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The necessary skills at the right time

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Sep 19, 2017

# Theme: A Nordic drive for lifting competencies



Newsletter from the Nordic Labour Journal 6/2017



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#### **EDITOR-IN-CHIEF**

Berit Kvam

#### **EMAIL**

nljeditor@gmail.com

#### **WEB**

www.arbeidslivinorden.org

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### The necessary skills at the right time

Finding a good match is not always easy, especially in the labour market. As the labour market is transforming at lightning speed, the need for skills increases. The opportunity to get adult and continuing education becomes equally important. But how to do it? The Nordic Labour Journal looks at possibilities and practice in the Nordic region.

EDITORIAL 19.09.2017 BY BERIT KVAM

The question is equally hot across the Nordics: How do you secure that the labour market and individual workers get the skills needed? The answers vary. Is it the responsibility of the individual, the employer, or is the state responsible for access to adult and continuing education?

Stina Vrang Elias from Denmark has headed an assessment of the Danish adult and continuing education system. It is food for thought, she says, that society invests most of its education resources on people below 30. We live longer and must work longer, while the labour market changes continuously. You need people to learn all of their lives. Elias' expert group proposes an education account for each worker modelled on pension funds, to make sure there is always money for further education when the need arises.

In Iceland the social partners have been running a training centre for people with low education levels since the year 2000, offering skills validation to highlight the informal and formal competencies which exist. Icelandic authorities also supports this system. Many trades which never used to need special skills now demand both computer knowledge and language skills. Much of the production in the fisheries sector is now digitalised. FISK Seafoods offered further education, and saw increased interest in the job. Management hopes the employees will stay.

Should increasing your competencies be a right if you need new knowledge and skills? Or should competencies be controlled by employers?

Some trades are particularly dependent on economic cycles and fashions. Not least fitness centres like Sats Elixia. What they offer changes all the time, as does the need for new instructors with the right skills. With some 200 newly trained instructors a year, they focus a lot on competency development like adult and continuing education together with the public education system. They also develop their own competency-building courses and educations.

In Finland it is mostly up to employers whether they want to offer employees the chance to access continuing education. The restaurant trade has already broken the language norm in order to attract people. When employers have to tempt people to come and work for them, there is also a chance to get more skills, like the English speaking waiter Victor Fernandez says: "I would like to be a barista. Our employer has said that we who work here will be allowed to take courses in order to develop our skills."

The Åland Islands are home to Viking Line, which has carried passengers across the Baltic Sea since 1959. Now many of the crew are reaching retirement age, and the shipping company needs to recruit new people. The challenge is how to safeguard the existing knowledge before the older employees disembark.

In Sweden, trade validation is a particularly hot topic. This is competency validation matching the competency needs of the labour market. The social partners are represented alongside representatives from the authorities in a delegation which is developing holistic validation processes. Competitive industries are at the coalface of change. They need sharp tools for competency development and recruitment, and the parties have developed a system for trade validation linked to the national qualification framework, says Ingegerd Green from the validation delegation. She believes everyone can also learn from Norway, which has lifted competency policies to the top of the tripartite cooperation.

"In Norway we have gone for the national competence strategy. We agree that there is a demand of more competence in an increasingly digitalised labour market, and workers must be given the chance to develop their skills," says trade union leader Ragnhild Lied in Portrait.



### "Only the labour market knows which skills are needed"

Swedish employers are in desperate need of people to fill positions within many different occupations. Meanwhile, more than 340,000 people are registered with the employment service. The problem is that the job seekers' knowledge often does not match the needs of the employer.

IN FOCUS 19.09.2017

TEXT: GUNHILD WALLIN, PHOTO: NVL

Stockholm is in the middle of the worst labour shortage for ten years, according to a survey presented by the Stockholm Chamber of Commerce in August. The IT and construction industries are most in need, but there is also a lack of labour in the health sector and in education. Stockholm is not alone in struggling to attract people, however. Public services across the country are having a hard time recruiting staff. "Our latest figures show it takes companies longer and longer to find the staff they need, and more and more often they need to lower their demands for education and experience," says Annelie Almérus, an analyst at the Swedish Public Employment Service.

"Usually you need at least an upper secondary education in order to enter the Swedish labour market. Many of the new

jobseekers have very short educations, and sometimes they also struggle to learn. It then takes a long time before they can be matched with the right job, and it becomes more important for us to match them by adding extra training," she says.

#### Validation important, but takes time

The labour market is now facing a big challenge: How employers' need for labour can be matched with the jobseekers. This is an important issue for employers, trade unions, educational institutions, the parties in the labour market and politicians.

Validation is one measure which is often discussed. It aims to highlight and confirm a person's competency, regardless of how it has been obtained, so that the person can move on into employment or education. Validation is not least considered a way to allow foreign born citizens to be credited with both the formal and informal skills they bring from their home countries.

"Validation is important, but often takes time. Employers sometimes also struggle to validate foreign educations. The best thing is for employers and jobseekers to meet, for instance during recruitment fairs. That makes things easier," says Anneli Almérus.

#### A hot topic

The Swedish National Delegation for Validation was established in 2015. The government has asked it to follow, support and run a coordinated development of validation in education, training and working life. The delegation's mandate runs until 2019. It consists of representatives from trade unions and employer's organisations, but also from relevant authorities. In March this year the delegation presented 'A national strategy for validation' to the government. One of the delegation's experts is Ingegerd Green, CEO for Skärteknikcentrum AB.

"Validation is a hot topic. I take part in many fora where this is being debated," she says."

Ingegerd Green has been a proponent for skills development within industry for her whole professional life, and has taken part in several projects organised by the Nordic network for adult learning (NVL).

"All the Nordic countries are engaged in the issues surrounding how to bring skills into the labour market. We have the same challenges, and have reached different points within different areas. When it comes to validation in terms of the labour market's demands for competence, so-called trade validation, Sweden is in the lead," she says.

#### A report with recommendations

In April, NVL published the report "Competence in a labour market perspective", the result of two years' work by a Nordic group of experts written by Ingegerd Green and Tormod Skjerve from Norway. The report analyses the challenges with supplying the necessary competence, and it recommends measures which are mainly aimed at the social partners.

Globalisation, technological development, demographics and climate change alters working life, and there is a need for deeper, broader and sometimes completely new skills in order to manage in the workplace. And the changes are already here

"The changes demand that we prepare the ground for skills development. If we don't, we will not manage to handle them," says Ingegerd Green.

#### Better formulated demands for competence

When asked what validation means for solving the need for skills, Ingegerd Green wants to analyse the concept. How can companies' growing need for skills be met?

There are mainly two ways to do this – recruiting new staff or introduce skills development for existing staff. To recruit people with skills you need access to educated people, and there is a role to play both for labour market training for job seekers and for the general education system. For the companies' internal skills development to work, it needs to be strategic and structured, underlines Ingegerd Green. Regardless of how you approach this, you need to know what skills are needed.

"This is where trade validation becomes so important, since it describes which skills are needed for different working tasks or occupational roles in a way which makes it easy to see what kind of skills exist or are missing within a company," says Ingegerd Green.

She also highlights how important it is for companies themselves to work strategically and structured with their own competence provisions. Often there are skills within a company which are invisible, because they have not been validated and documented. If it is difficult to recruit competence from outside, perhaps it is possible to find a person within the company who might become suitable with the right skills development training.

#### What is needed?

"It is not easy to describe skills in a way which means you can measure, develop and recognise them. What skills are absolutely crucial in order to carry out a job? What do we need to be matched with? Only the labour market itself has she answers to those questions, meaning we who live in this rapidly changing reality. That is why companies, trade organisations and the social partners need to work on this together," she says.

As the CEO for Skärteknikcentrum Sverige, SKTC, a national trade organisation for machining companies, the trade's

skills provision is an important part of her job. SKTC has worked on a system for validation and certification of occupational competence in so-called CNC technique for the trade's companies since 2005.

"The progress we have made, helping nearly 4,500 people get their skills validated and recognised, is purely the result of the fact that the trade's companies are behind the content and that this is of a quality you can trust," says Ingegerd Green.

#### Consensus between the parties

"When it comes to the importance of strategic skills development, there is no conflict between employers and employees, there is consensus. For employers, skills development is crucial for competitiveness and profitability, and skills must be secured in order to run companies. For employees it means having a good job, being able to open up for new opportunities and having a rich and interesting occupation," she says.

Within the trade, the parties have worked together to develop a comprehensive system for trade validation, which is also managed by the parties. This gives the companies within the trade a tool which secures targeted skills development and recruitment. The system is built on the national standard for trade validation, which demands that you link up to the Swedish qualification framework, called SeQF.

This way, the labour market and education system get a common language for skills. It is no coincidence that the industry parties are ahead of the game, according to Ingegerd Green.

"Industries are at the coalface of globalisation and quickly influenced by new technological developments. Other parts of the business world come later. But today there is hardly any part of the labour market which is not facing these changes. Everyone needs skills to face the competition," she says.

#### Challenges on three levels

One of the conclusions in the Nordic report on competence in a labour market perspective, supported by Ingegerd Green, is that the competence challenge exists on three levels which are all linked. Companies must take skills provision seriously by getting better at working strategically and structurally with skills development, and not waiting until the need arises – which is often the case today.

Individual workers must also take responsibility and think "what should my lifelong learning entail?" And last but not least, there is a need for a national competency policy with a competency policy strategy.

"Today we have education policies, labour market policies and business policies – three different 'pipelines', which are headed by different government ministries and each have their own separate authorities and agencies. They all deal with issues and take initiatives which in the end are still all about skills provision.

"We need a far more holistic approach and cooperation in order to make the skills provision system work in a labour market perspective. Perhaps we could learn from Norway, where competency policies have been lifted up to the highest level," says Ingegerd Green.



## Fitness industry seeks millennium-old skills – and knowledge of how to become bootylicious

More than four million Nordic citizens are members of gyms like Sats Elixia. As a result, the demand for skilled instructors is considerable. We joined one student of theology, one accountant and one brand expert in their spinning, yoga and shape classes.

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TEXT: BJÖRN LINDAHL, PHOTO ILJA HENDEL

"What I am doing?"

Monica Nevado has just finished hosting a 55 minute long exercise session. She is warm, but not particularly out of breath.

"I'm pushing the participants to their limits. I'm there to assure them that it is not dangerous if their muscles ache and their hearts are racing."

A workout consist of participants using 55 exercise bikes lined up next to each other in a room with glass walls. All of them are wearing heart rate monitors and each one of them can follow their own heart rate on a screen next to the instructor. It goes from the blue zone, which represents 60 percent of maximum heart rate, via the green zone at 70 percent up to the yellow zone, where they work out at 80 percent of their maximum heart rate.

Monica Nevado is from Colombia, where cycling was her chosen sport. After six years in Sweden she moved to Norway and started studying at the Norwegian School of Theology, a freestanding university for students of theology.



In her black cycling outfit and black hair she looks strict. It is not hard to imagine her as a vicar.

"Body and soul belongs together, you know," she says.

Spinning, or cycling, is for those who want to improve their fitness. Monica's workout class starts at a comfortable pace.

"I see your shoulders are tense," she tells the 14 participants.

"Lower your shoulders, so we can work out with the same intensity. Get comfortable in the saddle!"

Music is pumping out of the speakers. Through the glass walls you can see an atrium filled with exercise equipment and Sats Elixia members working out on their own. They are lifting weights, standing on balance trainers, swinging a big rope and doing other types of exercise. In the spinning room, however, everyone's focus is straight ahead.

"Put in some resistance now. We will spend the next three minutes reaching 70 percent of our maximum heart rate."

The markers on the screen climb from blue to green. As the participants stand up on the bikes and start pedalling in a standing position, we sneak out of the room, travers the atrium and enter a larger hall where Bjørn Nigard hosts a yoga session. Around 40 people are standing on all fours on their exercise mats.



"Sun salutation, breath in, arms out!" Bjørn encourages them.

We were expecting a hall with a more meditative atmosphere. But here too the tempo is high. Instructions are issued rapidly one after the other, with only a few seconds between each position:

"Breath out! Hands on the floor. Upward facing dog. Breath in! Downward facing dog. Warrior number 1, right hand on hip, then the left – hip forward – stretch!"

Bjørn Nigard praises the participants and tells them there is no right or wrong way of doing things.

"There are 7.4 billion different ways of doing yoga, and all of them are correct!" he says.

#### A Sats Elixia veteran

Bjørn Nigard is working full time as an accounting assistant at the Oslo Stock Exchange. But he is a Sats Elixia veteran, he tells us after the class has ended.

"Hot yoga, cold yoga, pilates, build'n burn, bootylicious - you name it! I have been an instructor for most things," he says.

What is the most difficult thing with being a fitness instructor?

Bjørn Nigard has to think:

"The hardest thing is when you get no response from those who are exercising. That's the same regardless of what you are teaching."

Having passed 48 years of age and worked as an instructor for 25 of them, he has started thinking about what he can carry on teaching when he grows even older. Yoga is a good idea. His own philosophy is that yoga should not be something mystical.

"What we teach is built on the thousand years old traditions which yoga represents, and the 100 or so yoga positions – asanas – that exist. An Indian yoga teacher visting us would recognise all the positions. In my class today I used around

25 asanas. I look at the participants first to see whether there are many tired shoulders and crooked hips for instance, and make my choices based on that.

"I never only use sanskrit. If I ask them to do a chaturanga (a low plank), or a trikonasana (a triangle), I always use the Norwegian name too. My aim is that everyone should be able to do yoga, and for it not to be something mystical. Not everyone should be able to do the Lotus Position!



"But people who do yoga become more supple, stronger and improve their balance. I can guarantee it!"

We move on to the biggest hall, where Marte Ruus has just started a shape class. The aim is to become stronger, tighten up your body and improve your body control. The group consists nearly exclusively of young women. We only spot two men among the 60 participants. Although Marte has nearly twice as many participants as the other two instructors, she is not paid more.

"No, the only thing that counts is your experience and any further education you might have. Anything else would have been unfair, because the time of day determines how many come to class. This is prime time – from 4pm until 9pm," she says.

She commands the participants from one strenuous exercise to the next. To make their muscles work even harder, she uses boxes and weights. The tempo is high. Marte laughs when we point out that she nearly sounds as if she is commanding a group of soldiers.

"I have a military style, but with a glint in my eye," she says.

She has been an instructor for 11 years, since she was only 17.

"I now teach three hours a week – I used to do ten. But I have a full time job as a marketer for Adidas, and there is a limit to how much time I have."

How long did it take you to study in order to host a session like the one you did today?

"Six months, if you include the basic stuff at the beginning. I construct my programme on my own, and make sure all the major muscle groups get a workout. It is not enough to simply learn the exercises if you want to be an instructor. It is all about being able to instruct people, how you use your voice and also your personality.

"How long I want to carry on? Until I'm 70, I hope," she says.



## How Sats Elixia works to secure the right competency

Competency is a moving target, since the knowledge needed to manage a job always changes. In the fitness and exercise industry this is doubly true. Not only does one trend replace another. Competency also often means knowing the right movements and how to make people move.

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TEXT: BJÖRN LINDAHL, PHOTO: SATS/LARS-EINAR PETTERSON, ILJA HENDEL

It is the kind of knowledge which is hard to document. Like in other trades, there is basic knowledge which colleges and universities can teach, more trade specific knowledge and knowledge which his unique for each separate fitness chain.

"We are always looking for instructors who can inspire. They must love spending time with people and be genuinely interested in exercise," says Grethe Stølan, a veteran in the fitness trade. She started her own fitness centre in Kristiansand in 1983, but for the past 12 years she has been in charge of exercise at at Sats Elixia Bislett in Oslo.



Fitness is a young trade. The first fitness centres in the Nordic region emerged towards the late 1950s. Back then it was mostly about lifting heavy weights and strong men. 1982 saw the aerobic wave. The number of fitness centres in Norway rose to nearly 400.

"Personally I have been doing this since Jane Fonda, but today aerobic is just a small part of the business," says Randi Christensen, who has the overarching responsibility for recruiting group instructors to all of Sats Elixia's Norwegian centres.

#### A dip during the 90s

In the early 90s the entire trade went through a dip, but gained new energy as spinning became popular.

In recent years, yoga has become a big thing.

"I call it a tsunami, it just keeps on growing. There has been a split in the fitness industry, where one side focusses enormously on what is known as High Intensity Training, where you train at a maximum rate for 30 to 40 minutes. Build'n burn, as we call it.

"But that again creates the need for recovering. You could say that all of society has chosen the High Intensity wave. The more who do many things at once, the greater the need for yoga," says Randi Christensen.

Sats Elixia sprang out of the merger between the fitness chains Sats and Elixia in 2013. They are part of Health & Fitness Nordic (HFN) which in turn is owned by the Norwegian venture capital firm Altor (51 percent) and the Danish insurance company Tryg (49 percent).

Sats Elixia is now the largest chain in the Nordic region, with 160 fitness centres, more than 8,000 staff (2,000 full time positions). The chain has 418,000 members and a turnover of 2.6 billion Norwegian kroner (€278m).

#### **Licensed education**

Randi Christensen says Sats Elixia needs 70 to 100 new instructors every year, to work both with groups and as personal trainers. They also need 100 yoga instructors. That makes 200 people in total per year, only in Norway.

The training is a mix of public and private input. The Norwegian School of Sport Sciences offers a fitness course, but there is also a private school, Safe Education. This was originally founded by Swedes, but is now owned by the same companies that own Sats Elixia.

"At Safe you get a licensed education. Your license allows you to go to work for other fitness centres too, not owned by Sats Elixia."

Yoga instructions train at a different institution, Hiyogas teacher training.

"I help pick those we feel fit well by organising recruitment fairs. Before running a fair, we advertise this quite broadly, also in social media. Many have also been members with us earlier," says Randi Christensen.

"If you have been chosen by us, we pay for all the instructor education. Some of those we do not want to hire, take the courses themselves. In that case they have to pay 15,980 Norwegian kroner (€1,711). We also sometimes agree to partially sponsor the education."

What is the next trend?

"After the merger, Sats Elixia offers 120 different courses. Many are quite similar, so it is more about harmonising them and getting the number down, rather than launching new courses right now."

She travels to trade fairs to check out the latest trends herself.

"Anyone selling equipment develop new group sessions. Step machine companies for instance. But we have found out that we develop new types of basic training best ourselves," says Randi Christensen.

Hot yoga has become popular at Sats Bislett.

"We have a room where the temperature is 38 degrees centigrades," says Grethe Stølan.

What will training look like in ten years from now?

"It will probably be much the same. People like to train together at set times. But the training will probably become even more functional. It is important to exercise the entire body as efficiently as possible in 30 minutes," she says.



### How do you motivate adult Danes to retrain?

The Danish adult and continuing education system is being reorganised in order to get more Danes to choose to take part in continuing training. One in three say they are not interested.

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TEXT: MARIE PREISLER, PHOTO: DEA

More than one in three Danish workers do not see the need to take part in continuing education. This worries the government and the social partners, who believe it is crucial that Danes keep training and learning throughout their working lives.

The government and the major employer and employee organisations all agree that there is a great need for Danes to do this. Since this spring they have held tripartite talks with the aim to strengthen the opportunities for people to take adult and continuing education, allowing all Danes to be better prepared for the future labour market.

The tripartite negotiations, which are set to end in October, are focusing especially on how workers with basic training can access general and trade-specific adult and continuing education, while also strengthening the link to upper secondary school adult and continuing education programmes.

At the launch of the tripartite talks, the Minister for Employment Troels Lund Poulsen (Venstre, Liberal Party of Denmark) underlined the importance for workers with no or little experience to get training:

"There is no doubt that the increased need for skills means workers with little or no education will face challenges in terms of their competencies. And we will take care of this – we want to include everyone."

#### Modernising the system

The government's goal is to reach an agreement which will better motivate Danes to further improve their skills and adapt in step with developments in the labour market. Many lack that motivation today, a new study shows. It says a large part of the labour market fails to use the opportunities for adult and continuing education which do exist, feeling it is not relevant.

37 percent of workers in Danish workplaces do not at all feel they have a need for continuing education, and another 11 percent only feel that they need it to a lesser degree. That means nearly half of Danish workers do not see the need to improve their skills, and among unskilled workers there are even fewer who understand the importance of continuing education, according to the study. It has been carried out by an expert group on adult and continuing education in preparation for the tripartite negotiations.

The lack of continuing education begs the question whether Denmark's adult and further education system works the way it should, thinks the Minister of Education Merete Riisager from the Liberal Alliance party.

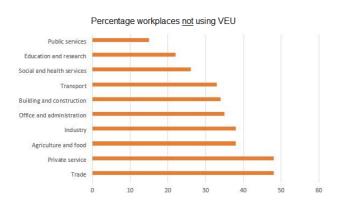
"When more than one in three workers do not at all feel the need for further training, we must admit that the entire adult and continuing training system is being challenged. We need to carry out some fundamental changes," she said in a comment to the study.

That is why the government now wants to change the continuing education system, making continuing education offers far better targeted and more flexible for workers and businesses than they are today.

#### A need for transparency and flexibility

The expert group for adult and continuing education proposes the same thing. On commission from the government and the social partners, it has analysed how adult and continuing education works today, and developed a set of recommendations for improvements.

The experts concluded that the entire system needs a comprehensive modernisation, explains the head of the expert group Stina Vrang Elias, who also heads the DEA think tank.



VEU is the Danish acronym for Adult and Continuing Education

"Denmark has a long and proud tradition for adult and continuing education, but there is a need now for some radical new thinking, because the labour market is changing so rapidly."

One of the studies she and the expert group carried out shows that neither workers nor businesses are particularly knowledgeable about the need for adult and continuing education.

"You could say that they lack the crisis awareness which you perhaps ought to have when you look at how the labour market is developing. We need to fix that paradox and make sure adult and continuing education moves far higher up on the agenda for Danish workers and businesses," says Stina Vrang Elias.

The expert group points out that users need a far more transparent and comprehensive system, and it needs to be accessible thorough their working lives. The expert group has provided the government with 13 concrete proposals for how to do this, including establishing one single portal which will offer easy access to information about what courses are available and how to apply.

The expert group also suggests developing agreements where workers pay into their own training accounts in the same way they pay into their pension funds. This will secure the financing needed for skills development whenever this is needed.

#### Life-long learning

The expert group also wants to reduce the number of labour market training courses, and instead focus on the existing public core services, which again would create better economic conditions for these.

"This will increase quality and secure delivery. Trough narrower but better services we will secure that there once more will be demand for labour market training, which has been a core element for the Danish labour market," says Stina Vrang Elias.

She also sees a great need to make it easier to combine different courses, which can solve the specific needs of workers and businesses:

"There are for instance half a million Danes who struggle with reading. For them we should be able to create a course which is both trade relevant and which helps them improve their reading," she says.

She believes getting used to the idea of learning new skills throughout your working life should be a new premise in working life.

"This is a natural consequence of the many opportunities arising from new technology, digitalisation and globalisation, while we live for longer and will be in the labour market for longer. In this perspective it is remarkable that we use the majority of our training resources – individually and as a society – only until we reach 30. We need skills development to become a far more natural part of everyday life, also when we become older."

### About the use of adult and continuing education (VEU)

Peer-to-peer training is the most common form of VEU. 68 percent of businesses have used peer-to-peer training in 2016. Next is intensive courses – 45 percent. 43 percent of businesses have used private VEU courses.

Public VEU courses are the least used among businesses. AMU (labour market training) is the most used public training offering, followed by upper secondary school courses and training, which is being used by 15 percent of businesses.

Non-skilled and skilled workers receive training through obligatory certification courses, while workers with upper secondary education to a greater degree participate in specialised or general further training courses.

Many workers with upper secondary education consider VEU to be a personnel bonus and part of their career path.

Businesses belive VEU participation is particularly beneficial to workers' motivation, efficiency and quality of work. AMU is the exception, as businesses say AMU has the least effect on efficiency, quality and innovation.

More than half of the workers think they have sufficient opportunities for continuing education during working hours or in their spare time. Those who do not feel there are enough opportunities during working hours, say this is because of a lack of time, they are indispensable or the business does not have sufficient means.

More than half of the workers do not or very rarely feel they need continuing education, most of these have elementary education and most are men over 50. They do not consider loosing their job to be a great risk.



## Older colleges' experience needed as the 80's generation take over the Viking ferries

Viking Line is facing a real challenge. The largest age group onboard their Baltic Sea passenger ferries is 50 to 59 year olds. When they retire, a big chunk of competence disappears. The company has decided to treat this as a challenge and not a problem.

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TEXT: HELENA FORSGÅRD, PHOTO: VIKING LINE IMAGES

"We are not overly worried about future recruitment, even though the younger generation has different demands and priorities. Viking Line is a secure employer and there are great opportunities to move up the ladder onboard," says Lena Marcus, the shipping company's Sea Personnel Manager.

Viking Line, established in 1959 as a family-owned shipping company in Åland, today operates seven passenger vessels

which sail different routes between Finland, Åland and Sweden, as well as between Helsinki and Tallinn. Last year they transported 6.5 million passengers.

The shipping company's head quarters are in Mariehamn, and it is Åland's largest employer by far. Last year the number of employees reached more than 2,700. Most of them, just under 2,100, work at sea. The rest work in offices in Åland, Finland, Sweden and Germany. Most of the employees live in Finland.

A passenger shipping company needs navigation and machine workers, of course. But they are a minority. Most onboard work in the service sector, and deal with passengers directly or indirectly. Some 40 different occupations are represented at the company.

#### Many work for longer

The people responsible for recruiting people to work at sea are based in Mariehamn. Lena Marcus is the Sea Personnel Manager and Leila Sundblom is the HR specialist and recruitment team leader.

Leila is a typical Viking Line employee – someone who has worked for many years for the shipping company – a majority has worked for at least 16.5 years there – and who has climbed the company ladder. She has also seen how people's attitude to the job has changed. People born in the 30s, 40s and 50s had safety as their top priority, while those born in the 60s were more focused on wages.

Then the people born in the 80s arrived, and it showed.

"They wanted to participate, to be seen and heard. They questioned things and wanted influence," says Leila Sundblom.

#### Large group set to retire

Looking at the age distribution among the employees at sea, it is clear that the largest group is people between 50 and 59, 691 people. If you also add the 230 employees between 60 and 69, you realise there will be many positions to fill when they start retiring.

"We choose to see this as a challenge and not a problem, and we mainly have an even spread of ages onboard. The number of people between 30 and 39 and between 40 and 49 represent more than 600 each. Recruitment goes up and down. In good economic times it is harder, during a recession it is easier. People's interest in working at sea is also influenced by what is being written about the trade," says Lena Marcus. The most difficult positions to fill are cooks and waiters.

#### A chance to advance

One way of tempting new workers onboard is to point to the opportunities for advancement You could start as a *nisse* – someone who carries food to the buffets – and move on to become a waiter, head waiter, head of restaurant and perhaps finally a manager.

Skills development can take many different forms. It is often a combination of internal schooling and courses in different educational institutions on shore.

"We allow people to take study leave if they wish," says Lena Marcus. Flexibility is another key word both for attracting labour and for keeping employees.

"Most employees can do job rotation, within certain frameworks of course, to get more job variation. They can swap tasks onboard, or change ships in order to join a different team. This has turned out to be stimulating for many," says Leila Sundblom.

Sometimes people working at sea who want to go onshore, are offered office jobs. Different skills like booking, IT, economy, technology and procurement of tax free goods are needed here.

#### **Protecting family life**

Lena Marcus and Leila Sundblom point out that there are some things about working at sea which requires some understanding and adjustments from the employees' families. You cannot for instance always be sure to be home for birthdays and Christmas.

Viking employees enjoy good agreements and work the same number of hours as they have off – mostly one week on, one week off. But this does mean they are not home at all during working weeks.

"Before, people were satisfied even though family life might have suffered. Today the younger employees have a different view. They are keen to be at home with their small children. Some stop working onboard after having children, others want to work part time. We try to adapt to this and to offer different alternatives. But offering shorter working days does not work, since you are already onboard the ship. Instead we offer fewer shifts."

Younger people are also more mobile. They do not stay in one job until retirement, like many who were born in the 40s.

"But it is important to have as great an age-mix as possible onboard. Once there was a trial with recruiting a young crew to a ship with a more party focused theme. The average age was 23.5. It did not go well. The older employees' experience and competence was also needed," notes Leila Sundblom and adds:

"Not all new recruits are young. We have some newly hired staff who are more than 40 and even more than 50."

#### **Good salaries**

Viking Line has signed the collective agreement for the shipping trade. This stipulates that service sector wages are generally higher than for similar onshore jobs. A survey of employees from 2015 shows that three in four would very much recommend Viking Line as an employer.

"We have a good reputation, but there are challenges coming up. Shipping is a dynamic and many-faceted trade. Things happen all the time, but I really believe we will succeed in recruiting new, keen Viking employees in the future," says Lena Marcus.



## Restaurants break with old language norm – English makes an entrance

Finnish restauranteurs are worried about the lack of Finnish-speaking waiters. As a result, more and more restaurants now seek English-speaking staff. Meanwhile, trade unions sound a warning that many young people are leaving the trade because of low pay and a lack of workplace training opportunities.

THEME 19.09.2017

TEXT: MARCUS FLOMAN, PHOTO: CATA PORTIN

For some time now it has been normal to address café and restaurant staff in most larger Nordic cities in English, instead of one of the Scandinavian languages.

But in Finland the Finnish language has dominated the service sector for decades. As a rule, all café and restaurant staff have been speaking Finnish. So what is happening right now is remarkable: In more and more restaurants – both foreignowned and trendy cosmopolitan ones – English is becoming the main spoken language.

"It is the international atmosphere, it determines everything. It is not just the fact that most of the waiters speak English, it is also the positive attitude which makes the difference," says waiter Victor Fernandez. He works at restaurant Sandro in the Finnish city of Espoo, west of Helsinki.



Victor Fernandez was born in Spain but has spent many years living in different European countries; the Czech Republic, Norway and Stockholm. When he recently heard there was a restaurant chain hiring English-speaking staff, he got in touch immediately.

During the job interview, Victor was told that a lack of Finnish language skills was indeed no obstacle to working for restaurant Sandro, which is part of a restaurant chain focusing on mixing different food cultures while maintaining a strong international focus.

Many Finns still presume Finnish is what counts everywhere in the country. As a result, some customers find speaking English in a restaurant somewhat uncomfortable. Earlier this autumn a debate in Finnish media focused on whether Finnish or English should be spoken.

Sometimes Victor and his colleagues are asked things like "should you not be able to be served in Finnish in Finland?"

"So we have to calmly explain that this is an international restaurant. You can order in Finnish, but the menu is in English and I speak English. Then I add that I can fetch one of my Finnish-speaking colleagues," says Victor.



Ville Relander is one of the people behind the idea of restaurants with an international focus in Helsinki. When he

helped recruit staff to the first of the restaurants just over two years ago, there was no clear plan for which language they were expected to speak.

"First of all we wanted good people. People who are passionate about what they do, and who want to create good memories for those who visit the restaurant. It just happened to be that most of those we hired were foreign."

The fact that all the restaurant staff should speak either English or Finnish has been clear since the start. Relander considers any other languages to be a bonus for the restaurant's image.

"Between staff, for the internal communication, we speak English. This has proven to be the most efficient thing to do – speaking a language that everyone understands. And I don't have Finnish as a mother tongue either," says Swedishspeaker Ville Relander.

He reckons more than half of the staff at the six restaurants he runs together with restaurant entrepreneur Richard Mc-Cormick do not have Finnish or Swedish as their first language.

#### Finnish a main language - for now

Some restaurants also have English as a service language partly by coincident, partly by design – to go with the restaurant's image. Other restaurants simply hire anyone who is available.

HOK-Elanto is one of the capital's larger restaurant chains, running around 100 restaurants inside and around Helsinki. In HOK-Elanto's restaurants Finnish is still the norm.

"In our kitchens there are a lot of people with an international background, but on the service side most people speak Finnish. In most of our restaurants you can get by as a waiter even if your Finnish is not entirely perfect," says Satu Vennala, head of human resources for HOK-Elanto's restaurants.



"We see that things are moving in a direction where more and more waiters will have English as their first language. If skilled staff's only so-called handicap is that they don't speak

Finnish, of course our trade has to make use of that opportunity," says Vennala.

Vennala adds that in HOK-Elanto's restaurants in the centre of Helsinki, a few waiters use English as their first language with customers. All their restaurants always offer the opportunity to be served in Finnish.

#### How to get staff to stay?

Both the central organisation for the restaurant trade and the Service Union United PAM have noted that the Finnish language is facing competition from English.

"For several years, many restaurants have struggled to find enough skilled staff – so it makes sense that some restaurants drop the demand that staff should speak perfect Finnish," says Timo Lappi, Managing Director for the Finnish Hospitality Association MaRa.

At PAM, the largest trade union representing the restaurant trade, they point to the fact that low wages in the trade are partly to blame for the fact that there always seems to be positions that are not being filled, especially in the larger cities.

"Wages in the restaurant trade have been lagging behind the average wage development over the past 20 years. Many young adults are attracted to the trade, but many leave after a few years because wages are so low. The pay does not reflect the tough job that they perform," says Antti Veirto, Research and Labour Secretary at PAM.

The employers' organisation believes education will solve the problem of staff leaving the trade too early.

"For us, one of the most important issues going forward is to make sure people want to stay in the trade for longer. That's why it is important that restaurants and we as an organisation offer continuing education as much as possible to allow people to advance their careers," says Timo Lappi at MaRa.

But: In Finland, employees do not enjoy the right to workplace training. For now, individual companies decide whether staff are allowed continuing education or not. The service union PAM says the biggest problem is that those with the lowest education are the last to benefit when continuing education is being considered.

The companies have the say, and statistics show people who already have a higher education end up at the front of the queue when it comes to workplace training.

Waiter Victor Fernandez plans to stay in the trade. First he wants to improve his Finnish, and then he wants more training – which in his case will be paid for by his employer.

"I would like to be a barista, and hope to do a course as soon as possible. Our employer has said that we who work here will be allowed to take courses in order to develop our skills."



### Ragnhild Lied – Head of Nordic trade unions guarding the Nordic model

Globalisation, technological developments and a changing labour market are all challenges to organised work. Trade union leader Ragnhild Lied is at the frontline fighting labour market crime, the shadow economy, new organisational structures and the weakening of the working environment act.

PORTRAIT 18.09.2017 TEXT AND PHOTO: BERIT KVAM

The tripartite cooperation is fundamental to the Nordic model. It means employers and employees negotiate about wages and working conditions, while policies and measures are often shaped through dialogue with the social partners.

"The whole world can learn something from this," believes Ragnhild Lied.

She has felt the power of the trade union movement. When she was the leader of the Union of Education Norway (Utdanningsforbundet), she experienced that members voted no to the negotiation position she had recommended. She believes this has made her more robust in the face of challenges.

Today she is the leader of The Confederation of Unions for Professionals (Unio), the second largest trade union confederation after LO in Norway, and this year she also heads the Council of Nordic Trade Unions. A key issue will be to increase trade union membership numbers in order to strengthen cooperation between employers and the state.

#### Party politics is not her cup of tea

"We must be able to cooperate with all the political parties in parliament if we want to achieve good results."

From her office, Ragnhild Lied has a perfect view of the Norwegian parliament. She often pops across the street to use her powers of persuasion in order to influence politics.

#### **Skills policies**

Skills development is close to her heart. Unio represents 350,000 employees with higher education in the public and private sectors. Change and adaptation in working life as a result of globalisation and digitalisation creates uncertainty. Who is the employer and who is the employee in the future labour market? And what impact will robots and digitalisation have on working life?

Skills development is high on everyone's agenda. The government recently asked Ragnhild Lie to head a commission to assess the upper secondary education system.

"I look forward to working towards making the upper secondary education even more targeted at the pupils' needs and expectations. At the same time we will develop an education which better prepares people for active participation in society, for further education and for a changing labour market," writes Ragnhild Lied on Unio's website.

Competence policies is a core issue. Not only for her and Unio; LO and all the trade union confederations have entered into a tripartite cooperation and have developed the 'National competence policy strategy 2017 - 2021'. This will be followed up by a competence policy council, where the parties are represented.

A lot is happening in this field, but so far the economic support is lacking. Poul Nielson, who presented the report 'Working life in the Nordic region – challenges and proposals' in 2016, proposed that Nordic countries should make adult and continuing education in working life mandatory.

What do you think about that?

"He raises a very important issue," thinks Ragnhild Lied, but the word mandatory makes the proposal difficult to execute.

"I would rather talk about the right to continuing education for all employees. In Norway we have gone for the competence strategy, which is a more realistic tool. We agree that there is a demand of more competence in an ever increasingly digitalised labour market, and workers must be given the chance to develop their skills."



#### Nearly a mountain goat

She comes from Volda in western Norway, her main language is Nynorsk and she commutes weekly to Oslo. She worked as an upper secondary school teacher and trained in sports sciences and outdoor life, she is the co-author of a PE textbook and feels the need to go home and climb a mountain every weekend. She feels at home among the fjords and the mountains. Summer and winter. She does a lot of skiing, down from high mountain tops plunging straight down into the fjord. She needs air and big vistas to free herself mentally and physically from life in the capital. She lives alone, nearly on the mountain, but does not go alone on longer walks.

"I am no hermit, and I have respect for the mountain."

But now the labour market takes centre stage, along with the challenges which are mounting up.

"There are so many unknowns because we do not know how the future labour market will look like. How big will the platform economy become? And how many will have a looser link to the labour market? The question is whether we should be more focused on creating secure and safe frameworks around the workers. Make sure it is not possible to work in the shadow economy, where money goes straight into the pocket of someone who doesn't even pay taxes and duties."

The platform economy is the unknown which Ragnhild Lied alludes to, but looser links to the labour market and loopholes allowing for social dumping are also major risks.

The government has established five centres around the country in order to fight the shadow economy. This is where the police, the tax administration, the labour inspection authority and labour and welfare administration (NAV) work together to fight criminal activity in the labour market.

"We are very happy about this. But it is not enough. You also need to look at the legislation and which changes are being made that could create loopholes for the shadow economy, so that you don't end up giving with one hand and taking with the other.

"How easy should it be to use staffing agencies? It is possible to make rules that clarify who has been awarded a tender. So there is plenty here to tighten up. When you have been given a commission, who is actually your employer? We need a transparent system which makes it easier to see and control information.

"The danger is that you outsource work by hiring people to do it, and perhaps they hire someone else to carry out the task. The more levels you end up with, the less transparency you get."

What can be done?

"We need to be able to create a clearer framework for the kind of work that is to be carried out. When the cheapest tender is always accepted, who covers the reduced costs of the cheapest offer?

She answers that question herself:

"It is the workers with the least favourable pension deals, long working hours, no overtime pay. It is often pure exploration of labour. We need legislation to stop this."

#### Many small steps turn into a threat

She thinks the tender economy is an example of what is threatening to dissolve the organised labour market. Each step might not be a big one, but together they can become a serious threat. This also relates to the working environment act.

"What is a pity, with the working environment act for instance, is that you make small changes that might look innocent, but when they are all put together they weaken the legislation and conditions for employees.

"This is about regulations covering staffing agencies, the length of normal working hours, the increased opportunities to hire temporary labour.

"The tripartite cooperation should also impact on the way policies are made," insists Ragnhild Lied.

But she does not shy away from the adage: "We do have it good in this country."

"Look at Finland, where the tripartite cooperation is under threat and you do not find the same optimism which you see in a place like Iceland, for instance. What did Iceland do when the crisis hit? They invested in education, and they even finished building the big culture house, Harpa, in the centre of Reykjavik. When the going gets tough, it is important to build the community.

"It is quite interesting. Iceland is recovering at record speed."

#### Pay gap, migration and young outsiders

The pay gap is a challenge which engages Ragnhild Lied. She represents many women in the public sector, and is keen that a solution must be found.

"The government has left the wage issues to negotiations between the parties, but the parties are not interested in prioritising one group. The *frontfagsmodell* is what counts here. That means the competitive sector, which traditionally has been a male bastion, takes the lead and creates frameworks. This does not make it easy to prioritise one group ahead of another."

Ragnhild Lied has been involved in trade union work on a European level, where there has been far more focus on migration than on wages and working conditions.

"I feel one of the major challenges going forward will be inclusion and integration, also here in Norway. I think if we don't manage to handle the challenges over time, we will see changes which are not for the best of our country."

She is equally concerned about young people who take a wrong turning in the education system.

"What worries me is young people who fall outside of the labour market and sit at home without anything to go to. The education system has failed to focus on vocational subjects, giving students more practical challenges and tasks. This should also include upper secondary education, and there is also a need for more funding here."

As leader for the commission tasked with looking at upper secondary education, she now has the chance to make her mark in this area.

#### **Common Nordic challenges**

Are Nordic trade unions united?

In the bigger picture, yes we are. We also agree that when we go deeper into things, we are quite different. For instance when it comes to what measures we want to work towards. But the bigger picture, when it comes to culture and the value of trust, is very similar. That is why we are keen for the trust not to be weakened, because the tripartite cooperation, the Nordic model, is built on trust.

"We work with the UN sustainability goals, both nationally and globally. The Nordic Council of Ministers have established a working group, where we are keen to underline how important a role the partners play. When it comes to the parties' and tripartite cooperation, we have something to teach the rest of the world.

"We also agree about what we should focus on going forward: The platform economy, the drift towards a looser link to the labour market, social dumping and how to increase trade union membership in order to face these challenges. How can you for instance be organised if you do not have an employer? Well, such people also need safe working conditions. Right now we are discussing how we can be of help and offer support for them too."

#### If you only had sunny days...

As leader for the Union of Education Norway, Ragnhild Lied accepted a negotiated result for wage and working conditions, which members dismissed in a referendum. She learned from that lesson.

"I learned how important it is to have good and broad contact with the grassroots. Often what is brought to the table are issues which not always make as many happy as you might have imagined.

"During the strike that followed the referendum, everyone stood together. The power of a referendum, where everyone in the union can express what they feel, is enormous. When you negotiate to find a solution the next time, the power is still enormous.

Afterwards you became the leader for the confederation Unio, what do you think about that?

"Of course when you have experienced success and failure, it gives you a ballast which is valuable for the position I now have as a negotiation partner for the member organisations. In that position you benefit from having different experiences.

"If you only have had sunny days, you might not be the best leader."

### Agreement on what constitutes minimum rates of pay for construction workers in Sweden

After nearly ten years of quarrelling, the Swedish trade union for construction workers (Byggnads) and their counterparts at the Swedish Construction Federation (BI) have agreed what the "minimum rates of pay" for constructions workers posted to Sweden should comprise. The parties think the same conditions should apply for public procurement of construction projects.

NEWS 13.09.2017

TEXT: KERSTIN AHLBERG, EDITOR EU & ARBETSRÄTT

The famous 2007 Laval judgement made it necessary to define which of the elements of remuneration in different collective agreements are included in "minimum rates of pay", as defined in the directive on the posting of workers. In that judgment, the EU court established that a member state cannot force foreign companies to pay their posted workers more than this minimum.

So the need arose to determine what was included in these minimum rates of pay – beyond a certain hourly wage. This has led to disputes in Finland and Norway where the Luxembourg courts have pronounced on how EU law should be interpreted.

In Sweden, things have not ended up in court. In the construction industry, where the posting of workers is most common, most foreign companies sign the applicable Swedish collective agreement just as they used to before the Laval judgement. That means, of course, that they must respect all its provisions and not only the minimum terms.

But companies that have not signed, have not been able to get clear answers to what of minimum wages they are expected to pay when they post construction workers to Sweden. The parties to the collective agreement, Byggnads and BI, have disagreed on how to interpret the collective agreement. The employers in BI have claimed that what the collective agreement calls a basic salary is the lowest possible hourly wage for posted workers.

Byggnads, however, said the "basic salary" only applies in situations when it is impossible to carry out work, for instance when the weather is too bad, and that the lowest hourly wage must be the same as what is actually paid in the geographical area in question.

#### Ten years of conflict

This is what the organisations have been fighting over for nearly ten years. Right up until this spring. Finally, during this year's wage negotiations, they managed to agree to a compromise.

The lowest hourly wage for posted workers is now slightly higher than the "basic salary", but not on the level Byggnads earlier had wanted. The posted workers' directive's interpretation of the minimum rates of pay also includes supplements for shift work, diving work and underground excavation work, overtime pay or compensation for unsocial working hours plus daily allowances and compensation for travelling time "when the prerequisites for this are fulfilled". On top of that comes holiday pay or holiday compensation.

According to the agreement between Byggnads and BI, these conditions should also apply as special labour law contract performance conditions in public procurement in Sweden. Since 1 June this year, authorities are in some cases obliged to include such conditions in their procurement contracts.



### Erna Solberg heads for four more years as Norwegian Prime Minister

Erna Solberg carries on as Norway's Prime Minister, but with a weaker parliamentary mandate. The Labour Party was the looser in Monday's election. The Centre Party gained the most ground, carried forward by rural areas protesting against what they see as a threat to municipal independence.

NEWS 12.09.2017 TEXT AND PHOTO: BJÖRN LINDAHL

The counting of votes after Norway's parliamentary elections on 11 September turned into a cliff-hanger. Not least for the liberal Venstre, which during the evening was moving in and out of the four percent limit needed to secure leveling seats in Parliament (see factbox)

In the end, Venstre managed to scrape by with the help of 5,000 votes. Had the party fallen below the threshold, it would have been hard to see how the blue/blue government with the Conservatives and the Progress Party could have carried on.

The Christian Democrats managed to climb above the threshold by a slightly clearer margin – the party secured 4.3 percent of the votes. But this was their worst election since 1945. Erna Solberg invited the Christian Democrats and Venstre to talks about how to shape politics for the next four years already on election night. Before such a meeting can take place, however, all the parties must be given time to analyse the results.

During the last parliamentary period the four parties had 96 out of the 169 seats in parliament. Now they only have 89. The government used to be able to rely on the support of only one of the supporting parties to get a majority for its policies, but now it needs the support of both.

The Christian Democrats confused votes by saying they would not support a government which includes the Progress Party over the next four years. At the same time, the party has decided not to support a Labour-led government. Which begs the question: Is the party in opposition or not? The answer comes after talks with Erna Solberg.

The Labour Party also had a bad election, its second worst results since 1924. It was leaking voters both to the Centre Party, which nearly doubled its support, and to the Socialist Left. The two smaller parties the Reds and the Greens also took some of Labour's votes.



Labour leader Jonas Gahr Støre was asked on election night whether he would survive such a loss. After the party started its election campaign ten weeks ago, it has lost 139,000 votes, the daily Dagens Næringsliv noted. Most analysts believe Labour did so badly because they presented a reality which voters did not recognise. Although Norway went through a tough time after oil prices were halved in 2014 and 50,000 petroleum sector jobs disappeared, the rest of the economy has fared well. Unemployment has remained around four percent as a result.

Meanwhile, Minister of Finance Siv Jensen from the Progress Party has kept a cool head. She has not given the oil sector tax cuts but let them look after themselves. It also looks like she has been successful in taking some air out of the property bubble which had been growing especially in Oslo.

Those who claimed four years ago that the Progress Party would suffer as soon as they entered into government have been proven wrong. The party did best out of the parties on the right. Although it suffered a small loss of votes, 15.7 percent compared to 16.3 percent four years ago, it succeeded with being in government and remain populist at the same time. The Minister of Integration, Sylvi Listhaug, traveled to the Stockholm suburb og Rinkeby in order to scare Norwegian voters with "Swedish conditions" and took a lot of criticism for that. In her own county, Møre og Romsdal, the Progress Party secured 25 percent of the votes, however.

The success of the Centre Party — nearly doubling its support from 5.5 percent in 2013 to 10.3 percent this year, is a reminder that rural areas are stronger in Norway than in any other Nordic country. Local politics was behind the party's remarkable success in Andøya, north of Lofoten. The big parliamentary parties — both the Conservatives, the Progress Party and the Labour Party — all voted to close a military airport there. The Centre Party was against this and was rewarded with 72.1 percent of local votes, an improvement of 63.7 percentage points!