

Portrait

Norway's Minister of Labour Anniken
Hauglie is passionate about social
entrepreneurship

Editorial

New roads leading to healthy workplaces

News

Robotisation and Mercedes bring a
thousand new jobs to Finland

News

Micro-management a threat to Nordic
labour market models

Apr 12, 2017

Theme: The Nordics focus on work environments – but in different ways



Newsletter from the Nordic Labour Journal 3/2017

NORDIC LABOUR JOURNAL

Work Research Institute Oslo and
Akershus University College of Applied
Sciences, Postboks 4 St. Olavs plass,
NO-0130 Oslo

PUBLISHER

Work Research Institute, HIOA,
commissioned by the Nordic Council of
Ministers.

EDITOR-IN-CHIEF

Berit Kvam

EMAIL

nljeditor@gmail.com

WEB

www.arbeidslivinorden.org

An email edition of the newsletter can
be ordered free of charge from
www.nordiclabourjournal.org

ISSN 1504-9019 tildelt: Nordic labour
journal (online)



Contents

| | |
|--|----|
| New roads leading to healthy workplaces | 3 |
| Nordic working environment authorities with different views on social dumping..... | 4 |
| Danish working environment in crisis – and measures are about to change | 7 |
| Iceland: Tourism boom leads to flourishing black market | 9 |
| Finland wants to have Europe's best working life by 2020 | 12 |
| New centre of knowledge for Swedish working environments | 15 |
| Norway's Minister of Labour Anniken Hauglie is passionate about social entrepreneurship | 17 |
| Micro-management a threat to Nordic labour market models | 21 |
| Robotisation and Mercedes bring a thousand new jobs to Finland | 23 |
| International campaign needed to fight ruthless staffing agencies..... | 26 |

New roads leading to healthy workplaces

The Nordic countries want to be best internationally, and consider healthy workplaces to be a great competitive advantage in a global market place. But, as Nordic researchers warn: “a good working environment is not the icing on the cake, but the pointers you apply in the course of the process”. In this month’s Theme, the Nordic Labour Journal looks at the pointers the different countries have been applying.

EDITORIAL

07.04.2017

BY BERIT KVAM

The icing metaphor comes from the presentation of the Globalisation Project Nordic Growth Sectors from 2012, and shows how the focus on working environments is part of a long and ongoing debate in the Nordic region. Increased mobility, refugees and immigration are factors which have contributed to an increase in crime and new challenges to working environments. New initiatives are often launched at different times in the Nordic region, but the basic idea remains the same – to secure a good and serious working life.

“Work related crime is one of the major issues in working life,” says government minister Anniken Hauglie in Portrait, and refers to the government’s ‘Strategy against work related crime’ which has been developed in cooperation with the social partners.

Norway has been at the forefront of taking comprehensive action against work related crime, bringing the police, tax authorities, the Norwegian Labour Inspection Authority, NAV and other public authorities together to create more powerful measures both nationally and internationally. Other countries, like Iceland, have been inspired by this.

The Icelandic tourist boom with a 25 percent growth in the past year has created a heated situation with black market work and suspected people trafficking. Trade unions are carrying out controls in order to deal with illegalities, and the industry organisations are active contributors.

The fight for a good working environment is about more than fighting crime. The challenges include how to secure good organisational and psychosocial working environments in businesses, and which role working environment authorities should play in this. A good working environment is also a competition factor, if you want to attract skills and promote innovative businesses and solutions. If things go in the wrong direction, you must do like the Danes, and change tack.

Psychosocial problems and muscular and skeletal strains are still the most important causes of absence from work. The Danes have realised their measures have failed in these areas. In five years there has been a 17 percent increase in employees reporting psychological strain and 15 percent more are experiencing muscular and skeletal strain. The government now wants to change its working environment measures.

In 2016, Sweden launched its vision zero for fatal workplace accidents. A better psychological working environment and a more sustainable working life were also priorities in the country’s new working environment strategy. Minister for Employment Ylva Johansson also commissioned an expert to look into the possibility of establishing a centre of knowledge for a good working environment. Now the report is ready and the Nordic Labour Journal can reveal its content in the article ‘New centre of knowledge...’

The economic crisis led to a setback in Finland, but now the country’s economy is moving forward and it has ambitions to offer the best working environment in Europe by 2020.

A good working environment is a crucial competitive advantage and a guarantee for a healthy working life. The Nordic region is doing well, and best of all, it wants to be the very best.

Nordic working environment authorities with different views on social dumping

Nordic countries must make comprehensive changes to their working environment policies in the face of new ways of working and more posted workers from the EU. Everyone seems to agree that working environment issues are getting increasingly important, yet there are major differences in how the different countries handle the challenges – not least when it comes to social dumping.

IN FOCUS

06.04.2017

TEXT: BJÖRN LINDAHL

Iceland might have experienced the fastest pace of change, where tourism has overtaken fisheries as the most important sector in just a few years. Many bus drivers, hotel workers and restaurant staff come from Eastern Europe, or else they are volunteers from Western Europe. Their working conditions are often poor, while some employers cheat on taxes and VAT.

In Denmark working environment measures have failed in several areas, and will be reorganised as a result.

In Finland consecutive governments of all political hues have worked to promote working environments as a competitive advantage, trying to highlight good domestic examples rather than criticise foreign employers.

“We try to highlight the positive aspects,” says Margita Klemetti, coordinator of the government campaign which aims to create Europe’s best working life by 2020.

Nothing replaced the National Institute for Working Life in Sweden when it disappeared in 2007. Now a new knowledge centre is being prepared.

The Swedish Work Environment Authority, the Norwegian Labour Inspection Authority and the Danish Working Environment Authority are facing major changes. A 2016 Nordic report, ‘Nordic working environment inspections of foreign labour in the construction and transport sectors’ highlighted some of the differences between the three countries.

The report was written by Anne Mette Ødegård and Line Eldring. It looks at the two sectors where social dumping is most prevalent. In their introduction the two researchers note that ‘social dumping’ is a well-known term in Denmark and Norway, but nearly unknown in Sweden.

“They use the term ‘grey companies’ instead, and recently (since 2016) ‘unhealthy competition’,” they write.

EU expansion created new problems

There was a considerable increase in work related crime in the wake of EU expansions in 2004 and 2007. Borders were removed between the national labour markets in the west and the east, where salary levels and working conditions were wildly different. This affected Norway as an EEA member just as much as it affected EU members Denmark and Sweden.

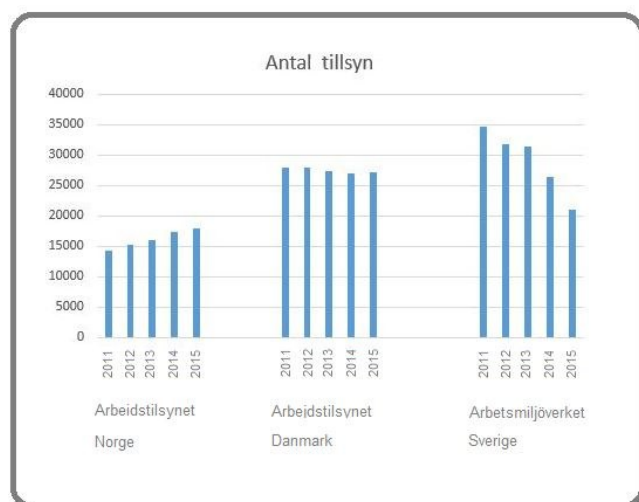
While working environment authorities in Denmark and Norway consider foreign labour to be a limited problem, Sweden takes a different view:

A report from the Swedish Work Environment Authority (AV) states: “On the whole the issue of foreign companies and workers has been turned into a problem. An overarching problem is that these are often linked to problems related to security, working conditions and salaries. This gives an inaccurate definition of what is the real problem. It is AV’s belief that companies which neither want nor are able to create a good working environment or a good working life, the so-called ‘grey sector’, are the real problem. This is the case whether the companies are foreign or not.”

As a result, the Swedish Work Environment Authority does not have as clear a task when it comes to monitoring foreign companies and social dumping as their colleagues in Denmark and Norway. No extra money has been set aside for the control of companies from the newest EU member states either.

The number of inspections vary

If you look at the number of inspections, a major reform of the Swedish Work Environment Authority masks possible differences because of an increase in the number of inspections of workplaces employing foreign labour.



Source: annual reports from working environment authorities

The development shows a dramatic fall, from 35,000 inspections in Sweden five years ago to 20,000 in 2015. In Denmark the number of inspections have remained nearly the same, 27,000 for the entire five year period (a number which also has been the authority's mandate).

Considering the number of inhabitants in Denmark is only around half of that in Sweden, it is remarkable that the country carried out more inspections post 2014 than Sweden. The main explanation is that the Swedish Work Environment Authority was reorganised during the previous centre-right government in 2013 and 2014. The aim was to increase flexibility. Three inspection offices were merged into one, and the number of regional offices was reduced.

The inspectors' mandate was also changed. Rather than focusing on sectors, they would now focus on subject areas, like ergonomics. As a result, inspections had to be more carefully planned and the number of inspections fell with one third compared to 2011, according to a critical report from the Swedish National Audit Office published in October last year.

Extra measures in Sweden

The centre-left government is now dealing with the consequences and putting in extra working environment measures.

"An extra 125 million kronor (€13m) has been allocated. Most of it goes to more inspections from the Work Environ-

ment Authority," says Minister for Employment Ylva Johansson.

There has been criticism in Denmark too that things are going in the wrong direction – read more about it here.

Norway has seen a steady increase in the number of inspections. An increase in the number of controls of posted workers has impacted on the ordinary running of the Norwegian Labour Inspection Authority. Its budget has increased from 431 million kroner (€47m) in 2011 to 541 kroner (€59m) in 2015 – an increase of over 25 percent.

The number of staff has remained constant, but so-called social dumping inspections are always carried out by two people because of the increased risk of violence. Norway is the only country where working environment inspectors are also tasked with controlling salary levels in sectors covered by collective agreements which also apply to posted workers – so-called generally applicable agreements.

New ways of cooperating

New ways of cooperating have emerged in both Denmark and Norway. Working environment inspectors work with personnel from other authorities. The Norwegian Labour Inspection Authority cooperates with the labour and welfare administration NAV, tax authorities and police.

"On their own, the authorities could not have achieved what they have managed to do together," write the four administrations in a joint annual report for 2016.

Joint centres for fighting work related crime have been established in five different places around Norway. There are some limitations, however.

"Professional confidentiality has always been a challenge for the cooperation on work related crime, both in terms of analysis work and how inspections are being carried out," the report states.

Going into detail

If you go into detail, there are differences both in what the working environment authorities inspect and in the inspectors' mandates.

In all of the three Scandinavian countries, companies with posted workers as well as foreign sole traders must all register. Denmark uses the so-called RUT register (Register of foreign service providers), set up in 2008. This is being used by the Danish Working Environment Authority in order to decide which companies to inspect.

In Norway, foreign companies and employees must register with The Central Office for Foreign Tax Affairs (SFU). The inspectors from the Norwegian Labour Inspection Authority have no direct access to the register, and have therefore asked for the establishment of a register similar to the Danish RUT. Compared to their Swedish colleagues, however, the

Norwegians can ask for special ID cards which all foreign construction workers must carry.

Sweden introduced compulsory registration for foreign companies with posted workers in 2013. The register's main aim is to secure the rights of the posted workers in accordance with the EU directive covering this area. The register is managed by the Swedish Work Environment Authority, but their inspectors do not have the right to ask for ID during their inspections, and there is also no document to show that you have registered.

“One of the inspectors we interviewed put it this way: How do we carry out controls. There is no-one we can call. We are not allowed to ask for ID at all. Only the police can do that,” write Anne Mette Ødegård and Line Eldring in their report.

Danish working environment in crisis – and measures are about to change

The Danish government has become so worried about the deterioration of the quality of working environments that it is now making changes to working environment measures. Trade unions are calling for a stop to cuts to the Working Environment Authority.

THEME

06.04.2017

TEXT: MARIE PREISLER

In just five years the number of Danish workers reporting suffering from work-related psychological strain has grown by 17 percent, and 15 percent more are experiencing muscular and skeletal strain. The standards of Danish working environments have fallen so rapidly that the Minister for Employment Troels Lund Poulsen from Venstre, the Liberal Party of Denmark, has acknowledged that existing working environment measures have not worked and must be revised.

“As the Minister for Employment I am worried about how things have developed. With the figures that we see today, I must conclude that the working environment measures have failed. They are simply not doing what they were meant to do,” the minister told the press in the wake of a major new report published by the National Research Centre for the Working Environment (NFA).

The report concludes that things are going in completely the wrong direction compared to what has been the overarching political aims for improving Danish working environments. In 2011 a large majority in the Danish parliament decided that three goals for working environments should be met by 2020: 25 percent fewer serious workplace accidents, 20 percent fewer people experiencing psychological strain and 20 percent fewer people experiencing muscular and skeletal strain.

But the country is further away from those goals than ever: More people are experiencing psychological and physical strain. The only thing going in the right direction is the number of workplace accidents: The number of serious workplace accidents have fallen by 18 percent.

Stop cuts to the Working Environment Authority

A politically appointed expert committee has therefore been tasked with coming up with recommendations for comprehensive and improved working environment measures, and the social partners have already expressed what they would

like to see happen. Many are calling for a stop to cuts to the Working Environment Authority – in Danish Arbejdstilsynet – including Lizette Risgaard, the President of LO-Denmark. She believes it is the cuts to Arbejdstilsynet that have forced the working environment measures out of kilter.

The LO President also encourages politicians to remove planned savings in Arbejdstilsynet. 40 million Danish kroner (€5.4m) were cut in its 2017 budget, and further cuts in 2018 look likely if fresh money is not found when parliament enters budget negotiations this autumn.

The Danish Union of Early Childhood and Youth Educators, BUPL, sees no reason to wait for the expert committee. Educators represent one of the groups suffering from poor working environments, so BUPL wants immediate action. An earlier survey of the working environments in 54 different trades published in Ugebrevet A4 landed educators in 49th place.

The Djøf trade union, which organises lawyers and economists, agrees with LO that cuts must take some of the blame for the obvious deterioration of Danes' psychological working environments. Another contributing factor is constant change in the work places, the union believes.

Arbejdstilsynet's internal problems

There have also been major changes to and problems with working environments internally at Arbejdstilsynet as a result of recent years' cuts. This has had wide-ranging consequences, although it has not impacted negatively on the work against social dumping.

The authority's employees have reported working environment problems relating to a lack of trust in the top management, and more than 100 employees have left in recent years citing dissatisfaction with the working environment. Earlier this year the authority's Director General stepped down,

saying a new director general was needed in order to realise goals and strategies. The post remains to be filled.

Despite the internal unrest and lack of ability to reach the goals for physical and psychological working environments, Arbejdstilsynet has succeeded elsewhere – at least according to itself:

The regulations which the authority imposes on companies are efficient also in the longer term. Arbejdstilsynet is also good at identifying companies which are risking developing working environment problems. And four in five companies which have been visited by the authority are happy or very happy with their dialogue with them. This according to Arbejdstilsynet's 2016 user survey.



Iceland: Tourism boom leads to flourishing black market

The Icelandic dream turned into a nightmare, says a Polish woman. Eastern European bus drivers work for 500 euro a month. Hotels suspected of employing asylum seekers. People trafficking suspected as two people worked around the clock in a basement. These are headlines from Iceland.

THEME

06.04.2017

TEXT AND PHOTO: GUÐRÚN HELGA SIGURÐARDÓTTIR

Tourism has become Iceland's most important trade, set to grow by around 25 percent in 2016-2017. Thousands of new jobs are being created – and mainly filled by foreign labour, especially from Eastern Europe but also by young volunteers from Western Europe. The new employees do not know their rights in the Icelandic labour market. The risk is they will not be paid according to Icelandic collective agreement and end up not paying tax in Iceland.

Nobody knows exactly how common black market labour is, but numbers from the Icelandic Directorate of Labour, Vinnuálfstofnun, show that 10 percent of foreign workers in

Iceland do not have a personal identification number, and the figure could be as high as 32 percent in some sectors of the tourism industry. Workers with no personal identification number are not counted in statistics. The number is a prerequisite if you want work and be paid according to Icelandic legislation.

Personal contact

Trade unions are fighting against the black market economy by organising checks across Iceland. Union representatives are focusing on jobs in the tourism, hotel and restaurant trades as well as in the construction industry. All workers

should have a personal identification number and be paid according to collective agreements.



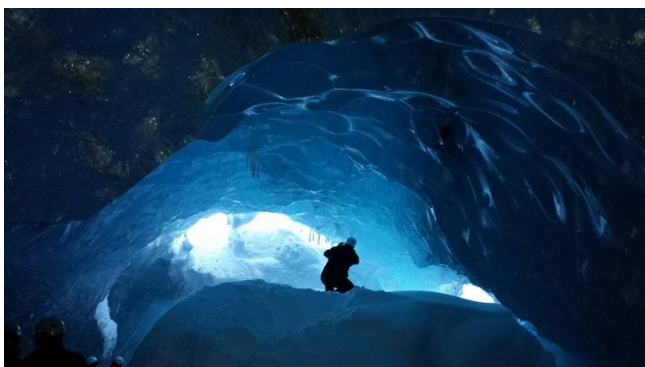
Hjalti Tómasson is carrying out workplace controls on the south coast of Iceland. He believes it is common to work in the black market in Iceland. He says trade union representatives in one instance entered a workplace with ten people. Before they had had time to talk to all the workers, six of them had disappeared because they did not want to talk to the union.

“They probably had something to hide,” says Hjalti Tómasson.

“We have also entered workplaces where everyone disappears as we arrive,” he adds.

Trade union representatives sometimes visit workplaces together with the police, representatives from the Icelandic Directorate of Labour and representatives from the tax authorities. Hjalti says they will block all exits and hold back anyone trying to leave.

“Black market work is far more common than you might think,” he says.



An ice cave in Iceland. No workplace controllers here. Yet.

The trade unions are worried about how prevalent black market workers have become, and are hiring more and more people to perform workplace controls. Their representatives go from hotel to hotel and from restaurant to restaurant – not only in Reykjavik but also in more rural areas, to check whether employees’ rights are being respected, and that the foreign workers are paid properly.

“We are working hard with the workplace checks. Our representative visits different workplaces, talks to the staff, tells the employees about their rights, answers questions and leaves leaflets in the workplace,” explains Halldóra Sigríður Sveinsdóttir, President of the Báran trade union.

Immediate dismissal

She emphasises the importance of talking to the employees. Personal contact is important when you want people to start thinking about their rights.

“They send emails and call once they have read the leaflets and discover that they have rights which are being ignored,” she continues.

Hjalti Tómasson from the workplace control is worried black market labour has become accepted as an integral part of Iceland’s tourism industry. He underlines that workers travel to Iceland in good faith. They believe the company has sorted out all the formalities according to the rules and they do not know about their own rights.

“When the employees later in all innocence ask about their rights, they are immediately dismissed. This is completely unacceptable,” says Hjalti Tómasson.

No angry mother

He underlines that foreign workers often are completely alone in Iceland. They do not know anybody who might help them. If they are given the sack, they often lose out on wages due to them. The employer knows that the workers do not have any family in Iceland. The employees might only know one person, and that is the employer.

“Sadly, there will be no phone call from an angry mother if you fail to pay salaries according to the collective agreement,” says Hjalti Tómasson.

Poles represent the largest minority in Iceland. Project leader Dröfn Haraldsdóttir at the Icelandic Confederation of Labour (ASÍ) reckons Poles now do know their rights in Iceland. But new groups of people are arriving from Bulgaria, Romania and Albania, and they do not know the rules of the Icelandic labour market. They sometimes struggle.

Increasing the chance of finding work at home

The Icelandic labour market also receives young volunteers from Western European countries. They consider working in Iceland an opportunity to travel cheap and improve their CV. This improves their chances of finding work in their home

countries. But volunteer work is sadly often in breach of Icelandic legislation.

“We had a volunteer who had been working in the same kindergarten for two and a half years. Clearly this is giving the person a role as some kind of preschool teacher. That is not OK,” says Dröfn Haraldsdóttir. She says the regulations are now being changed to make things clearer.



The trade union control team in Reykjavik centre: Kristinn Örn Arnarson, Marlgorzata Katrín Molenda, Tryggvi Marteinnsson and Óskar Hafnfjörð Gunnarsson. Photo: Herdís Steinarsdóttir/Fréttablað Eflingar

Tryggvi Marteinnsson (third from the left above) works with workplace control for the Efling trade union. He underlines that the union’s representatives have visited three times as many workplaces in 2016 as they did in 2015. More will receive a visit in 2017, as the trade unions are currently hiring more controllers.

Tryggvi believes that Efling will have many conversations in the autumn when foreign summer temps have stopped working after the summer. That is when many of them start looking into their rights.

Busses from Europe

But trade unions are not alone in fighting the black market within the tourism industry. The Icelandic Travel Industry Association, SAF, has been focussing on foreign busses and bus drivers coming in on the ferry from Bergen each summer. The busses stay in Iceland for the duration of the summer, and the drivers work outside of Icelandic legislation and regulations.

SAF project leader Gunnar Valur Sveinsson says nearly ten buses were driving illegally in Iceland in 2016. He thinks the number will be higher in the summer of 2017, and talks about social dumping.

“Busses with foreign drivers who are paid far less than other bus drivers in Iceland are coming here. That creates unfair competition,” says Gunnar Valur Sveinsson.

“We believe the bus drivers should have the same wage conditions as all the other bus drivers in Iceland,” he continues.

“We will make sure that happens,” he says.

SAF Managing Director Helga Árnadóttir underlines that the majority of their members in the hotel and restaurant trade follow Icelandic rules and regulations. She believes the government should create legislation and regulations to ease the fight against Airbnb and against illegal activity within the hotel trade.

Is it a stain on the tourism industry when employers don’t pay according to laws and regulations?

“Yes, it is absolutely unacceptable when most companies do respect laws and regulations, while some don’t. We demand that all those who work within the tourism industry share an even playing field,” she says.



Finland wants to have Europe's best working life by 2020

Finland's strengths have not been used to create a competitive advantage. Now Finnish working life is to become the best in Europe. Businesses compete to innovate, create trust, well-being and competencies. The economic crisis was a temporary setback, but also a fresh start for the Working Life 2020 programme ('Arbetsliv2020').

THEME

06.04.2017

TEXT: BENGT ÖSTLING, PHOTO: CATA PORTIN

It has been part of Finnish modesty to tone down your own success and resources. But there will now be an end to that, if Margita Klemetti gets her way. She is the coordinator for the working life strategy which was prepared by the Finnish government back in 2011, but which has survived power transfers and a deep economic crisis.

She points out that Finland has a level of honesty, timekeeping and initiative not found in all countries.

"We are trying to highlight what is positive, we might not be quite as bad as we might have appeared in recent years. It is time to highlight the positive sides as Finland prepares to celebrate its centenary."

Close race for Nordic leadership

All of the Scandinavian countries are top three or four in labour market rankings. It depends on what you measure and how. Denmark has often taken first place, says Margita Klemetti.

The 2011 government programme set out a labour market strategy for Finland. There was a desire to highlight the quality of the labour market, but also the productivity in individual workplaces and thus Finland's international competitiveness.

A few summers back saw the launch of the 'Say yes!' campaign, which aimed to make Finns enthusiastic about leading by example in their workplaces and take on the challenges linked to changes to the labour market. To introduce change in the working community you need to empower staff and protect your resources.

It could have been a Swedish project

Project leader Margita Klemetti is very positive and open when explaining the background to the programme to the Nordic Labour Journal. She is a Finnish civil servant, but you could be excused for believing that this had been created in Sweden. After all, that is where talk about participation, group work and consensus comes from. And the need to be the best.

To succeed you have to say yes to innovation. When we innovate together, we end up with more ideas and a stronger culture for doing things together. Openness and reciprocal action create fertile ground for experimentation and transformation. Structures which represent obstacles to creativity and renewal must be removed, was the message two years ago.

Economic crisis made the programme more relevant

It is also unusual for Finland to put itself forward to such an extent. The programme's aim is for Finland to have the best labour market in Europe by 2020. This will mean adapting to a new reality, and developing new forms of leadership, innovation and digitalisation.

The starting point was the 2011 change of government, explains Margita Klemetti. Since then the Katainen government has been replaced by the Sipilä government, and a lot of other things have happened too. The programme has become even more relevant, since the entire economy and the outside world have changed. The programme's focus has been updated as a result of the economic crisis, which is still being felt in Finland.

Workplaces across the country on board

"This is not a project for central government. Many trades and workplaces are on board, and not just one sector comprising smaller companies, or representing just one trade. All points of view are important."

This is about both large and small projects. The municipal sector is preparing for the change which comes through the health, social services and regional government reform. The Lapland ski resort industry and its staff is developing a rewards programme within the project's framework. The finance sector has come far in the implementation of their reform proposals, says Margita Klemetti.

Five people are working on the project at the Ministry of Economic Affairs and Employment towards 2019, with an annual budget of one million euro.

The idea is to develop the qualitative sides; competencies and leadership, cooperation and communication, explains Margita Klemetti.

"So you need a development which springs from the needs of the individual workplaces. We have to create an interest for development in parallel with explaining which services and information is available."

Not everything needs to be a giant leap

New networks have been created and ways to reach the workplaces have been explored, especially through the labour market organisations. Communication and the exchange of services has been key. There is also broad regional cooperation.

"We have a lot of good examples of workplaces which are advancing and doing great things through various development programmes," says Margita Klemetti.

This does not have to happen through giant leaps. It is possible to focus on smaller areas or topics too. The idea is to inspire by holding up examples from other workplaces, including on the programme's website.

"Important to have visible values"

Bonnier Books Finland, comprising the large Finnish publishers Tammi and WSOY, is one of the companies taking part in the Working Life2020 programme. The company is Finland's largest book publisher. In 2013 dozens of jobs were cut from its publishing arm.

Just over one year ago a working group was established to look at the company's values. Publishing manager Kati Lampela is part of the group. She points to a long process running back to February 2016. The most important thing seems to be the regular conversation and the link between owners and staff, which is now being strengthened through a tailored programme.

Staff can now choose value agents, who will guarantee that the value debate is carried through in theory and practice, a few steps at a time.

Few culture clashes

The company culture has also been defined, where passion and love of literature is combined with market leadership

and profitability. Values include courage, ambition and community.

Swedish Bonnier also owns other literature and media companies in Finland. Bonnier owns the commercial TV company MTV3, and recently acquired the Academic Bookstore from the Stockmann group. They are not involved in this project.



Margita Klemetti, left, and Kati Lampela, publishing manager at one of Bonnier Books Finland's publishers

And when it comes to Swedish companies in Finland you must, of course, ask about culture clashes. Clearly there have not been many in this case, despite what was perhaps a difficult start. The only cultural difference which Kati Lampela can think of is empathy. It is a basic presence in Sweden, but only just emerging in Finnish company culture and leadership.

Fun to have a job

Dozens of employers have done the same as Bonnier, with good results according to Margita Klemetti.

“We do more than measuring whether it is fun to be at work, we also look at what is being achieved there.”

But is it also fun to have a job rather than being unemployed. One of the important tools for measuring this is the so-called occupation barometre.

According to the latest occupation barometre from late March 2017, surplus labour levels are falling in Finland. More and more sectors experience a labour shortage, especially the health and social care sector and to an increasing degree also the construction industry. Long-term unemployment also appears to be falling.

Finland becoming a force of inspiration

There are several ways of measuring the success of Working Life2020. The most important thing will be to see a rise in Finnish employment levels, reckons Margita Klemetti.

“Other issues outside of our project will also have an effect on that. This can be measured in many ways, in the Nordic region, in the EU and internationally. But it is also important that each and every employee looks after his or her own well-being at work.”

The latest report from the Working Life2020 programme looks at the labour market as a competitive force. Finland's economic growth must be supported in the long run, in order to succeed with international cooperation, as an example and inspiration to others.

There is a desire to reach foreign investors, companies, new labour and consumers with the message of the high class Finnish labour market.

Getting worse before getting better?

The opposition criticises the government for making the labour market and working life worse, with the competitiveness agreement which has brought wage freezes and longer annual working hours.

Margita Klemetti underlines the broad agreement surrounding Working Life2020. It was introduced by the Katainen government, with the Social Democrat Ihalainen as Minister of Employment. He has now been replaced by Jari Lindström from the Finns Party, with a different government basis.

“In the short term one single issue can hamper the execution of the project,” admits Margita Klemetti.

Yet the things that are being introduced through legislation, the workplaces must include into their everyday work, and projects provide tools and knowledge for how to do it.

“There are bound to be things in the government's decisions right now which go against qualitative issues in our programme. But on the other side we must remember to ask ourselves: Do we have a choice? The important thing is that we have jobs and a labour market in the end.

“We are in a situation where the whole of working life is undergoing change, with digitalisation and more, so we cannot stay still either. What might look like it is complicating our aims in the short run, will be good in the end.”

New centre of knowledge for Swedish working environments

A new, national centre for knowledge about and the assessment of working environments should be established either at Stockholm University or as a new government body, according to a proposal presented to the Swedish government.

THEME

06.04.2017

TEXT: GUNHILD WALLIN

“When the previous government closed down the National Institute for Working Life in 2007, major resources disappeared from working environment research, as did the natural support for Swedish working environment knowledge vis-a-vis the social partners and international society. The task has not been to reestablish the Institute for Working Life, but to fill the gap which emerged when it was closed down,” said Minister for Employment Ylva Johansson during a meeting with the press in March.

Just over a year ago the Swedish government presented a new working environment strategy for the years 2016 to 2020, with the aim of creating order in the labour market. The government also wanted to develop the Swedish model. Focus would rest on three main areas – a vision zero for fatal workplace accidents, a sustainable working life and measures to improve the psychosocial working environment.

The government also commissioned two reports and allocated more resources for working environment issues. One report would look at which working environment rules were needed to cover the new labour market, while the other would create a basis for a national working environment centre of knowledge. These two reports are the ones which have now been presented to the government.

Commissioner Maria Stanfors, who has been looking into how a new national knowledge centre can be set up, its mandate and where it should be situated, concluded that the starting point for such a centre is that a sustainable working life is dependent on a good working environment for all. That is why it is necessary to have an organisation that gathers knowledge, but which also coordinates this knowledge. Unlike many other countries, Sweden does not have such an institution – although some exist within other policy areas.

“Some see this as an oversight, including the social partners. There is currently a great hunger for knowledge and an impressive desire to know what works,” said Maria Stanfors.

The idea is to upgrade knowledge about the working environment, an area which Maria Stanford says has had fairly low priority lately, in terms of research and other things. Sweden has also been lacking an international contact point for working life issues, which has led to the country losing out on international knowledge while other countries have not been able to learn much from Sweden.

Now the new knowledge centre should be able not only to concentrate on gathering relevant knowledge on working environments, but also analyse and evaluate working environment policies. What works when you want to create a better working environment, and why?

“The report has concluded that you need an institution which can be a focus point and a coordinator. The new centre will gather and spread knowledge, but also analyse and evaluate existing work and measures. You could say the spread of knowledge about working environments links up with analysis and evaluations. This is something new in the working environment area, yet you find it within several other policy areas and it works well,” explained Maria Stanfors.

The idea is also that the new centre of competence will look beyond Sweden’s borders and represent the country in different international fora, including the Nordic working environment committee and at Eurofond.

“The new centre can contribute to improving the working environment area, but it also means knowledge about working environments will now have a more visible source,” said Maria Stanfors.

According to the proposal, the new centre will be a smaller organisation, independent from those it will study. The report has also considered where such a knowledge centre should be based, and suggests it should either be integrated into Stockholm University or become a new government agency. Stockholm has strong working environment research traditions at universities, but also at Karolinska Institutet and the KTH Royal Institute of Technology. This means there is knowledge which will now be gathered at the new knowledge centre.

“The report suggests the new centre be placed close to where the research is taking place, regardless of the type of organisation, in order to maintain a high scientific quality,” said Maria Stanfors.



Anniken Hauglie, photo: Odin Jæger

Norway's Minister of Labour Anniken Hauglie is passionate about social entrepreneurship

Anniken Hauglie is changing working hour regulations and strengthening legislation protecting whistleblowers. Together with the social partners she wants to draw clearer lines for what staffing agencies can and cannot do, strengthen work against work related crime and she invites Nordic colleagues to discuss what the sharing economy and new trends will do to the future of work.

PORTRAIT

06.04.2017

TEXT: BERIT KVAM, PHOTO: ODIN JÆGER

"Of course labour issues are becoming increasingly important," says the Minister of Labour and Social Inclusion Anniken Hauglie. She is responsible for labour market, working environment, pension and welfare issues and has been a government minister in the Conservative and Progress Party

coalition government since 16 December 2015. She took over from Robert Eriksson from the Progress Party.

Anniken Hauglie has been a City of Oslo commissioner for knowledge and education and for health and social services.

She has also held a range of political positions and roles for the Conservative Party since the mid 1990s.

Anniken Hauglie is enthusiastic about social entrepreneurship and innovation. The Nordic Labour Journal has witnessed several of her meetings with the trade. The latest time was when she invited people to come up with ideas for new policies in the field, and the hall was filled to the brim with social innovators and entrepreneurs who wanted to tell her where the problems lie.



Anniken Hauglie between State Secretary Morten Bakke and Eli Svardal from The Church City Mission, Lønn som fortjent

"This is a growing trade. More and more people consider themselves to be social entrepreneurs and more and more are interested in the entrepreneurship part of working with social issues. That is interesting," says Anniken Hauglie after spending two hours listening to a plethora of ideas from the participants while taking a lot of notes. She sums up the ones which have caught her imagination.

"What is important going forward is to also promote the entrepreneurship part of working with social issues, to work with the public sector and others to establish new businesses and profitable workplaces in a way that helps solve important social tasks."

Several of the participants said many municipalities say no to commercial players and social innovators, which means they cannot provide any of their services. They wanted the government minister to take action.

"It is important to highlight concrete examples to secure potential cooperation. Some say we should increase the economic contribution, but what is important now is to figure out how more companies can get in and become pure providers of services through public procurement and tenders," the government minister tells the Nordic Labour Journal. She refers to an interdepartmental working group which will carry on working with the ideas from the meeting.

This will be debated during the Nordic conference on the integration of refugees into the labour market in June.

Too many outsiders

This is about jobs and it is about inclusion. So far politicians have not been successful enough with either. The latest figures from Statistics Norway show unemployment has fallen by 0.6 percent to 4.2 percent of the working population, but a smaller proportion of the whole population is working.

The employment level is now at 66.8 percent for people between 15 and 74. 71,000 15 to 29 year olds are outside of the labour market, and then there is the challenge of integrating refugees. The number of temporary workers has also risen since the government made changes to the labour law which made it easier to issue short term contracts. The minister wants to do something about this.

She is now presenting new initiatives at breakneck speed. The blue-blues, as the coalition government is known, has been in office for three and a half years. On 11 September there are new parliamentary elections. The result is hard to predict.

Anniken Hauglie will be presenting several things this week. She wants to tighten the regulations surrounding the work assessment allowance, there will be better follow-up of recipients, fewer people should be able to claim this and incentives to get people to work or join activities will be strengthened. There will be changes to the working hour regulations, the start of night work will be moved from 9pm to 11pm.

The framework around whistleblowing will be tightened, and she has invited the parties to present ideas for how to solve problems surrounding the hiring of staff, including the use of temporary contracts. The government also wants to introduce limits to how long people can work in temporary positions in the public sector.

"The state sector is among the worst, especially universities and university colleges. The government now wants to cut the time you can temporarily employ someone from four to three years."

Labour market issues more important

Anniken Hauglie is heading the Nordic ministerial cooperation on labour and social issues. A conference on youth, work, education and mental health has already been held. In May the sharing economy takes centre stage, and in June there will be a conference on the integration of refugees into the labour market.

"We know that the labour market will change a lot, but we don't know how. The sharing economy will be part of this. It challenges terms like employee and employer. Our rights and legislation, like the working environment act, are linked to these terms, as are forms of employment. The sharing economy challenges all this. In May we will host a Nordic con-

ference where researchers, politicians, companies and the social partners will discuss the future labour market. We don't know that much about what this future will look like, but we see certain trends and we can influence developments introducing some regulations and frameworks.

"But I think we must adapt the law and regulations to fit what we believe will be coming, also in order to introduce some frameworks for the labour market. For instance when we change the starting point for night shifts from 9pm to 11pm.

"Many young parents prefer to work late in the evening. I remember when I was a city commissioner and my children were three and five, I preferred to get my laptop out after the children had gone to bed and spend as much of my time with the children while they were awake. They went to bed at eight."

So this is familiar to you?

"Absolutely. So if we can adapt working hours to fit the lives of today's parents of young children and others who need flexibility, it's a good thing. Of course it will not work for everyone, but we also see that many who have shared parental responsibility prefer to have the children one week at a time, and they want to spend as much time with them as possible during that time. The question is how you can create regulations which take such issues into consideration."

There is more demand for flexibility in the labour market now, she thinks.

"When I was a city commissioner for social affairs in Oslo, I went on a study trip to Bergen and saw how their solutions with different rota patterns worked. I visited a home for people with mental health issues and a home for people with complex problems and various diagnosis where staff worked longer periods of time with longer periods of continuous leave.

"An evaluation from the Fafo research foundation showed very good results for the users. So I asked the staff what they felt about it. They said they liked working several days in a row, and to do other things when they had time off."

Supporting the whistleblowers

There has been much debate about whistleblowing in the labour market recently. The Norwegian Police Federation has warned its members against blowing the whistle because those who did were not sufficiently protected. Now regulations surrounding whistleblowing will be changed so that they cover more people while strengthening the whistleblowers' anonymity, the government minister says:

"Firstly, we gather everything that has to do with whistleblowing in a separate chapter in the working environment act to make it easier to find and highlight the regulations. Sec-

ondly, the law will also cover contractors. Thirdly, all companies with 10 or more employees must have routines for whistleblowing and fourthly, the whistleblower must be secured anonymity when public authorities have been alerted."

The government has also established an expert committee to consider further issues on freedom of speech and to look at whether there is a need to create a separate ombudsman for whistleblowers. The whistleblowing committee will present its findings by 1 March 2018.

What is your view on the idea of an ombudsman?

"I am in two minds about it. It depends on the role of such an ombudsman. Some have the mandate to make decisions, others can only highlight various issues. But we will have to wait and see what the committee recommends when it has done its job.

"Whistleblowing is the responsibility of the leadership, and it is important that there is a culture for whistleblowing in the workplace. There might be professional disagreement in a workplace. That is not whistleblowing. Whistleblowing is when something happens which is illegal or of a highly questionable nature. But there must be a culture for raising disagreements and serious issues. This is the responsibility of the leadership."

The Nordic region an inspiration

The Nordic countries are more different than we might think, yet much is still the same. The labour market model is fairly similar. We see this when we meet on a European level. When we have discussed different directives, like the directive on the posting of workers and the enforcement directive, the Nordics stand together. We all agree that wage setting must happen on a national level and that this is the social partners' responsibility.

This is also being challenged now?

"Nobody wants to change the social partners' responsibilities. Nor the three-partite cooperation.

"The Nordic model is strong, and all of the Nordic countries are very interested in protecting it. That is why it is very important that we discuss the sharing economy and the new labour market, that we talk things over and exchange experiences. The integration of refugees into the labour market is another topic which is important to discuss, because we share many of the main ways in which the labour market is organised."

Working environment an important issue

"Work related crime is a major issue," says the government minister, and refers to the action plan against work related crime which was published in 2015 and the revised strategy from February this year.

"It is important to us to support the serious work and be tough on cowboy operators.

"We have also strengthened the Norwegian Labour Inspection Authority economically and we have strengthened the watchdogs. We have established several offices where the Labour Inspection Authority, tax authorities and police work together, and we have given them more tools to make them more powerful in the fight against work related crime.

"The Labour Inspection Authority will also work more to help guide the serious parts of the labour market, and carry out risk-based reviews of areas where they suspect regulations are being breached. But the major resources will be used where we spot illegal activities, and the Labour Inspection Authority will also work more internationally.

"Last year I invited colleagues from Poland, Lithuania, Bulgaria and Romania to a closer cooperation just like the enforcement directive has made possible. The directive allows the countries where the workers come from to collect the fines on Norway's behalf, so that the criminals cannot just escape across the borders and set up somewhere else."

All this are examples of how incredibly changeable the labour market is. What are your thoughts on that?

"Crime has always been international, but this changes along with increased cross-border mobility. We also see how the refugees' situation contributes. Mobility is good, but it also means we get more mobility among criminal elements. So it is good that the Labour Inspection Authority gets more resources, and that we open up for more cooperation with labour inspection authorities elsewhere in Europe, that we can get together and exchange experiences and learn from each other. Because the criminals are very creative and we must be prepared to counter this."

Micro-management a threat to Nordic labour market models

There is a need for an institutionalised exchange of ideas between the Nordic countries on labour market issues, believes Oxford Research, which has compared labour market politics in the Nordic countries. They also encourage politicians to avoid micro-management and to trust those who work with these issues.

NEWS

06.04.2017

TEXT: GUNHILD WALLIN, PHOTO: OXFORD RESEARCH



“We believe it is important that those who work with labour market measures are allowed to do their job and use their expertise to tailor the work to local conditions. It is for instance different to be unemployed in Northern Iceland compared to in Reykjavik. You need independence in order to face the changing needs,” says Mats Kullander, senior analyst at Oxford Research.

He is the main author of the report ‘Managing the Nordic labour market’, which compares how the five Nordic countries and the autonomous areas Greenland, the Faroe Islands and Åland organise their labour market policies. What do the management models look like? And what is being done to get people back into work? The Nordic Council of Ministers commissioned the report, and it is built on some 70 interviews across the Nordic countries and in the autonomous areas. A

range of management documents and assessments also form part of the report.

Joint focus on employability

Their conclusion is that what is known internationally as the Nordic model, in reality takes very different forms in the different countries and autonomous areas. Asked whether it is at all possible to talk about a Nordic Model, Mats Kullander gives the question some thought before answering.

“There are certain common trends. The public sector takes on a lot of responsibility, the social partners have an important yet gradually shrinking role, and all of the countries and areas have a model which prepares the ground for new jobs. One thing the different countries have in common is that their policies are not too focused on keeping jobs, but rather on developing employability.

“The social partners are in agreement here, and that sets the Nordic countries apart from the Continent,” says Mats Kullander.

Yet despite the similarities, there are many differences in how labour market policies are managed and run in the different countries and areas. This manifests itself not least on a local level – to which extent the labour market authorities cooperate with municipalities. Here you will find different countries on completely different tracks, says Mats Kullander.

“We see that things work better when there is a thought through structure for how the municipality can contribute when it comes to jobseekers, not least in relation to those who find themselves far removed from the labour market and sooner or later risk becoming the responsibility of the municipality. In cases when there is no comprehensive system between a municipality and the labour market authorities, that

group of people find themselves getting tossed around without getting the support which they need,” he says.

Local solutions necessary

One example of a simplified support system for individuals is NAV – The Norwegian Labour and Welfare Administration – which was set up more than ten years ago. It took some time before the system stabilised, for sure, but today it is a clear model for how the labour market authorities, the national insurance office and municipalities can cooperate. On a local level the parties are housed together, but they have separate budgets.

The Danish labour market model is also decentralised. And there is a lot to be learned from the decentralised models, thinks Mats Kullander. Unemployment take different forms in different parts of a country, which means you need locally adapted measures and solutions where the people working with labour market politics often know what works best.

That is why it is important to allow staff the freedom to use their knowledge without micro- management from sometimes rather interfering politicians. The introduction of economic incentives is one example of negative management. Paying a premium to those who get the highest number of youths or newly arrived into work for instance, means hard management from politicians, and other groups risk being put on the back burner or forgotten.

“We see that politicians want to introduce clear reforms of labour market policies, but there is also more detailed management here compared to what is happening in many other areas. We believe in clear goals for labour market policies, to prepare the ground for carrying them out, but you must allow the individual authorities to decide how it will be done. Sometimes the micro-management has gone way too far,” says Mats Kullander.

Reforms take time

Experience also shows that it takes time for a reform to find its feet – NAV is one good example of that. If the policy changes too often, many reforms will never really bear fruit.

“A new reform must be understood and learnt by employees, companies and job seekers. This is not done overnight. I think politicians underestimate the importance of this, and I wish they sometimes settled with subtle adjustments rather than changing the entire game plan,” says Mats Kullander.

He does not want to say who is the best or the worst in class when it comes to labour market politics. Somewhat surprising it is the autonomous areas, for instance ALS in the Faroe Islands. ALS stands for Arbeidsloysissskipanin, which means unemployment insurance.

“It is interesting to see how they work in the autonomous areas. They are often more flexible and have bridged the gap between decision and action,” says Mats Kullander.

The conclusion after one and a half years working on the report is that it is very difficult to find one labour market model which fits everywhere – even within one and the same country, says Mats Kullander.

“So it is difficult to take one model and apply it to a different country. There is, however, much inspiration to be had, also when it comes to how things are managed. I would like to see an arena of dialoge between authorities and people working with labour market issues in the Nordic region. Meeting regularly would allow us to develop shared knowledge. When we travel, we also see a tremendous interest among the parties for what is happening in the other Nordic countries,” he says.

Read the full report here (in Swedish):



Robotisation and Mercedes bring a thousand new jobs to Finland

Suddenly Finland is about to become known as a car making nation. There is already talk about “the west coast miracle”. Valmet Automotive is recruiting one thousand new car workers in addition to the ones they already employ. More and more Mercedes models are being ordered from their Uusikaupunki car plant, which is growing at record speed.

NEWS

06.04.2017

TEXT: BENGT ÖSTLING, FOTO VALMET AUTOMOTIVE

As the company reported new investments at the plant, the President of the Pro trade union Jorma Malinen said in a press release that there is demand for Finnish industrial know-how.

According to Valmet Automotive 1,000 new jobs will be created when they start producing a new Mercedes-Benz model. The investment runs to tens of millions of euro. The project starts immediately and production begins in late 2018, lasting for several years. There are no firm figures to be had for now, nor information of exactly which model this will be, apart from the fact that it is a “new generation private compact car”



Since 2013 the Uusikaupunki plant has been building the Mercedes A series, but before that it had been struggling with layoffs and redundancies.

“Collective agreement brings stability”

Jorma Malinen from Pro sees a clear signal in the investment news; collective agreements with generally applicable provisions represent no obstacle to growth in Finland. On the contrary, the generally applicable collective agreements support Finnish economic growth and productivity.

Companies invest in Finland because there is a stable business environment, high levels of education and a predictable cost development, according to Jorma Malinen, whose trade union represent workers in car manufacturing.

Desirable jobs

Valmet Automotive has already employed more workers to build the Mercedes GLC model, and production started in February. In the autumn of 2017 there will be an estimated 3,700 people working at the plant, plus an unknown number of subcontractors. From the Turku market square there have been reports of queues of interested people stretching around the long-haul trailer which has been used as a temporary hiring office.



Despite all the robots, humans are still best at certain tasks – like gluing the windshield in place

Long car manufacturing tradition

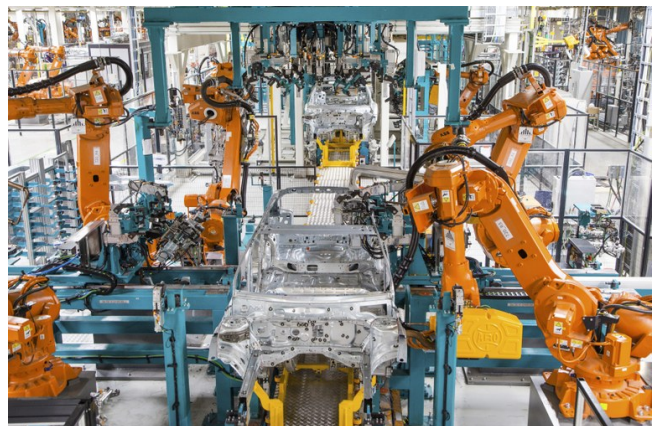
It is not a complete surprise that car production has become so big in Uusikaupunki. Over the past 40 years more than one million cars have been made there, according to the Finnish TV channel MTV3. The first car to be produced here was the Saab 96 in 1969, mainly to serve the Finnish market. Since then the plant has also built cars for Porsche, PSA Chrysler, General Motors and Fisker.

Valmet Automotive also makes car parts, like roof constructions for Lamborghini, Bentley and BMW. Valmet Automotive has plants in Poland and several places in Germany as well.

An electric car next?

The company is owned by the state investment company Suomen Teollisuussijoitus and the privately owned Finnish Pontos Group. At the beginning of this year a new Chinese owner appeared on the scene, Contemporary Amperex Technology Limited (CATL). The company is said to have a lot of expertise on battery solutions for electric cars, which are believed to be the next big area of development for Valmet Automotive.

It has been said that the automation of car production has brought the jobs to Uusikaupunki. The company has invested in automation, which is now bearing fruit. Finland's first car building robots are found in Uusikaupunki.



Robots working on a car chassis

Concentration of industry in the Southwest

There is other industry besides car manufacturing in Southwest Finland. In Eurajoki, north of Uusikaupunki, lies the Swedish-built Olkiluoto nuclear power plant. A third reactor was supposed to be ready by 2009, but will now open in 2018. The French Areva company is delivering the reactor, which can produce 10 percent of Finland's electricity.

Rauma has shipbuilding, and outside of Turku is the Meyer shipyard which manufactures one tenth of the world's cruise ships. The shipyard has contracts lasting until 2022 and also creates jobs for several subcontractors in the marine sector across Finland.

Norwegian companies Aker and Kvaerner were big owners within Finnish shipbuilding industry until 2007, but then sold their shares to South Korea. Today a German company is benefitting from the progress.

Positive structural change could lead to problems

Former Finnish Prime Minister Esko Aho has now been asked to map Finland's positive structural changes in Southwest Finland. Aho was asked to carry out the job by the Minister of Economic Affairs Mika Lintilä (Centre Party), and will look at the so-called positive structural change taking place within the maritime sector and the car industry.

“There is a positive development in Southwest Finland which means the maritime and car industries in particular are in need of more labour. This has brought a need to evaluate measures to make it easier to recruit people and ease the labour force’s mobility,” says Minister Lintilä in a press release.

In some places there is already a lack of labour, a sign of a matching problem in the labour market. The Finnish government plans to use Aho’s inquiry in relation to other, similar cases too.

Uusikaupunki also needs more housing for the many new car workers. New bus routes from nearby towns are being planned to prevent too many cars clogging up the roads to the car manufacturing plant in Uusikaupunki.



International campaign needed to fight ruthless staffing agencies

Two new international agreements trying to improve conditions for workers in the construction and textile industries, as well as oil workers' more traditional but still difficult trade union fight. Those were the issues up for debate during a Fafo seminar in Oslo on globalisation, precarious work and trust.

NEWS

04.04.2017

TEXT AND PHOTO: BJÖRN LINDAHL

Broad agreements between major clothing brands, trade unions and textile companies across the industry would be the only way to really improve the conditions of textile workers in Asia and Africa, argued two of the participants.

"A clothing company might know exactly which field the cotton in a garment comes from. But they often know nothing at all about the worker who created the item," said Frances House, Deputy Chief Executive at the Institute for Human Rights and Business.

Together with Jenny Holdcroft from the global trade union IndustriALL and the researcher Camilla Houeland she took part at the Norwegian research foundation Fafo's annual conference in Oslo on 24 February.

Can consumers put pressure on clothing companies?

The debate started with a video in which people were asked whether they believed clothes they bought had been produced under proper conditions.

But can consumers really put pressure on companies like H&M so that Bangladeshi textile workers are paid more?

"Hardly," answered Jenny Holdcroft, who is Assistant General Secretary of the global trade union IndustriALL.

"One of the problems we have in the textile trade is that it is very difficult, even for major companies like H&M, to change conditions in their distribution chain. If one company raises wages, it will soon lose in competition with other companies."

She illustrated this by pointing out how the labour cost has been pushed down to become just a small fraction of the garment's high street price. In this case the narrow yellow line on the T-shirt below:



Illustration: O'Rourke

1,100 died when Rana Plaza collapsed

Jenny Holdcroft says the collapse of the eight story high Rana Plaza building in Dhaka, Bangladesh on 24 April 2013 was a crucial event in the trade union fight. The building housed several textile factories employing a total of 5,000 people, in addition to one bank and several shops. More than 1,100 people died in what was the largest textile industry accident ever.

Many clothing brands hurriedly put out press releases stating they had no contracts with the companies that were hit. But since textile firms in Bangladesh often outsource orders to subcontractors, it turned out the victims had been sewing clothes for brands like Benetton and Mango, or that the clothes were to be sold in department stores like El Corte Inglés in Spain and by the world's largest retail chain, American Walmart.

H&M is one of the companies with the best control over where their garments are being made, but since they buy clothes from 820 providers (who in turn buy clothes from many different factories), and directly from 1,882 factories, there are 1.6 million people in H&M's production chain.

“The Rana Plaza accident made many clothing companies think again,” says Jenny Holdcroft.

Global trade unions, 200 multinational clothing companies and 1,600 textile factories in Bangladesh entered into a broad agreement – the Bangladesh Accord on Fire and Building Safety – just a few weeks after the accident.

A similar process

“We are now working with a similar process which we call ACT, which has the potential to revolutionise the entire textile industry production chain. The aim is to introduce changes in countries with the largest textile industries, in order to get agreements which cover the entire industry,” says Jenny Holdcroft.

H&M has for instance signed up to an agreement which means there will be democratically elected trade union representatives in all of the factories which the company call strategic – approximately one third of the 1,882 sites.

Equally bad in the construction industry

Just like the textile industry knows little about their own workers, things are equally bad within the construction industry.

Construction workers employed outside of their home countries are among the very weakest groups, and are exploited by reckless recruitment companies.

“It is not uncommon that when a worker from a remote village in Nepal arrives to work for an employer somewhere in the Middle East, he has already run up debts of 6,000 dollars, or the equivalent of three annual wages,” said Frances House.

The workers find themselves in a kind of modern slavery. According to the International Labour Organisation 21 million people are victims of forced labour. The number includes those who are forced to work under the threat of violence, or because of debts incurred. Some also have their passports withdrawn by their employer and are threatened with being reported to the authorities.

Frances House from the Institute for Human Rights and Business talked about the campaign they launched in May 2016, where companies including IKEA, Marks & Spencer and Coca-Cola signed up to the principle that the employer pays. They promise that:

‘No worker should pay for a job – the cost of recruiting workers should be met by the employer, not the employee.’

“The aim is to remove all tariffs paid by the workers to the recruitment companies within ten years,” said Frances House.

Oil workers in Nigeria

The Norwegian researcher Camilla Houeland has studied Nigerian oil workers, who ought to have an easier trade union fight.

“Nigerian oil workers have power: There are only 35,000 of them, but they can stop 70 percent of the total state revenue,” she pointed out.

Yet even the oil workers are fighting an uphill battle, constantly risking losing influence over their own wages and working conditions.

“This happens when companies are being nationalised, since Nigerian companies on the whole are more hostile to trade unions than international oil companies are.”

However, multinational companies outsource work to companies with weak or no trade unions, which also weakens the power of the unions.