NORDIC LABOUR JOURNAL

Jun 22, 2017

Theme: The Nordics - more openness for labour market inclusion

Newsletter from the Nordic Labour Journal 5/2017

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.

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

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

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The inequality pain threshold has been reached. The OECD now wants the world to think again about what the term economic growth should entail. So far the narrative about growth first, then distribution has only widened the gap between rich and poor. Now a new narrative is emerging, with terms like 'resilient, sustainable and inclusive growth'. The Nordic Labour Journal looks into what this paradigm shift means and focusses on inclusion in the labour market.

NEWS
22.06.2017
BY BERIT KVAM

Inclusion is the new buzzword. Pretty good as long as it has real meaning. If we want to succeed with bridging the divides, we must do more for all the groups struggling to enter into the labour market, says OECD Director Stefano Scarpetta, who is in charge of the organisation's new Jobs Strategy.

There is a lot of attention on refugees as a group. Earlier this month, Norway – currently holding the Presidency of the Nordic Council of Ministers – hosted a Nordic conference on the inclusion of refugees into the labour market. This was also part of the debate at the OECD Forum 2017, one week earlier. The OECD's Thomas Liebig was a keynote speaker and debater in both fora. He praised the Nordic countries for leading the way in several areas, but said their structures were at times somewhat rigid.

In 2015 Sweden was top of the list of European countries which accepted the most refugees per capita, with Norway and Denmark also high up. Today there is a lot of activity and much sharing of knowledge across the Nordic countries, in order to best prepare for the refugees' inclusion into the labour market: Introduction programmes spanning years, fast tracking and mapping of skills. 'Everybody wants to know about refugees' skills'.

For 30 years, Sweden has accepted more refugees per capita than any other Western European country. Yet there are no signs of this representing a threat to the welfare system or the labour market in terms of lower wages or reduced access for the native population, says national economist Joakim Ruist. The risk is that they end up outside of both working and social life. That is why successful integration is so crucially important.

The refugee crisis has led to a rapprochement in Nordic refugee policies. The countries learn from each other. Things are moving towards a consensus, although the systems are still different. The Nordic region has become more coordinated, even if the rhetoric might not be the same, says Grete Brochmann, Professor at the University of Oslo, and a keynote speaker at the Nordic conference on the integration of refugees into the labour market.

Integration is not only about refugees, but also labour immigrants. How are people who do not have the same rights as the refugees doing? Take Polish labour immigrants, who have come to Norway after being recruited by staffing agencies. They are not given language training, do not participate in introduction programmes or learn about Norwegian society. They struggle to get a foothold in the labour market, and few of their contracts last for more than six months, according to a fresh survey.

Ex-prisoners also represent a group that might face problems in the labour market. Yet that is not an altogether clear picture, according to a comparative Nordic study. There are big differences between countries. The study shows that Finnish prisoners find it the hardest to get a job after serving time, while in Norway things are quite different.

Danish municipalities have come far when it comes to including people who for different reasons have been far from the labour market. The report 'Flexibility in practice' shows the concrete work undertaken by management and staff in order to create good pathways for inclusion into municipal workplaces. The report shows that inclusion can succeed if the individual, the workplace and the municipality see it as meaningful. It also makes the workplace culture more open.

The pain threshold has been reached, inclusion is necessary if divides are to be erased. Perhaps the same thing will happen when the OECD changes the growth philosophy. It can be meaningful to go for resilient, sustainable and inclusive growth.

Challenging globalisation's winners: The OECD wants to bridge the divides

The OECD's Stefano Scarpetta calls the new narrative a paradigm shift. We must change the ideas which have created an increasing gap between rich and poor, says Secretary-General Angel Gurría: Economic growth is not enough, we need a new vision for inclusive and sustainable development. The social dimension broke through clearly at the OECD Forum 2017.

NEWS
22.06.2017
TEXT: BERIT KVAM, PHOTO: OECD/ANDREW WHEELER

The annual report on the world economic development, the OECD Economic Outlook 2017, shows weak growth with productivity and wage lagging behind. That is the main message from Chief Economist Catherine L. Mann. The numbers show how differences continue to grow globally, or as Angel Gurría put it:

"The richest are getting even richer and the poor lag more and more behind. Global wealth is concentrated in a few families. In OECD countries, the average income of the top 10 percent has increased to almost 10 times that of the bottom 10 percent, up from seven times in the mid-1980s."

When it comes to financial assets the gap is even wider. Those in the wealthiest quintile have a mean value of finan-

cial wealth that is more than 70 times the value of those in the lowest quintile. Or to put it this way: The richest one percent own 19 percent of global wealth, while three percent is shared between the poorest 40 percent.

According to the Economic Outlook, global growth is set to grow from three percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. This is good news but the main challenge is to share that growth in a better way.

'Bridging Divides' was the theme for the OECD Forum 2017.

"We need to bridge the divides. But the road to progress is not to turn back the clock through protectionism and nationalism. A fragile economic recovery and an increasingly polarised world demand exactly the opposite," said Angel Gurría.

Inclusive growth

The OECD wants the world to change its idea of what constitutes economic growth, and to look again at the global economy developments that lead to greater divides: There is a need for a new narrative with terms like 'resilient, sustainable and inclusive growth'. 'Trickle down' has not worked; the growth first, sharing later narrative is dead. Instead, low income groups must be empowered in order to profit from globalisation, and they must be closer linked to innovation and global business opportunities. What is more:

"We need to increase social spending to improve social protection and safety nets in light of the changing work environment disrupted by digital technologies.

"We need to provide people with the means to succeed," underlines the OECD Secretary-General.

There are several reasons why things are going in the wrong direction. Globalisation and technological changes are not the only drivers, there are other mechanisms which can explain what has gone wrong, says Angel Gurría: Changes to taxation systems in the past decades have shifted the tax burden from tax on wealth and high incomes to tax on labour, and the tax burden has become less progressive. Globalisation and technological developments have also paved the way for tax evasion and avoidance.

OECD's Chief Economist Catherine L. Mann highlighted more issues in her presentation: More needs to be done to share the gains from structural trends and trade. Changes like new technology, new consumer preferences and trade are all happening simultaneously. Some regions and industries are particularly badly hit by job losses. And an integrated and holistic approach is necessary if globalisation is to benefit all.

OECD Jobs Strategy

The new way of thinking about inclusive growth will colour the entire organisation's way of working, Stefano Scarpetta, the OECD Director for Employment, Labour and Social Affairs, tells the Nordic Labour Journal. The same thinking is also the basis for the OECD's third 'Jobs Strategy'. The first came in 1994, it was revised in 2006 and it is now in the process of being updated and extended.

A lot has changed since the last strategy was presented in 2006, Stefano Scarpetta points out:

"We had the financial crisis in 2007-2008, the worst crisis since the great depression of the 1930s. There has been an acceleration of global trends like globalisation, technological development and demographic changes. A new narrative has also emerged for the whole of the OECD. We are now talking about inclusive growth."

The OECD has an annual review of the labour market performance of the member countries. The Employment Outlook 2017 shows that employment levels in most OECD countries are back to what they were before the great setback of 2008-2009. Employment is expected to continue to grow to 61.5 percent in 2018, well above the 2007 pre-crisis top level of 60.9 percent.

A polarised labour market

More people get jobs, but job growth is not equally divided, and mid to low-level wages have stagnated or developed too slowly for people to be able to live off them. At the same time, top earners are getting an even bigger slice of the cake. This has led to anger and protests in many countries, according to the Employment Outlook 2017.

"There has been a polarisation in the labour market which has led to growing income gaps."

The new 'Jobs Strategy' reflects the changes and is built on a range of general principles, but will be tailor-made for each individual country. Employment Outlook is a piece in the jobs strategy jigsaw.

2012 saw the launch of the 'inclusive growth' initiative. This is rooted in the labour market and the jobs strategy.

The OECD wants to work more together with individual member countries and create a process where they can analyse the situation, find out what can be done and how to proceed in order to achieve results.

New thinking to reach member states

The ETUC's Luca Visentini claims the OECD's new narrative so long has failed to reach the country-specific recommendations, what do you think?

"We must be credible in what we say," underlines Stefano Scarpetta.

"I think we are talking about a paradigm shift, but I don't believe all the elements are perfectly settled. This is a paradigm shift because we have gone from a goal of maximising eco-

nomic growth, and then looked at the consequences of distribution.

"We now realise that the model has not been working. That is why we have changed the model, to put growth and distribution on the same level and talk about inclusive growth."

The model doesn't work?

"No, because we have had growth while seeing inequality increasing. Inequality has been increasing in most OECD countries, including the Nordic countries.

"Take Sweden. In the early 1990s it had a very small income divide, but in recent years we have seen a strong trend towards increasing inequalities. Sweden is still a more egalitarian society than most, but the growth in differences is major, albeit from a low level."

Scarpetta mentions Germany as another example. Since reunification there has been a trend towards increased inequalities. Also here from low levels, below the OECD average, but the inequalities are growing.

How would you characterise this?

"There are different factors at play. We see an increasing polarisation in the labour market. Globalisation, and in particular rapid technological changes, have led to increased demand for high skilled workers, while the demographic development has led to increased demand for service on a lower level. This has led to a polarisation of new jobs and a hollowing out of middle-skilled jobs in most countries, with many middle-skilled workers facing the risk of sliding behind. This contributes to increasing divides in pay and career opportunities. Even though the Nordic countries have a well-established system for maintaining equality through taxes and services, they have not managed to fully compensate for this change in the labour market."

The Nordic region is not an exception?

"No, Nordic countries cannot avoid these trends, but they are better at ironing out divides and coming up with countermeasures. But we are seeing growing income inequality in Sweden, Denmark and Finland, and perhaps to a lesser degree in Norway."

A new instrument for measuring development

There is a need for a new jobs strategy which puts more emphasis on quality and not only quantity of jobs, says OECD director Stefano Scarpetta.

"The OECD has developed a framework to measure each country's development according to factors like pay versus inequality in pay, labour market security versus insecurity and working environment quality and job strain.

"Inclusion is the other important factor. We look at how we can get more people into the labour market; women, parents, people with disabilities, refugees and migrants. Groups who are underrepresented in the labour market because of certain barriers against full participation. So inclusion is starting to become a key factor in the labour market.

"In the aftermath of the crisis, it is also necessary to make the labour market resilient. The question of resilience is how the labour market policy institutions can help workers and companies withstand a major shock like the one with had in 2007-2008. This is important."

The jobs strategy reflects changes which have taken place, and builds on a range of general principles, but the development criteria are tailored to each individual country. The plan is for the jobs strategy, which is being developed in cooperation with the countries, to be presented at the OECD's ministers' meeting in 2018.

The OECD wants to work more with the member countries in order to achieve better results. To begin with it is about discussing the broader terms.

"Quantity, quality, inclusion, resilience. This must be put into a national context and may be recorded in for instance 10 national targets."

Tailor-made

"This is the challenge, but this is what we are going to do in the OECD. We must look at each country's capacity and keep in mind that they have different models.

"What we have learned over the 20 years we have been working with 'Jobs Strategy', is that best practice cannot be easily transferred from one country to another. Perhaps the goals must be put closer to what each country can feasibly achieve. So we cannot simply look at the very best practice, but must look at what is realistic in the individual countries."

Does this mean you will lower the demands for the countries?

"Not really, but it means making the targets more practical and achievable. Many countries want to do what Germany or the Nordic countries do, but the distance may be significant and countries may consider a step by step approach. That is why it is important to set realistic targets and implement a path of reforms over time."

What does this mean on a mental level?

"At the OECD we know that we can help countries identify their policy targets and assist them on how to achieve them by also drawing on the experience of other countries" Stefano Scarpetta, the OECD Director for Employment, Labour and Social Affairs tells the Nordic Labour Journal.

The Nordic region wants more refugees in work

The Nordic countries are leading the way when it comes to the inclusion of refugees, says the OECD's Thomas Liebig. He holds up the unique structural introduction programmes as one example. The problem is that not many find work after finishing the programme. Norway's Minister of Labour Anniken Hauglie wants to improve the way the measure is targeted in order to get refugees into the labour market.

THEME
22.06.2017
TEXT: BERIT KVAM

"We have to facilitate refugees' participation in the labour market, allow them to use their skills and provide for their families," Anniken Hauglie, Norway's Minister of Labour and Social Affairs, said as she opened the Nordic conference on the integration of refugees into the labour market.

The conference, part of Norway's Presidency of the Nordic Council of Ministers, brought participants form politics and civil society in the Nordic region together to exchange knowledge, ideas and experiences.

The refugee crisis has made this a particularly topical issue. It was also a focus of debate during the OECD Forum 2017, where Thomas Liebig was among the speakers. He is the co-author of the OECD report Making Integration Work; Refugees and others in need of protection. Liebig was one of the keynote speakers at the Oslo conference.

Many believe the Nordic region does not welcome enough migrants, failing to take its share. That is not correct, says Thomas Liebig, who argues that the region has a different tradition.

"The humanitarian tradition in the Scandinavian countries means the share of refugees accepted here has been larger than in most other OECD countries. It is thus difficult to compare the immigrant population of Norway, Sweden and Denmark, where a great number of past immigrants have arrived as refugees and their families, to those who arrived in Canada and Australia largely as labour immigrants and their families. Labour migrants do not face the same integration challenges."

Keen to work

Norway's Minster of Labour and Social Affairs Anniken Hauglie underlined that refugees who have been given permission to stay are keen to work.

"Most of those who come to our countries have taken tough decisions. They have left their loved ones, travelled far and experienced stress and uncertainty. During their flight, many feel as if they are putting their lives on hold. That is why I think many of those who have fled and got permission to stay in new countries are impatient to get on with their new lives. They want to work. They want to learn. So it is important that we as a destination – and as fellow human beings – encourage this and help make it happen.

"The 2016 integration white paper proposes to target measures in a way which will get people into the labour market at an earlier stage. Refugees' skills will be mapped in refugee centres, allowing their skills to be put to use faster in the labour market. Skills are also perishable goods, they need to be used and honed not to be lost," underlined Hauglie.

Linking the individual refugee's skills to the needs of the labour market is a challenge which can be crucial for finding a job.

"You need tools to find out which talents and skills each individual possesses. Many tools have been developed, and Norway has been leading the way, believes Thomas Liebig.

Sweden has been praised for their *snabbspor*, the fast-track into working life, which has also inspired Norway.

"A fast track is a good idea," says Thomas Liebig.

"It is not the answer to everything, but it works well. It is limited to a certain number of occupations and professions, that's the way the programme works, it cannot become universal. But the way I see it, it is a very promising programme."

He also agrees with politicians who say policy development in this area takes time, integration into the labour market is not something that can happen overnight.

The general picture drawn by Anniken Hauglie was not without its challenges either:

"Refugees take part in working life to a lesser degree than the general population and other immigrant groups. Many have low skills. Some struggle to get the skills they do have recognised. The culture is foreign. Language can be an obstacle. And employers can be sceptical to giving people a go, because they are not sure how competent they will be."

Thomas Liebig pointed to the introduction programme as a good measure which he felt could be improved upon:

"The Scandinavian countries have a structural introduction programme lasting from two to three years. This sets them apart."

Australia and Canada have a different model, where the state provides language training and other support but falls short of offering a separate introduction programme. That falls more to civil society initiatives.

"But with the increasing number of refugees arriving, we see that the systems begin to resemble one another. Germany, for instance, has developed a more structural approach, and Canada has stepped up its integration efforts.

Need help from civil society

"The Nordic countries do face the challenge of making their integration systems more flexible and to involve civil society more. When so many are arriving, the state cannot do the whole job alone without support from civil society.

"The crisis could also bring opportunities to involve civil society to a greater extent than what has been normal in the Nordic region – with benefits for the society beyond migrants themselves. For example, by creating greater social cohesion and civil society engagement more broadly."

High skills levels represent another factor which sets the Nordic countries apart. When you compare employment rates among refugees and the general population, the bar has been set very high for the refugees, because skills levels and female employment rates are so high in the Nordic region.

Benchmarking is difficult because these are not comparable variations. The Nordic region has a highly skilled labour force, for instance. There are two sides to this, points out Thomas Liebig. You can either increase the level of skills among immigrants in Scandinavia, or you can lower the entry level pay in the labour market.

"But I want to underline that this is not only about skills, but also networks and how the labour market works. Many of those arriving have high informal skills. Although they might not have very high formal qualificaitons, many have skills in trade, for instance – something which the Scandinavian countries also need."

There are many challenges. One which the OECD is keen to address is a lack of coordination.

"Refugees need to settle where the jobs are, not where there is available housing. That is easier said than done, of course, to quickly get them out to where the jobs are."

A more flexible introduction programme

"The Nordic countries are doing many things, there aren't many more obvious ways to improve things," says Thomas Liebig, but more flexibility is something he believes is important.

"More flexibility needs to be injected into the systems. They are too rigid sometimes. Take these two-year programmes. Some people might need only six months, while others need four or more years –someone who lacks basic skills for instance.

"You can get someone else to take over at the end of two years, which is being done more and more often but not often enough. It is happening to an increasing degree in the Scandinavian countries, but not always in a particularly systematic fashion. It does not always go according to plan, but this goes for countries outside of Scandinavia too. The implementation is a challenge everywhere.

"We must also not forget unaccompanied minors. They often do not have much formal education, but they are very resourceful. They have undertaken this journey, and are keen to work."

Employers need to take more responsibility

Another challenge the OECD's Thomas Liebig highlights is the lack of a business case in the views of many employers:

"Employers need to give refugees a chance. You often see that if they don't identify a 'business case right away', they are not so interested. This is partly about corporate social responsibility, but there are also many hidden talents among the refugees."

It could be a win-win situation, believes Liebig:

"Good integration can be a benefit for a lot of companies too. Many businesses say that this is something we use in order to stand out, and to show our employees that we care. People working for these businesses must also get involved, because they are the ones who will be working alongside the refugees. It is important to show that this is good for them also, and that they are not competing with each other for the jobs.

"Sweden has good economic conditions, partly because of the number of refugees arriving. They have created new demand and new jobs. We have to stop thinking as if there were a set number of jobs, as if bringing someone into employment will reduce the number of jobs available for others. That is not how it works. Integration creates new opportunities for the native population too," says Thomas Liebig, the Principal Administrator International Migration Division at the OECD.

Everybody wants to know about refugees' skills

While the Nordic countries tightened border controls and made it harder for refugees to seek asylum, they also softened the way in which those who are allowed to stay are treated. All the Nordic countries are now changing their policies to help refugees get quicker access to the labour market.

NEWS
22.06.2017
TEXT AND PHOTO: BJÖRN LINDAHL

In a room at Oslo's Adult Education Servicesenter sits Anwar Hormi from Homs in Syria. She is registering her own skills using a newly developed computer tool.

"I have been in Norway for only six weeks, but before that I spent 18 months in a refugee camp in Greece. I came here together with my husband and our two children, who are three and two," she says.

The family was chosen by Norwegian authorities as part of the quota that Norway promised to accept from Syria in 2015. Anwar is a physiotherapist, speaks Arabic, English and a bit of French. Her husband is a mathematics teacher.

Anwar has no problem answering the 40-odd questions in the computer questionnaire. The only thing she wonders about is the question about a drivers' license. Is it about whether she has a Norwegian or a Syrian one? She would like to work in the health and care sector, become a veterinarian, audiologist or something like that. Under work experience she also writes that she worked as an interpreter in the Greek refugee camp.

"I tried to work as much as possible in the refugee camp," she says.

Nearby sits Eyorusalem Desta from Asmara in Eritrea. She has been in Norway for six months and used to work behind the counter in a photography shop.

She needs help from the interpreter Helen Mengisteab to answer the questions. Not so much because she doesn't understand the questions which are there in her own language, Tigrinya, but because she is not used to computers.

Do you use social media? Have you ever sent an SMS using a mobile telephone? Have you ever used the internet to find information? Have you ever used a computer to write a letter or other documents?

She answers no to all of the questions.

"The questions about social media shows what digital skill the people registering here have. That is the most important information to me," says Helene Fredriksen who is a career advisor at the Adult Education Servicesenter.

"It is I who receive the registered data and who will be using the information to try to find suitable education alternatives or jobs. But I need them less than I thought I would. Most of it we already know from our own computer systems and the interviews which are carried out when the refugees arrive in Norway," she says.

"The biggest problem is that there are so many alternatives, for instance when it comes to what kind of occupations they might like to explore," she says.

Jonas Sønnesyn from Skills Norway, which developed the tool, is listening to Helene Fredriksen's experiences of the computer tool.

"It is a prototype for now which we use in five asylum centres that work a lot with integration, plus at the Drammen asylum centre," he says.

"Another important reason for introducing the self-registration is that we know very little about the refugees who have not had their asylum applications processed yet. Statistics Norway only has information about the ones that are registered as citizens. This is also important information for the municipalities that are going to receive the refugees."

The self-registration tool was also presented at the Nordic conference on the integration of refugees into the labour market, which was held in Oslo on 13 June.

"The most important thing is to use the refugees' skills. We must go into each and everyone's own profile. The refugee flow arriving in 2015 is overrepresented both when it comes to people with high education and people with very low levels of education, compared to what has been common among immigrants earlier," says Gina Lund, head of Skills Norway, a public agency with 130 employees.

"So far we have known little when it comes to refugees' skills. But the mapping is of limited value if the information is not being used. We need resources for modular-based basic teaching which makes it possible for the refugees to complement and use their skills in Norway," she says.

Polish immigrants in Norway – with only one foot in the labour market

Polish labour immigrants travelled to Norway rather than to Sweden or Denmark, which were closer, when Poland joined the EU in 2004. Most did not intend to stay, but after some years their families joined them in Norway. Because of short work contracts, the immigrants are in a kind of limbo. They have a job, but little prospect of promotion.

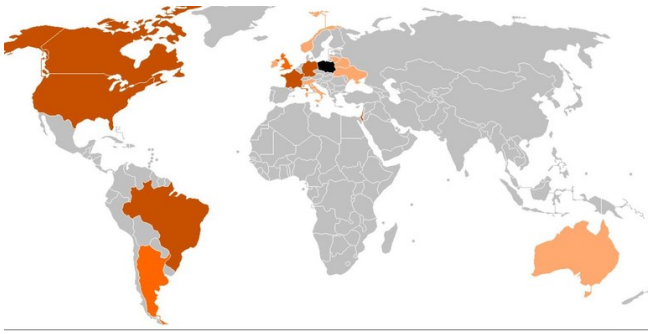
THEME
22.06.2017
TEXT AND PHOTO: BJÖRN LINDAHL

"The authorities are spending billions of kroner to integrate asylum seekers, teaching them Norwegian and various social skills. None of this is available to labour immigrants or their families," says Kristian Tronstad, who has been researching Polish labour immigrants in Norway.

Most of Norway's expertise on what is by far Norway's largest immigrant group recently gathered for a seminar at Oslo's Litteraturhuset. No-one knows for sure exactly how many Poles live in Norway. If you include those who say they are in the country on a temporary basis (but who often stay for

longer), the number is around 120,000. Other countries have received more Poles, like the UK, Germany and France, but in those countries the Poles represent a small minority of the population.

Ireland is the only European country which can compete with Norway for receiving more Polish immigrants per capita. Outside of Europe you will find 10 million people of Polish heritage in the USA, three million in Brazil and one million in Canada. The population of Poland itself is nearly 38 million, and if you count everyone with Polish heritage you get around 60 million people.



Poland is in black. Countries with more than one million people of Polish heritage are red, those with more than 500,000 are orange and those with more than 100,000 beige. Source: Wikipedia

The latest wave of Polish emigration took place when the country became an EU member in 2004. Kristian Tronstad, who works at NIBR – The Norwegian Institute for Urban and Regional Research – has studied Polish labour migration together with Swedish author Pernilla Andersson. They point to the paradox that more Poles chose Norway over Sweden, even though the latter is closer and had no restrictions.

"The main reason is the strong Norwegian labour market. Between 2004 and 2010 employment rose with 280,000, from 2.3 to 2.6 million people. 56 percent of the new workers were immigrants," says Kristian Tronstad (above).

Jon Horgen Friberg has a PhD in Polish labour immigration and has carried on working with the topic at the Norwegian Fafo foundation. He wants to kill the myth that Poles came to Norway because they already knew the country from having worked there as strawberry pickers.

"That was actually one of my working hypothesis, since networks are important when it comes to migration. For many years it was possible for seasonal workers to come to Norway during the summer months to work in agriculture. That is why this was one of our questions in a survey. It turned out that there were few who had that experience."

Instead, the Polish labour immigration is mainly a question of demand. Norwegian companies travelled to Poland and offered people jobs.

"Most of those who came to Norway did it because they had been offered a Norwegian job while they were still living in Poland. Norwegian employers have been the gatekeepers. This is not like in Canada, where the authorities impose certain criteria and quotas for how many people in each job category are allowed into the country to start looking for jobs," says Jon Horgen Friberg.

Mainly manual labour

The rules for staffing agencies were eased in Norway around the same time, and according to Jon Horgen Friberg, Norwegian trade unions did not manage to keep up. The number of Poles arriving in Norway meant that certain trades, like construction, cleaning and the food industry ended up with a large proportion of Polish workers. While 19 percent of Norwegians are manual labourers, 82 percent of Poles in Norway are the same.

"It is eight times more likely that a Polish worker is working for a staffing agency compared to a Norwegian worker," says Kristian Tronstad.

The uncertainty this leads to – never having a contract which lasts for more than six months – is the largest problem facing Polish workers in Norway. With limited opportunities to learn Norwegian, social mobility is low too.

"In 2016, just 36 percent of Norwegian employers respected the demand that they should be offering training also for their Polish staff. That is the same level as in 2009, so nothing has happened. Polish workers must pay for their own language tuition," says Ada Engebrigtsen at Nova, Norwegian Social Research.

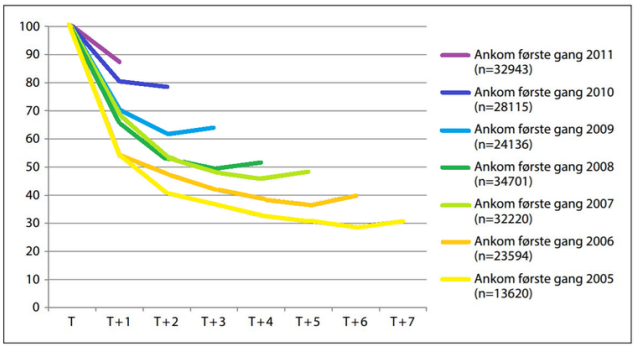
In the basement

Jon Horgen Friberg explains how he arrived at a workplace to interview Polish workers, but to his surprise could see none.

"The Poles? They are in the basement," he was told.

"Workers are often divided into different teams, with Poles only working alongside other Poles. They are paid 30 percent less than Norwegian workers, and employers steal much of their working hours by making them work unpaid overtime," he says.

"You could say the Poles have been very successful at getting one foot into the Norwegian labour market. But they are struggling to get the other foot in."



The chart shows how many of the Poles who came to Norway a certain year remained the year after. 50 percent of those who came in 2005 returned already after one year (yellow line). Of those who came in 2011, almost 90 % remained after one year (purple line).

For each new group arriving in Norway, the number of people settling for good increases. Those who first came to Norway had no intention of staying.

The aim for them was to establish a family by earning money abroad. But when they came home and saw that their children no longer recognised them, the family moved to Norway. Later generations came to a Norway which already had many Poles living there. They first integrate into the Polish population, before starting to integrate into the Norwegian population, says Jon Horgen Friberg.

Grete Brochmann on refugee policies: Nordics more coordinated now

The Nordic countries are more coordinated now than they were during the major influx of refugees in 2015, believes Grete Brochmann. She has led the two latest inquiries into immigration to Norway.

NEWS
22.06.2017
TEXT: BJÖRN LINDAHL, PHOTO: JAN RICHARD KJELSTRUP/ASD

"Undoubtedly, the refugee crisis created a convergence in Scandinavia which was not there before when it comes to border controls and immigration policies. Sweden made a huge U-turn and became more like Denmark and Norway, which at the same time became more restrictive," she says.

“The similarities are much greater in Scandinavia now than before the refugee crisis.”

Dr Jekyll and Mr Hyde

The authorities often behave as a kind of ‘Dr Jekyll and Mr Hyde’ in immigration policies. On the one hand they want to be very restrictive when people want to come into the country, and on the other hand they want to be very nice when they have actually been allowed to stay. The authorities want to get the refugees into the labour market as quickly as possible and for them to be integrated.

What is the best tactics for the authorities?

"It is completely logical that this is the case in Scandinavia, the system is designed like this. You have to try to control immigration, even if Sweden was very lax for many years. You have to regulate immigration to get it level with society's capacity to absorb it," says Grete Brochmann.

"But when people eventually are allowed to stay, it is extremely important that they are included. So this somewhat paradoxical situations is completely logical – if you want to keep the Nordic model."

Pioneering Sweden

Sweden was actually the pioneering country when it came to shaping the basic Nordic immigration policy, while later governments, and especially the Reinfeldt government, forgot about this basic premise in the Nordic system.

Grete Brochmann debating with Carsten Koch, Chair of Local Government Denmark (BER) and Thomas Liebig, Senior Migration Specialist at the OECD. Photo: Björn Lindahl

Grete Brochmann says this policy was born in 1975.

"Sweden was more experienced with immigration than Denmark and Norway. Sweden was without doubt the pioneering country in Scandinavia when it comes to this duality."

In your inquiry you also points to another duality, the fact that you end up with 'self-segregation' if immigrants are not treated well enough?

"The reasoning was that if the majority culture pushes its values onto the immigrants to a too large degree, and imposes strict regulations on how they can live their lives, you might end up with that effect. It is an unintended consequence of tough integration policies.

"But that is only one side of the coin. If you demand too little integration, you could end up with a negative reaction among the majority population. And we do see these tendencies to a large extent across the whole of Europe now. It is not only a theoretical argument."

The state should impose norms

You said in your talk that you consider it best that the state takes a central decision for the entire nation when there are cultural clashes over issues like whether teachers or students should be allowed to carry the niqab in school?

"Yes, that is what the inquiry which I led concluded, since there has been a tendency in Norway to kick conflicts further down the system so that the individual school or social services office have been left to their own devices. People there are often less well positioned to make the difficult considerations which are needed. We believe some central guidelines can be of help for local institutions.

"This is something which is totally ordinary in a political landscape. It is not the members of the inquiry who should decide how these decisions are made – for instance when it comes to the use of the niqab. This is about creating norms in a clearer manner than what has been done before."

You spoke a lot about the ability of a society so absorb immigrants. But is it ever possible to say that the goal has been reached, or will there always be someone who thinks there are too many immigrants coming in?

"You have to look at the bigger picture. That is why I also talk about the ability to absorb in the longer term. But we believe that it is important as a fundamental way of thinking. If you have a certain percentage of immigrants who do not absorb, it does not mean the policy has failed.

"As a main principle there needs to be a correlation between the demand that exists in the labour market and how many are coming. This also goes for the capacity of the health and education institutions in relation to how many immigrants are coming.

"This is the balance we believe you must keep. The basic principles have been in place since immigration policies were introduced in the Nordic region," says Grete Brochmann.

Refugee immigration not primarily about money

What do refugees cost? It is a concern for both proponents and opponents of welcoming refugees to a country. Yet research shows the challenge is more social than economic, where the major risk of alienation lies in the gap between those who have a job and those who do not.

THEME
22.06.2017
TEXT: GUNHILD WALLIN, PHOTO: UNIVERSITY OF GOTHENBURG

"When we receive refugees, we are carrying out a humanitarian task, and it is important to see it as such. It has both an economic and a social cost, but we do it because we feel the moral imperative to do it," says Joakim Ruist, a national economist and migration researcher at the University of Gothenburg.

For 30 years, Sweden has received more refugees per capita than any other Western European country. This shows that refugee immigration is economically possible and there is nothing to indicate that it threatens welfare services or the labour market. Sweden is still a welfare state, its economy is strong and there is no evidence that refugees have had an impact on the labour market in terms of lower wages or fewer jobs for native Swedes.

"Had all EU15 countries matched Sweden's levels in the decade preceding the latest peak, five million more individuals could have been given shelter," writes Joakim Ruist in his recently published 'Nordic Economic Policy Review – Labour market Integration".

He looks at the public cost of refugee immigration, and also notes that this is a complex issue. The theme is elusive, not least because research often deals with refugees as a group, comparing them to the equally diffuse group known as the native population. Few research papers, also internationally, separate the cost of refugees and even fewer look at their country of origin.

At the same time there is great interest among politicians and people in general for how much immigration costs. Yet in his paper, Joakim Ruist poses the rhetorical question – does this really reflect a genuine desire for knowledge, or is it a desire to collect arguments for one's position? Conclusions are easily held hostage by people on both sides of the argument.

The different faces of immigration

Talking to Joakim Ruist, it is noticeable how careful he is with how words are defined. If someone counters "it is too expensive" – what is too expensive? And if you talk about the cost or contribution of immigration to society, who are we talking about? Immigrants can be highly educated experts who contribute to both productivity and public revenues, and who belong to the elite which all countries want as immigrants.

They can also be synonymous with "the Polish plumber", i.e. the competent Eastern European manual worker who arrived

after the EU expansion. They have often filled the labour deficit, easing the bottlenecks which prevented growth and productivity. They are also considered to contribute to public revenues, albeit not to the same extent as the experts.

Refugees as a group have the largest economic impact, while they also represent the part of immigration which countries can control. Global competition will feed off talents, and the Eastern European manual labourers can move freely within the EU. Unlike the other groups of immigrants, refugees do not primarily arrive to find work, but to seek shelter. It is naive to think it is easy for people to find jobs after fleeing thousands of miles and ending up in a country with a highly skilled labour market.

Not too high expectations

"There are good reasons for why integration is poor, and we should be mindful of the fact that it is difficult. People do not flee in order to find a job, so it is important to curb our expectations, or go after people who have made mistakes. There is a risk that we begin to think 'we shouldn't have accepted so many'. But this does not mean we can sit back and relax – quite the opposite. The graphs we now see are results of us taking action," says Joakim Ruist.

It takes on average seven years for a refugee to find work, and during that time he or she represents a net cost to society, i.e. a public economic deficit. Hence speeding up refugees' entry into the labour market is a priority for politicians in the Nordic countries. The question is whether we can learn from each other. Both Norway and Denmark are quicker to get refugees into the labour market, but after a few years this evens out, and the graphs for both countries flat-line before turning down a bit for both men and women in Denmark, and down somewhat for men in Norway. In Sweden it takes longer for refugees to enter the labour market, but the graph then rises slowly but surely. Why this is the case, neither Joakim Ruist or his colleagues know.

"We know very little about the slight decline we witness in Norway and Denmark. It is difficult to explain and we know very little about it. We do not see the same tendency in Sweden at all. Here, the graph rises, albeit slower than with our Nordic neighbours," he says.

Sweden can still look like Sweden

The employment graphs he has been looking at go back 10 to 15 years, and do not take in the large group of refugees which arrived in the autumn of 2015, when some 10,000 refugees arrived every week. Joakim Ruist's rough estimate is that some 50 billion Swedish kronor (€5.10m) were reallocated to handle the refugee flow. That is one percent of Sweden's GDP, and around three to four percent of the public sector's total turnover. Exact costs are hard to calculate.

"This is considerable sums of money, and they have to be taken from somewhere – which could impact on the welfare system. At the same time, it is very far from costing so much that we would have to change our welfare model. If, however, 10,000 people kept coming every week for many years, the system would have been challenged, but we are far from those levels. No, Sweden can still look like Sweden, despite the large flow of refugees which arrived then," says Joakim Ruist.

Joakim Ruist writes a blog about his research. He is also a lecturer, and took part in the live TV 'Migration day' which was broadcast last autumn, one year after the large refugee influx. He established then, like he does in his blog, that fiscal issues around the refugees arriving in Sweden are not key.

"Some indicators go up and some go down, but none of them are major. What we should care about are the social gaps. There are now more refugees waiting to enter the labour market in the near future. We risk ending up with a sizeable group who are without work for a longer period of time, and work is the most important thing to fight alienation. The most important socio-economic gap in Sweden exists between those who have a job and those who do not," said Joakim Ruist during the Migration day.

You were also asked whether immigration represents a threat to the Swedish model?

"If we think a bit deeper about the Swedish model and consider it to be the attitude that built Sweden, where we help each other to create something and take care of people who need help, then a generous refugee policy is part of it. Many are fleeing, and we need to welcome them in order to continue building on our solidarity. In the long run this is about maintaining the attitudes which built Sweden and which have made Sweden strong," says Joakim Ruist.

What does a stint in jail mean for getting a job?

A new study compares employment of previous inmates in four Nordic countries up until five years after their release. The aim has been to see whether former inmates in certain countries are more successful in finding work, and whether this is a result of the work of the correctional services or labour market measures.

THEME
22.06.2017
TEXT AND PHOTO: BJÖRN LINDAHL

The results have been published in the British Journal of Criminology and is breaking new ground. So far, researchers looking at the links between unemployment and crime have focused on whether the first leads to the latter – i.e. whether higher unemployment leads to higher levels of crime. The opposite question, whether crime makes it harder to find jobs when you leave prison, has been far less studied.

The answer might seem self evident. Former inmates are not the most attractive people in the labour market. But it is not self evident. A prison term could also mean that people change, get help with drug dependency or are picked up by networks outside of the prison.

This is why the researchers have studied the employment level five years before the incarceration as well as five years after the end of the prison term. The researchers limited their scope to include first time offenders in order to get the most similar possible research groups in the respective countries. They collected information on all first time inmates in Denmark, Finland, Norway and Sweden.

The numbers from Finland could be seen as confirmation of the fact that people struggle to find jobs after being released. This was the case particularly for those aged 25 or more. If half of this group had jobs before incarceration, only 40 percent had found work five years after serving their sentence.

In Norway the picture is different. The number of people who had jobs before committing their first crime was higher than in Finland for the same age groups. 60 to 70 percent of Norwegian first time offenders had jobs before ending up in prison. They also kept that rate up after being released. The prison term had no clear negative effect.

The results should be interpreted with a level of care, since there are still differences between the countries in terms of which groups of people end up in prison, sentencing lengths and the labour market people are released back into.

“The most striking difference between the countries is the five-year mortality rate after first imprisonment. The rate is 2.2 per cent in Denmark, 3.8 per cent in Norway and as high as 9.1 per cent in Finland,” point out the researchers.

“Although we cannot rule out the possibility that incarceration itself affected these figures, this suggests that the Finnish inmates are more marginalised and have poorer health than their counterparts in other Nordic countries,” they write.

Finland also has the highest degree of recidivism at 44.1 percent, compared to 37.1 percent in Sweden. Both Denmark and Norway have substantially lower recidivism rates at 22.7 and 23.1 percent.

"If differences in recidivism rates between the Nordic countries provide any clues of employment after release, we should expect better outcomes among Norwegian and Danish prisoners compared with Finnish and Swedish prisoners", the researchers write.

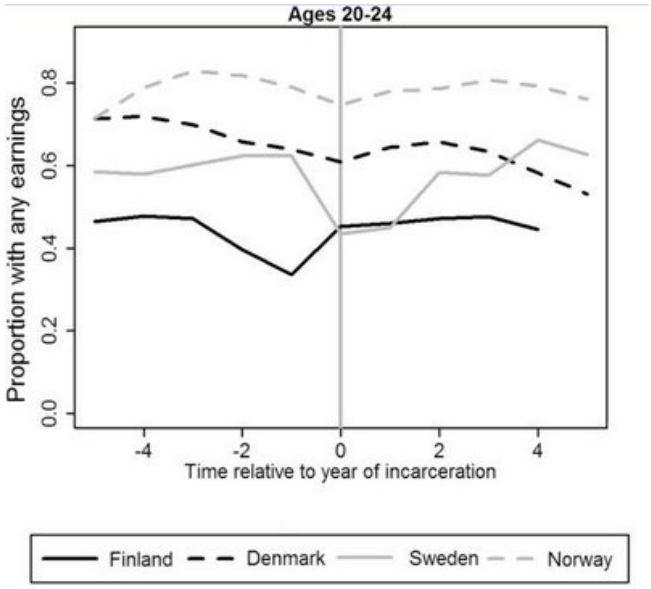
Prison terms are generally longer in Finland, and the country has a more strained labour market – both factors which must be taken into consideration before pointing to any one country as being the most successful. The grid below shows the prison term, unemployment as a variant and the number of former inmates earning at least 50 percent of their country’s average wage.

	Denmark	Finland	Norway	Sweden
Number	4364	1643	7124	1626
Age	30.7	32.9	33.5	23.6
Sentence (months)	2.5	4.9	1.8	2.6
Death 5 years after	2.2%	9.1%	3.8%	2.0%
Recidivism 5 years after	22.7%	44.1%	23.1%	37.1%

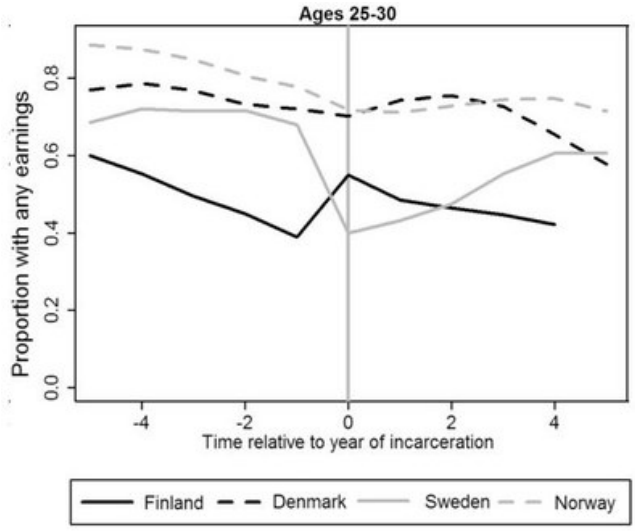
Age is medium age at first imprisonment. Death and recidivism is measured five years after release.

The age groups in the survey were those who were sentenced to prison for the first time in 2004 and 2005.

This many prisoners had some kind of income in the five years after being released from prison: First the younger age group (20 to 24 at time of imprisonment):



And this is what it looked like for the slightly older group (25-30):


Ages 25-30
Proportion with any earnings
0.0
0.2
0.4
0.6
0.8
-4
-2
0
2
4
Time relative to year of incarceration
Finland
Denmark
Sweden
Norway

How Danish municipalities are creating meaningful inclusion

Danish municipalities are in the vanguard when jobs are created for people who are far removed from the labour market. Their experience shows all employees can benefit if the inclusion is done right.

THEME
21.06.2017
TEXT: MARIE PREISLER, PHOTO: TOMAS BERTELSEN

Many municipal workplaces take on a great social responsibility by including people from the fringes of the labour market – for instance refugees and people suffering from psychological or physical ill health which prevents them from working under normal working conditions.

The parties in the municipal labour market believe that this task will become bigger in the years to come, and that it can only be a success if management and employees work closely together. Over the past 18 months they have cooperated to exchange good experiences from municipal workplaces which are including unemployed people according to the social chapter – i.e. using employment contracts with state support, which are covered by framework agreements between the social partners to secure such jobs do not impact on ordinary jobs.

As part of this cooperation, a range of municipal workplaces have shared their experiences. Workers who have been included, their colleagues and the workplace itself see the bene-

fit of the inclusion. The experiences have been recorded partly in a new report, and partly in a number of articles on the online portal *Viden på Tværs*, easily accessible for anyone who works with inclusion.

A meaningful task

The report is called 'Rummelighed i praksis' (Flexibility in practise), and was written by researchers at the Danish National Centre for Social Research, SFI, on commission from the main organisations in the municipal labour market, Local Government Denmark (KL) and the Danish Association of Local Government Employees Organisations (Forhandlingsfællesskabet).

This is the first report to take a closer look at the practical steps management and employees in municipalities are taking to create good inclusion programmes for people though for instance traineeships, wage subsidised jobs and flexjobs.

The report, published in the spring of 2017, identifies a range of formal frameworks which must be in place in order to create good inclusion programmes in municipal workplaces. It also points to the flexibility which is present in workplaces where everyone experiences that this gives meaning – both the municipality, the individual workplace and the person who is being included.

The report looks at three municipalities. In all three, the inclusion programmes are based in a narrative within top management which focuses on *why* the municipal workplaces should take responsibility for including people on the fringes of the labour market; namely that it is a joint responsibility to make inclusion work, and that the whole of the municipality wins when inclusion is a success – be it tax payers, users, employees or the people who are included.

Both management and employees in the municipalities concerned feel it gives meaning to spend resources on helping people on the fringes of the labour market get a foot in the door. Their experiences are summed up like this:

"Management and employees feel they are allowed to draw on their strengths and talents through the inclusion programmes. Watching a human being grow adds great human value, and as a result they feel they can contribute to giving another person a second chance. A good program also safeguards the core working task, which is felt as a relief during the daily work. Finally, they experience that the inclusion programmes contribute to the community spirit or the workplace culture, making the community itself more comfortable."

Leadership and cooperation is needed

The report also shows that three main preconditions need to be in place in order to achieve an inclusion programme which is meaningful in the individual workplaces:

- Responsible management which takes the lead in the work with inclusion
- A high degree of trust and cooperation between management, union representatives and employees
- A running discussion about the workplace's core task and how the person who is being included is linked to this

It is not an easy task. In the report, management and employees point to a range of typical challenges linked to inclusion programmes:

- If the workplace lacks resources, it can be difficult to maintain the support for inclusion programmes
- In certain areas it can be a challenge to find working tasks for people who lack relevant training
- It can be difficult to handle people with social or psychological problems in workplaces which have no professional social expertise
- Inclusion programmes which last only a few weeks often turn into a burden rather than a help

Everyone on board

Danish municipalities have quotas for how many unemployed people municipal workplaces should take in. Top negotiators in the municipal sector predict it will become even more important for municipalities to strive towards giving everyone a foothold in the labour market, and a chance to develop their skills.

"Working towards giving everyone a foothold in the labour market and a chance to develop their skills will become an increasingly important municipal responsibility in a time when jobs are disappearing, and many jobs are becoming more complicated. This means the municipal labour market must show considerable flexibility. The municipalities need to be at the forefront with this task," said Michael Ziegler, head of KL's salary and personnel commission during the launch of the SFI report.

The report shows that municipalities are doing the brunt of the work today: Unemployed people who are closest to

the labour market are generally given wage subsidised jobs, traineeships and flexjobs in private companies – because the chance of securing permanent employment is better in the private sector, and because that group is the easiest to integrate.

The municipalities' own workplaces welcome many people who also struggle with other issues besides unemployment, and for whom an inclusion programme often is nothing but a small step on the ladder towards normal employment.

Municipal work places which shoulder a lot of the inclusion work are typically health centres, transport and park authorities and child minding services – often because they often can offer working tasks for which no particular training is necessary.

But the municipalities cannot carry the most difficult inclusion tasks alone, point out the top negotiators in the municipal sector. The rest of the labour market and society as a whole need to provide more backing. The President of the Danish Association of Local Government Employees Organisations, Anders Bondo Christensen, put it this way:

"We must call for more shoulders to share the burden. Luckily there are private companies which have realised the value of social responsibility; if not out of pure idealism, then because it is good for business. The fact that Denmark time and again is held up as a place worth investing in, despite high levels of tax, stems from the fact that we are a safe society with room for all."

Labour market inclusion more important than learning Finnish

Why should it take seven years for immigrants to get nothing more than low-paid work, when there are expensive labour market measures in place? When can they get a well-paid job in the private sector after just one year?

THEME
21.06.2017
TEXT: BENGT ÖSTLING

Daniel Rahman believes he has the answer. His company Integrify is currently recruiting some 50 motivated immigrants in Finland for IT training. There is an acute labour shortage within the sector. The start has been good.

“Integrify’s aim is to facilitate the integration of immigrants through modern technology,” explains CEO Daniel Rahman. This is about matching people with IT skills to the technology industry and start-ups.

Finland lacks 10,000 people in this sector. It is mainly computer programmers who are needed. That need is expected to triple within a few years. Finland is a good place to start pilot companies, believes Rahman. But he is aiming higher.

“Everyone’s a winner”
“IT companies really need more labour. They can offer well-paid jobs, a secure, long-term income and we give people good training soon after they have arrived.”

Everyone’s a winner, says Daniel Rahman: Immigrants get good jobs straight away, the technological ecosystem gets its labour, the state wins by getting people out of unemployment and expensive measures.

“Why doesn’t everyone do this?”
Rahman’s company Integrify is well up and running after just over a year, but not much further than that yet. There are complex plans and supposedly the outside interest is big.

International media is already following Daniel Rahman's project, which sounds so simple. He recently participated at a conference in Oslo. The reaction there, according to Rahman, was "why doesn't everyone do this?"

From asylum reception centre to programming course

Daniel Rahman has company experience but not an IT education. When he finished the Helsinki business school he founded a recruitment company, and later an asylum reception centre.

That is where he discovered the multitude of skills, enthusiasm and burning interest in fast integration among refugees in Finland. His own father moved to Finland from Egypt.

One year ago Integrify started a pilot course for five computer programmers, recruited from refugee centres around the country. The training took a few months. Four out of the five completed the training, and got jobs within the Finnish IT industry.

Right now interviews are being carried out for the next course. Hundreds of interested people have signed up. The course is due to start this autumn with 40 participants.

Could be profitable, but not yet

There is still a need for further financing. So far Integrify has been running it at a loss for the three founders and around ten partner companies who have helped finance the venture.

Daniel Rahman does not want to give any concrete details about the company's European expansion, but negotiations have started with the aim of spreading the concept. The idea sounds simple, but Rahman underlines that his company has special knowledge when it comes to training and the matching of interested technology and start-up companies with immigrants who have been given the correct training.

So what is it that no-one else have discovered before?

"Normally it takes five years before an immigrant gets a job in Finland, and it is nearly always a low-paid job."

Years wasted

It takes two years to get refugee status, a time often spent doing nothing in a refugee centre, according to Daniel Rahman. When you have been given asylum, Finnish language training begins, because that is considered important for the integration process.

The immigrant is still not allowed to study during this time. Instead he or she is registered in the unemployment register and the Finnish Social Insurance Institution, explains Daniel Rahman. Professional training comes later.

So the first seven years in Finland are wasted. But Integrify wants to take care of the newly arrived after only a few months. And some months after that, at the end of their training, they can get a job.

"We remove six and a half years of unnecessary waiting," claims Daniel Rahman. Anyone can calculate how much that saves the state.

The short pilot course had five students from different countries and backgrounds. It was held in English and was the stress test of the Rahman's idea – and it worked. Four finished the course and got a job.

"English should become an official language"

But there is a need for a new language policy, Rahman believes.

"It is unnecessary to learn Finnish. In Finland you can get by in English. It is more important to get a job, it will really integrate you into society," he says. Later you could learn Finnish at work.

Finnish workplaces are becoming increasingly international. This makes it possible to hire immigrants who do not speak Finnish, he thinks. The capital region is particularly international.

But Finnish language skills are expected for most jobs in Finland, and sometimes, within the public sector, Swedish too. Rahman thinks this is wrong.

"We believe English should become Finland's third official language as soon as possible. That would ease the integration of immigrants. We see more possibilities than threats."

Labour shortages everywhere

The need for foreign labour within the IT sector has been debated for some time, but mostly in terms of jobs abroad. Many companies want to move their business back to Finland, but the labour shortage is a problem.

While the number of available IT jobs will triple in Finland by 2020, shortages are large everywhere; according to Rah-

man the Swedish IT sector needs 20 to 30,000 new workers, Germany needs 80,000 and Norway more than 10,000.

Finnish competition needs foreign labour

"Finland needs an incredible amount of foreign labour. In our labour market more people retire than we manage to replace. You don't need to know much maths to see that this does not work. Our pension funds bleed as the gap widens."

Labour has to come from somewhere, to pay taxes and pensions. And Finland needs highly educated foreign labour in order to compete internationally.

A large number of engineers, teachers, businesspeople and other highly educated people arrived among the 2015 flow of asylum seekers. It is wrong not to accept them, says Daniel Rahman.

"Finns have stopped cleaning"

Why should immigrants always get the low-paid jobs, do the Finns want it to be that way? One reason, of course, is that the public sector needs a lot of labour within jobs that do not necessarily demand a higher education.

"But there are also jobs that Finns no longer want to do."

One example, says Daniel Rahman, is that Finns no longer do cleaning jobs.

"I don't know when I last saw a Finnish cleaner at work," he says.

Finns look at immigrants as a grey mass, where individual differences cannot be seen, Rahman also claims.

"It is tragic and very regrettable that our bus drivers are engineers and doctors who cannot find jobs within their own sector. This could also have to do with racism or prejudice among some people."

Political reasons stopping new measures for asylum seekers

In future, Integrify wants to do more for those who have already been granted asylum in Finland, despite the fact that they would like to start training them as soon as they arrive. This is due to the political reality, says Daniel Rahman.

"Finland does not invest one cent in people who have not been granted asylum, and has no interest in keeping them active or helping them before they have been granted asylum. As a result, Integrify cannot take them in either."

Rahman keeps coming back to the governments' greedy attitude. But he underlines he is not critical, just realistic. His own refugee reception centre in Loviisa also had to close recently.

"The Finnish government seem to focus a lot on closing down the systems which were put in place in 2015 in order to receive the larger number of refugees," notes Rahman. Most of those who arrived in 2015 are now being given negative asylum notices. Those who have time to participate in Integrify's training can apply for work permits instead.

Rahman also says he met many government officials at the Oslo conference who approached him after his talk to express their interest. Yet at the same time they were sorry that the state sector is so slow to act.

Nokia knowledge outdated

Many foreign publications have pointed out the paradox that there are so many IT jobs available while there is a surplus of people that should be available since mobile telephone giant Nokia made thousands of engineers unemployed.

"Technology and programming languages develop very fast," says Rahman. He has to keep up, and that takes a lot of motivation and dedication. Most Nokia programmers used Symbian some years ago. There is sadly no-one left in the world who wants that anymore, according to Rahman.

Old programming languages have been replaced by new ones, which you do learn quicker if you know some of the old ones. But there is a problem in the meeting between old knowledge and new needs.

Daniel Rahman believes in his idea of training brand new Finns to fill available jobs. Many educational institutions for Finnish youths probably have the same idea, but there does not seem to be any immediate or considerable interest. Rahman is not scared of the competition either. As he told the Oslo conference:

"Governments are not the most dynamic and adaptable players in a rapidly changing field."

Luca Visentin: The OECD must follow up its new narrative of inclusive growth

The European Trade Union Confederation, ETUC, criticises what they see as poor correlation between the OECD's macro-economic analysis and the strategic recommendations given to individual member countries. The advice does not reflect a new narrative about inclusive growth.

PORTRAIT
21.06.2017
TEXT: BERIT KVAM, PHOTO: OECD/HUBERT RAGUET

"Be consistent," encourages Luca Visentini, the ETUC General Secretary when he meets the Nordic Labour Journal during OECD forum.

The world economy is making progress, but differences remain, underlines Visentini:

"Low wages are still there, there are still poor workers and poor working conditions, so we have to do more to make sure the weak growth turns into sustainable growth which includes everyone. This is the problem which is still not being addressed in practice."

In the swarm of people moving between conference rooms and debates, we have an appointment to meet the ETUC General Secretary. The talk, dark man and his guide in a red dress are not difficult to spot. His handshake is, like his presence

in the room, direct and clear. We sit down in the press room where it is possible to have an undisturbed conversation.

Still somewhat surprised with OECD Secretary General Angel Gurría's powerful opening remarks about the need for a new world image and for changing ideas we have become accustomed to, the question is how Visentini felt about it all.

"He is brilliant. Not just him, but the directors of the different departments, the different researchers, all the people here are really pushing for something new and better. Yet it is when they meet the individual countries that we don't hear the same message. There is still a gap between what the OECD says globally, and what happens in practice when they translate their own recommendations into country specific recommendations in 32 member countries. That is when it is back to the same old story."

In his view, the recommendations do not reflect the new narrative which includes concepts like "resilient, sustainable and inclusive growth".

More open to trade union arguments

The OECD Forum is a venue for debate, focusing on new economic, employment and social trends. It is not a tripartite forum, but ETUC is represented in nearly all the Forum's panel debates.

"Thanks to good work delivered by the Trade Union Advisory Committee (TUAC)."

The same goes for representatives for business, through the Business Advisory Committee.

The ETUC General Secretary thinks the parties are becoming increasingly open to the trade union movement's arguments, listening more to the social partners.

"We cannot say that we are not being heard when it comes to the overarching policies, their analysis and so on. They are really improving. Yet when it comes to the country-specific analysis, we no longer recognise the message. There are still austerity measures, stop spending, stop investing, the human capital is not so important, inequalities are not so important, the gender pay gap is not so important."

New narrative for the OECD, the IMF and the World Bank

The OECD's new view of reality, or the new narrative as it is called, is not limited to the OECD alone. It colours several international fora and centres on a reckoning with the classic understanding that economic growth leads to equality. This is wrong.

The way things have developed since the 1970s shows that the opposite is the case. That is why this trend towards greater inequality must be turned around, and there needs to be a new narrative where economic growth will be made more resilient to economic shocks, includes everyone and promotes sustainability.

"When we speak to Christine Lagarde and Jim Yong Kim, we also see that for institutions like the IMF and the World Bank, fighting inequality with investments, education, training and promoting human capital is key. This needs to be in place to achieve economic progress and equality.

"There is a very interesting development on a global level. But then we have those who travel around giving advice, who take a completely different approach," says Luca Visentini.

The worst example is Greece:

"These awful austerity measures are affecting Greece in one memorandum after the other. It is destroying the Greek economy and society without having any effect. It is not by chance that the IMF insists they have to restructure and cut debts, because with these measures we do not achieve anything. But there are still people in Europe who think we have to continue with austerity."

Collective bargaining brings the best results

ETUC recently tweeted a picture of a banner reading 'Collective Bargaining'. Can you explain?

"First we agreed on three priorities: Investments to help the economy recover, increasing wages to restore internal demand and to improve social cohesion by promoting a well-functioning welfare system. Negotiations and collective bargaining are key to achieving this.

"The only way to achieve results is to involve the main actors in the economy and push them to negotiate to achieve good agreements which can bring results in these three areas."

ETUC's Visentini insists that negotiations and collective bargaining represent the most flexible tool:

"Legislative intervention or any other top down intervention is too rigid and narrow. Collective bargaining is the best way forward."

Right now the challenge is to get the new member countries from the East – The Baltic states, the Visegrád group and the Balkans – to establish a framework for collective bargaining on a national level.

"The social partners cannot do this alone, without a push from the public authorities," says Luca Visentini, and adds the EU Commission is also stating to accept that such a framework is needed, and that some governments are starting to agree too.

Something is starting to happen. The crisis destroyed everything, and now the framework for collective bargaining needs to be rebuilt, just as it was included into countries' frameworks in the wake of WW2.

"For more than 10 years all we have seen is cuts and austerity. This destroyed collective bargaining structures, minimum wage systems, social protection systems, the entire framework was dismantled including the unions' capacity to represent workers properly."

The Nordic region is to a certain extent the exception, he says, but both the Finnish and Danish governments have partly destroyed established systems. Even in Germany the system was destroyed. Collective bargaining now covers fewer than 25 percent of workers.

Just transition

Which issues is ETUC prioritising at the OECD Forum?

"Investments, just transition, not only for climate change but also for the technological development with digitalisation and automation, to make sure no-one is left behind. If ten jobs are destroyed because of technological change, eleven might be created, depending on investments of course. We also have a big, global campaign to increase workers' pay and generally increase minimum wages.

"Then we have the fundamental challenge of rebuilding the European welfare systems so the they can serve as a benchmark for the rest of the world."

This is very important, he insists.

Working with the European Pillar of Social Rights and the ILO's initiative The Future of Work is also at the core of what is needed in order to reduce social inequality and promote social inclusion.

These are the key factors. But how do you do this in practical terms?

"We must use all the fora we have got to promote our views, in consultation with the IMF, in the advisory committee for the OECD, TUAC, we must push to promote investments in a new macroeconomic narrative. What the OECD and the IMF do in this respect by pushing for increased private investments is key, and the European Union is also doing a lot in this respect."

Paradox brings opportunities

It is not easy being an optimist in a world of terror, war and crisis, refugees, racism and lack of democracy in many countries. Nevertheless, Luca Visentini highlights some positive developments.

"There is a slight economic recovery going on, employment rates are growing a bit and we have this change of narrative: The new story about what is needed to create progress, resilient, sustainable and inclusive growth.

"We must use this momentum to create social progress."

But what about the USA's new direction and Brexit?

President Trump has managed to become very unpopular with the United States Trade Union, the American union which is also represented in TUAC, says Visentini, and refers to his fellow American trade unionists.

"Their view of Trump is that he never keeps any of his promises. Trump was supposed to create jobs, but we have not seen them. He was going to invest trillions of dollars, but there is nothing there. There is not one dollar for public investments, there are just private public partnerships.

"Yet paradoxically there could be a positive outcome of this. With Trump on one side and Brexit on the other, the rest of Europe has become more united. Also, Trump's protectionism could have positive effects on multilateral financial institutions, which must set themselves more ambitious goals and promote their new and different narrative on inclusive growth in a much stronger way.

"Institutions like the OECD, the IMF and the World Bank really need to defend the added value of multilateralism at a global level, and promote a fair and sound alternative."

Swedish port conflict could lead to change in legislation

A long-running conflict in the port of Gothenburg has made the Swedish government consider changes in regulations covering industrial action. The reason the conflict has lasted for so long is a seemingly unsolvable fight for positions between two trade unions which both represent dockworkers.

NEWS
21.06.2017
TEXT: KERSTIN AHLBERG, EDITOR EU & ARBETSRÄTT

The two trade unions are the Swedish Transport Workers' Union and the Swedish Dockworkers' Union. The latter was formed in1972 after a long period of dissatisfaction among dockworkers over increasing centralisation within LO-affiliated Transport. "The Dockworkers' Unions is founded on the members' authority: all important decisions on agreements and conflicts are made by affected members, and all officials are elected for limited periods by members in open and democratic elections," is how the organisation presents itself on its website.

If you take Sweden as a whole, both trade unions have approximately the same number of member dockworkers, with a small advantage to Transport, but representation differs in individual ports. In the port of Gothenburg for instance, 85 percent of workers are members of the Dockworkers' Union. That is why Hamn4an, which the Gothenburg chapter is called, wants a collective agreement with APM Terminals, the company running the local container terminal.

Risks penalties

There is only one problem: APMT is already bound by a different collective agreement, the national agreement between the Transport Workers' Union and the employer organisation Ports of Sweden. And if an employer enters into two collective agreements which cover the same work, it still has to adhere to the one which was signed first – in this case Transport's agreement. If the employer fails to do so, it risks having to pay a penalty for being in breach of the first collective agreement.

In order to solve this dilemma, APMT has offered Hamn4an a so-called *hängavtal* – a local collective agreement that is identical to Transport's agreement. Thus, Hamn4an would still not have any influence over its members' wages and other employment conditions. Nevertheless, the *hängavtal* would still grant the organisation a range of special rights which according to labour legislation only apply to trade union organisations bound by collective agreements: The right to information and consultation, the right to paid time off to do trade union work and extended rights to participate in the employer's working environment management.

Hamn4an turned the offer down, and came up with a counter-offer. The organisation proposed that the Dockworkers' Union, Transport and Ports of Sweden should negotiate a tripartite agreement, as equal partners. That, on the other hand, Transport did not want to do, and as a result neither did the employer's organisation.

The right to take industrial action

And that is where things stand right now. Since Hamn4an has no collective agreement with the employer, it is free to take industrial action, and since April 2016 there has been a string of selective strikes, blockades and total cessation of work. Since 19 May this year there has also been a running lockout of the trade union's members.

The employer's organisation claims that the container terminal has been forced to run at 60 percent of total capacity over the past year because of the conflict. At the end of May, the Minister for Employment, Ylva Johansson, announced that the government will carry out an inquiry of the right to take industrial action "in order to protect the collective agreement's position in the Swedish labour market".

According to the government, the long-running conflict in the port of Gothenburg is an example of a situation where the Swedish model does not work as it should, because the social partners themselves cannot solve the question of which organisation should be agreeing to a collective agreement. If industrial action were to be taken for other purposes than to force though a collective agreement regulation, and em-

ployers risk strike action despite having a collective agreement, the Swedish model's legitimacy will be compromised, the government argues. The right to take sympathy action in order to support a legal conflict between other parties will not be part of the inquiry, however.

Does not want to take sides

The Minister for Employment stressed that she did not want to take sides in the conflict, but that the Swedish model must of course be able to work also in the port of Gothenburg. The situation is serious, and represents a threat to the Swedish economy and jobs, according to Ylva Johansson.

No-one has been appointed to lead the inquiry yet, as far as we know. Whoever it will be, will have a sensitive task to perform. On the trade union side, no-one seems keen on the idea of limiting the right to take industrial action, regardless of which of the unions would benefit in such a case. On the other side, it is not impossible that just the "threat" of an overhaul can get the parties concerned to agree to a solution which makes the inquiry unnecessary. These things have happened before.