to continue and will probably become an issue during the next parliamentary elections.

"Too much focus on profits"

"Ilmar Reepalu misses the main problems, and is too focused on the issue of profits. This is a politicised product, which in spirit is deeply sceptical to everything that has to do with private companies and freedom of choice for welfare services, and it also does not see anything which is linked to quality," said the Moderate Party's economic spokesperson Ulf Kristersson during a debate on Swedish Radio as the inquiry was presented.

He, like his colleagues from the other centre-right parties, and not least the trade organisations for private players in the welfare sector, believe the inquiry's proposals to be disastrous for the welfare sector. Many businesses will leave a trade which needs the private players, the critics say. But no lack of quality in education, health and care sectors is ever acceptable, said Ulf Kristersson.

Wasting taxpayers' money?

"It is equally and profoundly provocative if any company makes money from providing services of poor quality or if municipalities are wasting taxpayers' money," said Ulf Kristersson.

The Minister for Public Administration, Ardalan Shekarabi, who took part in the same debate on Swedish Radio, replied that no other European country had gone further to allow profit driven companies run publicly funded schools.

"Even if we do accept Ilmar Reepalu's proposal we are allowing seven percent profits, which is more market liberal than any other European country, said Shekarabi.

The posting of workers directive: EU Commission sticks to its guns

Should posted workers have the right to the same wages as workers in the country to which they are posted? Yes, says the European Commission, sticking to its proposal for changes to the posting of workers directive, despite fierce resistance from Eastern European member states.

NEWS
16.11.2016
TEXT: KERSTIN AHLBERG, EDITOR EU&ARBETSRÄTT

The Commission presented its proposed changes to the posting of workers directive in March this year. The purpose was to make sure people who work temporarily in a foreign country should get the same pay as the host country's workers, rather than having to make do with the minimum wage, which is the case today. The proposal is – put mildly – unusually controversial.

Governments and trade unions in high-wage EU countries, including the Nordic countries, welcome the initiative. But member states from the former Eastern block are upset that the Commission wants to start tampering with the old directive while the wounds from the fight over the so-called enforcement directive, adopted in 2014, still need healing. They believe all the necessary regulations are already in place.

Employers protest
Employers do not want a revision of the directive either. In a letter to the Commission, the five largest Nordic employers' confederations have said that the very foundations of our collective agreement and wage formation systems are shaken if the same wages are to be paid for the same work in the same place.

Hence, it was no surprise when parliaments in the "new" member states tried to stop the proposal by giving it a so-called yellow card. This is how national parliaments can object to proposed legislation if they believe it concerns issues which should not be regulated on an EU level, or which they feel go too far. If one third of parliaments express such reservations, the Commission must review its proposal.

That does not mean it is forced to withdraw or change it. It can stick to its proposal, in which case it must present a more comprehensive justification for why it does not accept the objections.

Eleven yellow cards
And that is exactly what has happened in this case. In early May the parliaments of eleven countries had given the proposal a yellow card, which was enough. The main argument was that companies in the new member states would loose an important – and just – competitive advantage if they were forced to pay their posted workers more than the host country's minimum wage. It would, in other words, restrict the freedom of movement.

In fact, the Danish parliament also objected, but for different reasons. It welcomes the fact that the Commission presents a proposal with the aim of guaranteeing the same pay for the same work, but the text is not clear enough on the fact that it should be member states themselves that define what pay is. The Danish parliament also thinks the proposal is unclear on terms and conditions for workers hired out by temporary work agencies.

In late July the Commission announced it would disregard all objections and stick to its proposal. The aim is to "provide a more level playing field" between national and cross-border service providers, and for people working in the same place to be protected by the same, binding regulations. It is not possible to achieve this without EU level rules, the Commission argues. It also does not consider the Danish parliament's unease to be justified, and points to wordings in the proposal which should guarantee member states' rights to decide over wages and conditions for temporary agency workers.

Labour ministers from the member states will debate the proposal on 8 and 9 December for the first time. It is expected to be a lively meeting. The question is whether there is any chance at all to move forward.

How do you integrate last year's refugees into the labour market?

Refugees represent a different type of group compared to labour immigrants. The integrating of last year's record number of refugees to the Nordic region will therefore probably take longer than for labour immigrants. There is also a risk that labour market integration runs into problems after five to ten years, warned researches at a Nordic seminar held in Oslo.

RESEARCH
16.11.2016
TEXT AND PHOTO: BJÖRN LINDAHL

"Last year the graph over the number of asylum seekers looked like the Matterhorn. This year it looks more like a flat Danish landscape," said Tor Bjørnestad, state secretary at the Norwegian Ministry of Finance, as he opened the Nordic Economic Policy Review (NEPR) seminar on 10 November. It was organised by the Nordic Council of Ministers together with Nordregio, in the finance ministry's offices in central Oslo.

Five European Schengen member states have reintroduced border controls – the main reason why the number of refugees is now so low. Bjørnestad warned against believing the low asylum seeker figures meant the basic migration push towards Europe was easing:

"There are polls indicating that 165 million people would emigrate to Europe if they had the chance," he said.

According to researchers from institutions like the International Monetary Fund, 2015 saw the highest number of asylum applications in Europe for 30 years. It was high even compared to migration from the new EU countries.

"We know very little about the difference between labour migrants and refugees, since few studies differentiate between the two groups," said professor Anna Piil Damm from Aarhus University. She is one of the guest editors for NEPR's upcoming special issue on the integration of refugees into the labour market.

Comparing Bosnians and Somalis

Bernt Bratsberg from Norway's Frisch Centre also pointed out that there are major differences between refugees of different nationalities, educations and sexes.

"We will for instance look at what has been happening since 2008, creating a graph for how well-integrated Bosnians have done in the labour market and one for newly arrived Somalis and Iraqis who are less well-integrated. We then link the two graphs to forecast what will happen with the Iraqis and Somalis in ten years from now. It is not easy," he said ironically.

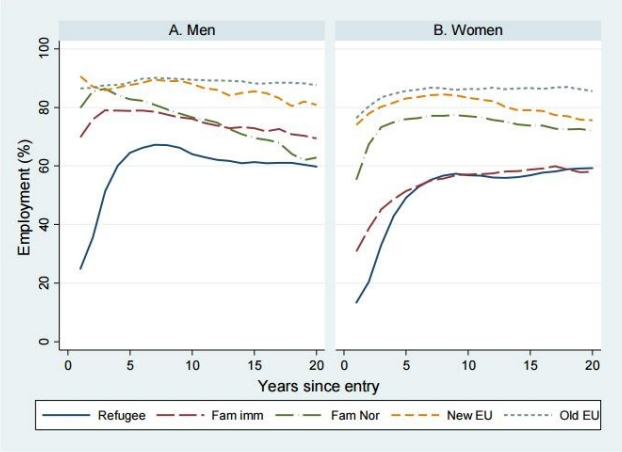
Refugees from low-income countries

Bernt Bratsberg, Oddbjørn Raaum and Knut Røed have carried out a study where they divided refugees and labour immigrants into different groups according to country, sex, education, links to the host country and many other factors.

"For refugees and people on family reunion we see encouraging signs of integration into the labour market during the first period of time after they have arrived," said Bernt Bratsberg.

"But after five to ten years the integration process starts moving in the opposite direction, and the gap between migrants with refugee backgrounds and the native population increases instead, and the refugees become more dependent on welfare support."

To continue the landscape analogy, the refugees' employment graph looks more like the North Cape plateau:



The diagram shows how employment for refugees start at a low level before growing rapidly during the first five years. It then falls for men, while women stabilise on a slightly lower level. Comparisons are made between how things develop for refugees and for other groups for migrants.

Researchers do not know the reasons for this, but one explanation could be that after five years refugees have worked for long enough to be entitled to unemployment benefits, and see that this could make as much economic sense as keeping a low-paid job. Or is it because of market fluctuations which mean refugees are the first to loose their job?

The Norwegian result is repeated in Denmark. Marie Louise Schultz-Nielsen from the Rockwool Foundation presented a similar graph for refugees aged 17 to 36, plus people on family reunion joining a refugee between 1997 and 2011. The graph is slightly less pronounced than the Norwegian one, and only reaches a peak after nine years. The employment level among refugees as a group never top 43 percent, compared to 'native' Danes whose employment level is more than 80 percent.

Schultz-Nielsen has also looked at the pay gap between native Danes and refugees. Two years after they have arrived in Denmark, refugees earn 200,000 Danish kroner (€27,000) less than native Danes.

Pay gap not narrowing

Somewhat surprisingly there is no narrowing of this pay gap even ten years after the refugees arrived in the country, despite the fact that employment by then has risen considerably. The explanation is that native Danes have jobs with wages that increase more year on year than the jobs which refugees typically get. At the same time, refugees receive more welfare support than native Danes.

"It is important to remember that the refugees didn't come here to get benefits, but because they had an urgent need for humanitarian protection. Yet it remains relevant to ask how

high employment rates for refugees needs to be in order to achieve a neutral net effect."

According to the Danish Rational Economic Agents Model (DREAM), refugees need to reach a 65 percent employment rate in order to reach that goal. This is somewhat lower than what native Danes need to reach, 76 percent, in order not to contribute more than they take out of the public purse over a lifetime. The difference is explained by the fact that the refugees are on average 28 years old when they come to the country, and do not need schooling as children.

"Backwards integration"

There is, in other words, a great risk that refugees become a burden on public finances, while the "backwards integration" makes it less likely that they can contribute to reducing the problem of an ageing Nordic population. In Sweden too, refugees only reach a 45 percent employment rate.

"Sweden has long had ambitious political initiatives to increase immigrants' and refugees' employment rates, but despite this there are no success stories. It is difficult to point to a single initiative which would change that development," said Anders Forslund. He presented a study from the Institute for Evaluation of Labour Market and Education Policy, IFAU, which he had done together with Olof Åslund and Linus Liljeberg.

"But there are some measures that do have an effect, like helping job centre case workers who are responsible for refugees by cutting the number of unemployed people they are responsible for from 100, the most common number, to 20. This gives them more time to contact employers and to be that network which the refugees need.

"Targeted wage subsidies also seem to work for this group, and various job training programmes have a better effect on people born abroad than on unemployed Swedes."

Validation helps the most?

"But we don't see any obvious 'low-hanging fruit', except for validation," says Anders Forslund.

Validation is when migrants can have occupational skills from their home countries recognised, which improves their chances in the labour market.

"Validation has not yet been studied, however. But from what we know about it, it can be effective. To conclude, we recommend a clearly defined and balanced integration policy aimed at refugees. You should not depend on only one type of measure," said Anders Forslund.

New barometer measures the level of collective decision making in Norway

People's perceived level of influence over their own work situation has plummeted in Norway. In seven years the number of people saying they have a lot of influence has fallen from 89 percent to 77 percent. Imported leadership models get the blame.

THEME
16.11.2016
TEXT AND PHOTO: BJÖRN LINDAHL

"A change of 12 percentage point in seven years is a lot," underlined researcher Eivind Falkum as he presented the results from the survey together with his two colleagues from the Work Research Institute in Oslo, Mari Holm Ingelsrud and Bitten Nordrik (below).

The plan is to carry out the collective decision making barometre every year, sometimes supported by independent surveys carried out by the six trade unions which have financed the barometre. This year's survey posed the same questions as the ones used in 2009 for a major survey on the state of the corporate democracy, carried out by the research foundation Fafo.

The barometer is based on answers from more than 3,000 people. The six trade unions represent occupations like medical doctors, researchers, police and oil industry workers. The barometer uses 19 questions which are then gathered into three indexes which measure how much influence the workers feel they have on their own work situation, the way work is organised and the way the company is run.

The biggest differences are found in how employees view their own work situation:

If you add up the ones answering four and five on a scale from one to five for how much they feel they are able to influence their own work situation, the group has shrunk considerably with 12 percentage points. The fall is not so large for the other two indexes, at three percentare points.

Different occupational groups enjoy different levels of influence when it comes to how work is organised, but the trades are defined differently compared to 2009, which makes it impossible to look at how things have developed over time in that regard.

While only 18 percent of those working in the healthcare sector feel they have influence over how work is organised, a full 63 precent of researchers feel the same.

"Researchers do pretty well, but we too feel that employers don't always know what the rules on collective decision making actually entail," said Petter Aaslestad from the Norwegian Association of Researchers when the six trade unions commented on the barometre.

Unn Alma Skatvold from the Norwegian Police Federation felt working life was becoming increasingly authoritarian:

"We are worried that is the way things are going. Officially everything is done according to the book, but in practice things are still moving in an authoritarian direction."

Jonny Simmenes from the Norwegian Engineers and Managers Association was the most critical:

"The Norwegian leadership model is under threat. Our members work in the industry and are leaders with personnel responsibilities. They feel they have less influence today. Corporate democracy has never been under greater threat than it is today."

Several of the six trade union representatives pointed out that the collective decision making barometre supported what they had experienced themselves in conversation with their members – that collective decision making is becoming less common. This issue has also been the cause of several labour conflicts in the public sector in Norway.

"Corporate democracy and democracy in the workplace is weakest in the public sector, both when it comes to the individual's opportunity to take part and for employees and their organisations to be part of a collective decision making process. This puts disagreements and recent conflicts on working hours in the health sector in a new light," write the three researchers from the Work Research Institute.

Earlier this year Norwegian doctors went on strike over who should be responsible for the way hospitals were run.

Nordic Council session 2016

Here we have collected the articles we wrote about the Nordic Council session in Copenhagen.

IN FOCUS
08.11.2016

- Åland's Britt Lundberg and Norway's Erna Solberg sharpen Nordic cooperation in 2017
- Jari Lindström must answer for labour, equality and migration at the Nordic Council of Ministers
- The Nordic Council wants to simplify border obstacles