

Portrait

Gissur Pétursson, Permanent Secretary
with thermometer and yardstick

Editorial

The changing nature of cooperation

News

Danish trade union movement gathers
the troops

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Severe cuts to the Swedish Public
Employment Service

Feb 15, 2019

Theme: Sick leave being scrutinised again



Newsletter from the Nordic Labour Journal 1/2019



Financed by
Nordic Council of
Ministers

NORDIC LABOUR JOURNAL

OsloMet – Oslo Metropolitan University

PUBLISHER

Work Research Institute, OsloMet
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)



Contents

The changing nature of cooperation	3
Sick leave levels tend to rise during good times	4
"Vobba" or "vabba", that is the question	6
New Norwegian IA agreement: More of the same, but fewer conflicting goals.....	9
Gissur Pétursson, Permanent Secretary with thermometer and yardstick	12
Severe cuts to the Swedish Public Employment Service	15
Danish trade union movement gathers the troops	17

The changing nature of cooperation

Nordic labour markets have seen major and at times dramatic changes at the start of 2019. In Sweden 4,500 employment service workers have been made redundant, in Finland sick leave levels are rising and Denmark now has two rather than three trade union confederations.

EDITORIAL

15.02.2019

BY ACTING EDITOR BJÖRN LINDAHL

The Nordic model is constantly changing. The tripartite cooperation between trade unions, employers and governments has remained a core value. But is the model really all about the tripartite cooperation?

Many wanted to be in the group photo when a new Inclusive Workplace Agreement was signed in Norway just before Christmas in 2018. Four trade union confederations represented the workers: LO, YS, Unio and Akademikarna. An equal number of organisations represented the employers: NHO, KS, Spekter and Virke. The agreement was also signed by the Minister of Labour on behalf of the government, and the Minister of Local Government and Modernisation, who represented the state as employer.

The more correct term, therefore, might be a “deca-partite cooperation”.

The new year saw Denmark cut its confederations down from three to two with the birth of HF – a merger between LO and HTF. Akademikerne is now the only other confederation.

Will this give employees more influence? HF Vice President Bente Sorgenfrey hopes it will. She believes this gives Danish trade unions more gravitas in Nordic and European organisations. Her aim had been to also bring Akademikerne into the merger.

For the other Nordic countries, one single trade union confederation remains a foreign concept. But only in Sweden and Norway are the largest confederations called LO – short for the national organisation.

In Sweden, The Swedish Confederation of Professional Employees TCO is breathing down LO's neck, which only has 16,000 more members. Then there is Saco, representing professionals. Finland and Iceland have three trade union confederations each.

Both Sweden and Norway got new coalition governments in January, after lengthy negotiations. The ministers for labour

remain the same in both countries: Ylva Johansson and Anniken Haugland. But there will be major change in labour market policies, particularly in Sweden.

As part of the agreement between the Social Democrats, the Greens, the Centre Party and the Liberals, severe cuts are being made to the Swedish Public Employment Service. This means 4,500 workers have been put on notice, one of the largest numbers ever in Sweden. Working for the employment service is no longer considered to be safe employment. It is still too early to say what effect developments in Sweden will have on the other Nordic countries.

The Reykjavik Future of Work conference in April will consider what a future labour market might look like, says Gissur Pétursson. He has moved from heading Iceland's Directorate of Labour to becoming the top civil servant at Iceland's Ministry of Social Affairs and Children. Iceland holds the Nordic Council of Ministers Presidency this year. Gissur Pétursson will play a central part in Nordic cooperation on labour market issues for the duration of that tenure. Meet him in this month's Portrait.

Unemployment is falling in all of the Nordic countries. That is good news, but it also leads to rising levels of sick leave. Jenny Blomgren, who heads the research group at the Social Insurance Institution of Finland, explains that during an economic boom, the more fragile workers also enter the labour market. Sick leave increases as a result. Low unemployment has a psychological effect too – the fear of losing your job diminishes, and more dare to take sick leave.

But not only workers get ill – so do their children. In Sweden, February is often called “*Vabruary*”, from the abbreviation VAB which stands for *vård av barn*, or looking after children. We look at what it means to *vabba* and *vobba* in Sweden.



Sick leave levels tend to rise during good times

Sick leave linked to psychological ill health has increased in Finland in recent years. According to research from the country's Social Insurance Institution, there is a link between the increase and many years of economic growth. This has happened before.

THEME

15.02.2019

TEXT: MARCUS FLOMAN, PHOTO: CATA PORTIN

Musculoskeletal illnesses have been the most common cause of long-term sick leave in Finland for decades. While this is still the case, psychological ill health might very possibly take over as the most common cause of long-term sick leave in the coming years.

In 2018, 74,300 people in Finland were on long-term sick leave due to psychological ill health. That is more than the number of citizens in Lappeenranta, Finland's 13th most populated city.

"This is absolutely a worrying development," says Jenni Blomgren, head of the research team at the Social Insurance Institution. Blomgren has looked at Finnish sick leave numbers for many years. The good news is that Finland saw its lowest ever sick leave figures two years ago (the statistics go back to the late 1960s). Yet although the total sick leave figures have fallen dramatically in Finland since the "peak years" in the early 1970s, sick leave remains expensive both for the individual employee, for the employer and for society as a whole.

“If our society has failed to rise to the challenge before, it is high time we take psychological ill health seriously now.”



Jenni Blomgren pauses briefly to point to some graphs in her office. There is no single thing that can explain the current increase in the level of sick leave, but the strong Finnish economy is an important factor.

To support its argument, the Social Insurance Institution uses statistics over sick leave where sick pay is paid to workers who have been off for at least ten days in a row. Around 10 % of working-age people have been on long-term sick leave in recent years in Finland.

“A lot of research from Finland and elsewhere shows that a strong economy, which allows companies to hire more people, results in people who might have been unemployed for health reasons entering the labour market. When they do, the level of sick leave among workers tends to rise, as people with bad health are now also part of the labour market.”

Jenni Blomgren adds that sick leave levels fall during a recession.

“When the economy was struggling in the wake of the crash in 2008, unemployment rose while the sick leave level sank.”

Between 2008 and 2016, many rejoiced over the downward trend in the number of people on long-term sick leave

“I think many people believed that added occupational health measures now really were starting to bear fruit – that we were succeeding in reducing job strain. But since 2016 we’ve seen that sick leave is on the rise again.”

Why does sick leave increase specifically because of psychological ill health?

“Unemployment is often linked to different kinds of mental health issues, and you are also more prone to develop psychological problems when you have become unemployed – especially if this lasts for a longer period of time.”

Blomgren also points out that working life has become more demanding in many ways, there is more pressure. Within

more and more occupations, employees are very much expected to update their skills and secure fresh knowledge.

“You are expected to manage to deal with more and more complicated tasks in a shorter amount of time.”

Psychological explanation

Another explanation for why more people take sick leave while the economy is booming – well, it too is psychological.

“When employment levels are high, people dare to take sick leave. Sick leave levels rise when employees are less worried about losing their job.”

And the other way around: if the economy is struggling, people force themselves to go to work even when they are ill.

“When there is a permanent threat of cooperation negotiations in a workplace, people fear that those who have been off sick will be the first to go.”

Sick leave due to psychological problems has increased gradually since the 1990s. This is also shown in the Social Insurance Institution’s statistics.

A masked problem

“That is when psychological ill health really became recognised, and the issue became a subject for public debate. Before then, mental problems had been hidden away, and when you needed to apply for sick leave psychological ill health could be “masked” as back pain, for instance.”

Early retirement linked to psychological ill health has also been on the rise in recent years.

“Both long-term sickness benefits and early retirement money are linked the fact that the recipient has reduced work ability. If you have been off sick for a year and remain sick, you can apply for early retirement because you are unable to work. There has been a dramatic increase in the past year of people taking early retirement because of psychological ill health.”

But taking early retirement is not a finite decision, says Jenni Blomgren. In Finland, early retirees can return to work. And as Jenni Blomgren points out several times during our interview: economic swings can only partly explain the swings in sick leave figures. Many Finns still take sick leave regardless of how the economy is faring.



"Vobba" or "vabba", that is the question

In Sweden, February is often known as Vabruary, because that is the month most parents chose to vabba, a Swedish term for taking time off to look after sick children. Now it is becoming more common to stay at home with sick children while also working, This is known as vobba, and is proving somewhat controversial.

THEME

15.02.2019

TEXT: GUNHILD WALLIN, PHOTO: ANETTE ANDERSSON

"In the evening on the first of February last year, Irma caught the norovirus, so there was no way I could get to work the next day. This year, that evening didn't come until the fourth of February," says Lovisa Henriksson, who is very well acquainted with the term *Vabruary*.

She is a single mother to four and a half year-old Irma, who spends her days with a nanny while Lovisa Henriksson works as a legal secretary in the centre of Stockholm. But when the norovirus arrives, there is no way around it – children must stay at home for at least 48 hours after the symptoms have stopped, to avoid spreading the virus.

"The nanny doesn't care if she is a bit snotty and has a cough, but I feel it is better for Irma to be home when she is poorly so that she doesn't get worse later," says Lovisa Henriksson.

Not always popular

She is one of the 865,761 parents who made use of their right to temporary parents' allowance in 2018, in order to look after sick children. This is colloquially known as *vab*, and has produced the verb *vabba*. Since 1978, parents of children up to 12 years of age have been able to take 120 so-called *vab*days each year to look after sick children. Parents took a total of 6.9 million *vab* days in 2018. This was not equally divided between women and men. Women took 4,250,194 days while men spent 2,654,218 days at home with sick children.

There was also a difference in the number of days taken off according to wage and education levels. The highest earners tended to take fewer *vab*days. The same was the case for the lowest earners. The allowance represents 80 % of wages, with a cap of just over 28,000 kronor (€2,680) a month. In 2018 the cost of *vab* came to just over 6.5 billion kronor (€622m) according to the Swedish Social Insurance Agency, which administers the temporary parents' allowance.

A talking point during appraisals

Lovisa Henriksson is pleased that she can stay at home with her daughter when she is ill. To stay at home with sick children is a right, but not one that is appreciated by everyone in the lawyers' office where she works.

"In 2017 I took 11 *vab*days, and the year before that there were 20. I don't think that is a problem while my girl is so small. Still, my boss always mentions my *vab*days during my appraisals, and might say things like 'when my children are ill we give them paracetamol and send them to school or nursery'. That's the kind of parents who are responsible for the fact that other children get ill," she says in a stern voice.

She adds:

"So there is not much empathy from my boss when Irma is ill and I have to stay at home. I do get support from many of my co-workers, however, not least my secretary colleagues."

The boss' attitude makes her feel stressed when she stays at home with her little daughter. It is as if she was staying at home without reason.

"It's not as if I'm staying at home with Irma when she is sick because it is fun. It is also not good for my economy. But I feel stressed and judged when I have to stay at home, and this has also made me seek a lot of help from my father and aunt. That has saved me, but I do want to stay at home with my sick child."

Increasingly common to work from home

We meet on a Saturday morning at Lovisa Henriksson's brother Jon's. He is on his way to an indoor play area together with his niece Irma and his daughter Thea. Lovisa Henriksson is preparing to enjoy a day on the town with her eleven year-old niece Ella. None of the children suffer from colds, norovirus or other complaints this morning.



Lovisa Henriksson with her brother and the children Irma Henriksson (four and a half), Thea Henriksson Wong, (seven, soon eight) and Ella Henriksson Wong (eleven, soon twelve)

On the contrary. They are excited about today's adventures. Just before they go, Jon Henriksson mentions that he usually chose to *vobba* and not *vabba* – which means he works from home when one of his daughters is ill. To *vobba* is a relatively new idea and a new term, which was recognised as a new word in 2011.

"I never *vabba*, but *vobba* when my daughters are ill," says Jon Henriksson.

He sells data communication solutions, and when the children are ill he just calls the office to say he will be working from home. In his job, results count – not when he does the job. People who *vobba* gets paid as usual.

"It might be a bit extra stressful, but it makes economic sense," says Jon Henriksson.

Hard to leave work to look after a sick child

To *vobba* has become more common among professionals, according to a fresh survey from Novus on commission from the Unionen trade union. 1,560 members were interviewed, and one in four – most often women – chose to *vobba* instead of making use of the legally established opportunity to *vabba*. The respondents said the main reasons were to keep on top of their job, or that there was nobody who could take over their responsibilities while they stayed at home with a sick child. Unionen's General Secretary Martin Linder does not like this development.

"To *vabba* is a legal right. It is the employer's duty to organise work in a way that allows people to do what they desire," he said in a press release.

Others choose to *vobba* out of consideration for their colleagues, but the reduced revenue is also a driver. One in four said their customers expected them to be available, and 12 % felt their employers expected them to *vobba* instead of *vabba*. But many, four in ten, found it stressful to work from

home while looking after sick children, and would have preferred to *vabba*.

Lovisa Henriksson's job as a legal secretary means she needs to be present. She cannot chose to *vobba*. She can also not see how it would be possible to work from home with a small child. Her friends sometimes tell her that she should look for a job in a more child-friendly trade, but she does not want to.

"I am happy in my administrative job, and like providing a good service for people I work with. I have quit my previous job, and found one in a different legal office where the atmosphere is a bit more relaxed," she says.



New Norwegian IA agreement: More of the same, but fewer conflicting goals

After 17 years, the Inclusive Workplace Agreement (IA) was renegotiated and changed in late 2018. No-one still knows for sure how to reduce sick leave levels, but the remedies in the IA agreement will now be available to all companies.

THEME

15.02.2019

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

Sick leave remains a great mystery for those making labour market policies. Why does it rise or fall? How do you help people get back into work as quickly as possible? Are changes at work often what is needed to make people well again, or is the problem the fact that people report for work while they are still ill, so-called presenteeism?

Norway sounded the alarm in the late 1990s as sick leave levels rose sharply. Despite its massive oil revenues, the Norwegian state would not have been able to fulfil its pensions

obligations if sick leave levels had remained high while many retired early or lived all of their lives outside of the labour market.

A certain resignation had begun to set in. Even if the workplaces had become cleaner and quieter and with improved ergonomics, sick leave levels did not fall.

Other factors proved to be equally important – like stress, psychological ill health or personal conflicts in the workplace.

Presenteeism – a new term

The presenteeism debate arrived after the term was launched by the British psychologist Cary Cooper in the 1990s. It is often defined as going to work despite being so ill that you should have taken sick leave. Presenteeism is meant to be the linguistic opposite of absenteeism.

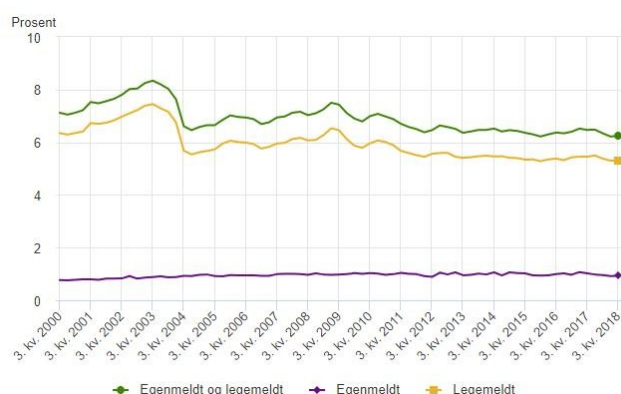
There was a shared view that new ideas for how to tackle sick leave levels were needed, and that bigger and more cohesive measures were needed. The first IA agreement listed three aims:

1. A 20 % cut in sick leave.
2. Helping more people with various handicaps enter the labour market.
3. Help the over-50 extend their work activity by one year.

Companies signing IA agreements with the Norwegian welfare administration NAV would be given new tools to help them reach these aims. The most controversial of these was to give employees a self-certification right for up to eight days, and for no more than 24 days a year. The presenteeism debate played a role here. The idea was that everyone knows their own health best, and that both doctors' and companies' resources should not be wasted on people catching a cold.

No abuse of the rule

Those who worried about people abusing that right were proven wrong. Only 0.93 % of the 6.2 % who went on sick leave in Norway used self-certification. The rest were signed off by their doctors. The number has never risen above 1.07 %, and it has remained stable. Any variations have mainly been seen in the number of sick leaves approved by doctors.



The green line is the total sick leave figure, the yellow shows the number approved by doctors and the purple is for self-certification. Source: Statistics Norway

The aim of the IA agreement was to follow up those who were at risk of long-term sick leave. Sick leave should be something that could be talked about openly with management. Adjustable sick leave was also introduced, allowing people to work for a few days or hours without losing their contract. Working tasks would be individually adapted to help peo-

ple keep working. Special working life centres in each county council would create the competence needed to make this happen.

Meanwhile, the conditions regarding sick leave were kept the same – the company would carry the cost for the first 16 days, while the employee would receive 100 % of his or her salary from the first day of sick leave.

As not all companies signed an IA agreement – no more than 26 percent did – it should have been possible to see what worked and what did not. IA agreements were far more common among public employees.

Just one aim completely met

Out of the three aims, the final one was met – to extend older people's work activity – one year before the last period of the old IA agreement. People with physical handicaps saw no major change, and sick leave levels fell by 12.9 % from 2001 – not by 20 % which had been the aim.

Kjetil Frøyland, Tanhja Haraldsdottir Nordberg and Ola Nedregård at OsloMet's Work Research Institute have performed a study of the most relevant research reports on the IA agreements. They concluded that it is possible to reduce sick leave levels in companies with good leadership and by allowing employees a share in the decision-making process.

Yet there are no studies that look at the IA agreement's total effect, and there are few Nordic comparisons.

Studies also unveil some conflicting goals within the IA agreement. It can be demanding to follow up of people on sick leave, which means employers might hesitate to hire people with physical handicaps. On the other hand, if they do hire people with physical handicaps, this too could lead to higher sick leave levels.

There is also a conflict in the fact that increased focus on people on sick leave leaves less time to find ways of adapting work to suit older people.

Less comprehensive aims

The new agreement was signed by four trade union confederations on the 18th of December last year and will remain in place out 2022. The problem with conflicting goals has been solved by taking these areas out of the agreement.

People with physical handicaps will get help instead from a *dugnad* delivered by the social partners (*dugnad* is voluntary, unpaid work typical to Norway, but also a more general word for joint effort).

The new agreement also sets no new goal for getting older people to stay in work for longer. All focus is on sick leave. The new aim is to reduce sick leave levels with 10 % by the end of 2022, compared with the 2018 annual average.

Keeping in mind it took 17 years to achieve a reduction of 12.9 % – some 0.75 percentage points a year – the ambition is now to reduce the level of sick leave by 2.5 percentage points a year.

Everyone will be able to self-certify

The right for employees to self-certify will be extended to cover all Norwegian employers, both private and public, that wish to do so. The agreement says:

“The IA agreement will cover the entire Norwegian labour market. The workplace is the main arena for IA measures. To succeed, we need to see good cooperation between the social partners. Leaders, workers’ representatives and safety representatives all play an important role.”

The government has also promised not to propose any changes to sick leave rules for employees or employers during the agreement period, if they themselves do not ask for it.



Gissur Pétursson, Permanent Secretary with thermometer and yardstick

Gissur Pétursson worked in the Icelandic Directorate of Labour for more than 20 years, but has moved on to become the top civil servant in the Ministry of Social Affairs and Children. The ministry has just changed to focus on four areas; children, housing, social insurance and the labour market.

PORTRAIT

15.02.2019

TEXT: GUÐRÚN HELGA SIGURÐARDÓTTIR, PHOTO: ARNÞÓR BIRKISSON

The new ministry is based on the old Ministry of Social Affairs, but health care has now got its own ministry. The new ministry is also responsible for the housing labour markets. The ministry will focus especially on the protection of children and children's issues. That is why the government minister, Ásmundur Einar Daðason, has been given the new title of Minister for Social Affairs and Children.

Gissur Pétursson says the change was made particularly with children's welfare in mind.

"This has never before been done here in Iceland. Now children have the highest priority in the ministry," points out Gissur Pétursson.

Gender equality issues have been moved to Prime Minister Katrín Jakobsdóttir's office, both because she is particularly

interested in that area and in order to allow the Ministry of Social Affairs and Children to better focus on the protection of children and on housing issues.



Gissur Petúrssson jokes that he brought a thermometer and a yardstick with him, in case the employees would complain about their offices.

The new Permanent Secretary is also a passionate proponent of the Nordic region, and has participated in Nordic cooperation for many years. He is a familiar face for those who have been working with labour market issues in the Nordics. He knows the labour market politics well after 20 years as head of the Directorate of Labour, Vinnumálastofnun.

ILO's Director-General to Reykjavík

A lot will be happening in Iceland this year. On the 3rd of April the Nordic ministers' meeting will be held there, and after that Iceland will be hosting a conference on the future of work, between the 4th and 5th of April. The Director-General for the ILO, Guy Ryder, will take part in the conference. The preparations have taken a lot of time, and the ministry is excited about the programme.

"I'm still most familiar with the questions regarding the labour market. For people working with employment services, anything that has to do with labour market issues is the highlight of the year," he says.

This autumn the ministry will also host a Nordic conference together with the Administration of Occupational Safety and Health in Iceland (Vinnueftirlitið) and the Directorate of Labour (Vinnumálastofnun). New reports and the cooperation with other Nordic authorities and institutions will be debated during the conference.

A special anti-crime unit

Iceland is fighting social dumping, an issue which will also be discussed at the conference in early April. Iceland has received many foreign workers in recent years. They should of course enjoy the same rights as Icelandic workers, but it has not always been that simple.

Social dumping is a major problem. The Ministry of Social Affairs and the social partners have a joint working group which recently presented a proposal for the foundation of a special unit which will investigate labour market crime. Gissur Pétursson likes the proposal.

"Other countries have special labour market units, so we can too. This proposal makes clear our determination and our low tolerance towards the crimes being committed. We must do something about it right away. I therefore understand very well how such ideas can emerge," comments Gissur.



"Most employers are honest. But there is a minority of problematic ones who ruin it for everyone else," he says.

In Iceland it has proven difficult to stop companies that break employment law. The country works closely with Norway on labour market issues, and Gissur is happy about how quickly and nicely the leadership at Norwegian welfare authority NAV reacted when Iceland got in touch.

"Not long ago we called NAV in Norway to ask whether their representative could meet us at short notice. There was no problem. He just came, gave a lecture and returned home. This is invaluable, and shows the enormous will for cooperation you find in Norway," explains Gissur.

Psychological problems on the rise

Iceland is experiencing a sharp increase in the number of people taking early retirement. Many hardly have time to start working before they retire early. Something is leading to ill health in the population, and many take early retirement. Over the years, Iceland has created a working life-centred rehabilitation system. Gissur believes it is important to maintain that system and keep developing it.

"We must also do something about the enormous number of people falling outside of the labour market because of ill health and early retirement. A lot of this is because of psychological problems, so we offer rehabilitation for people who suffer from psychological ill health," he says.

The number of people with psychological problems has been rising sharply, and not only in Iceland. Other European countries are also struggling to fix the problem. The Ministry of Social Affairs works together with the early retirement association and the social partners. The idea is to apply a tool which measures people's ability to work.

"There is a lot of suspicion and fear of change among the interest organisations. We have working groups looking at this, also in parliament. We hope to see results this spring."

Believes in peace in the labour market

Iceland's perhaps largest problem right now is the housing crisis and housing costs. The social partners are in the process of negotiating a new collective agreement, and housing issues have become part of that debate. The hope is that the government will take action when it comes to the housing issues, to facilitate an agreement.

Gissur Pétursson is optimistic ahead of this spring's negotiations. He thinks the parties will manage to reach a collective agreement without a fierce fight in the labour market. He believes that everybody understands that they carry a big responsibility for avoiding labour market unrest.

"There are many things that can contribute to negotiations that end in a good result for the future. It is important to agree on measures which can lead to a better future for the population, beyond simply increasing wages," he says.

"This is important for the continuation of the economic growth which has been very good for Iceland."

Severe cuts to the Swedish Public Employment Service

What does the labour market look like for unemployed employment service workers? The question is suddenly relevant for a lot of staff at the Swedish Public Employment Service. 4,500 of them were given their notice on the 30th of January this year. The reason: the January agreement which one week earlier led to a new government in Sweden.

NEWS

15.02.2019

TEXT: BJÖRN LINDAHL

The new coalition still comprises the Social Democrats and the Green Party. But they are dependent on the support in parliament from the Centre Party and the Liberals. The Public Employment Service ended up in a squeeze between the political blocks and had its administration budget – which includes staffing costs – cut by 800 million kronor (€76m).

The 2019 budget for job seekers' measures was also cut with 4.5 million kronor (€430,000).

"We have made a difficult decision. We will do everything in our power to support those who are being made redundant, including through the Job Foundation," said Mikael Sjöberg, Director-General of the Public Employment Service, as he decision was presented.

The Public Employment Service has 13,500 staff and 430 consultants in 242 offices across Sweden. Several offices are now at risk of closure.

Digitalisation

Are the redundancies also a sign of the time? Are we seeing job centre workers being replaced by digital systems, where the Public Employment Service in the end is nothing but a platform for linking job-seekers and available jobs, without any human involvement at all?

Martin Söderström at the Institute for Evaluation of Labour Market and Education Policy, IFAU, has been studying the labour market for employment service staff. In late 2018, he and his colleague Linus Liljeberg published the report "Employment service staff and their jobs market".

"It is nothing new that the staff numbers vary with the size of the administration budget. But we have not seen anything on this scale before," says Martin Söderström.

The journey of renewal

"During Mikael Sjöberg's tenure as Director-General for the Public Employment Service, it has been part of their policy to increase digitalisation in what he calls the Journey of Renewal. But in our study we have not been looking at the possible consequences this might have on the number of employees."

The researchers looked at a period covering 2008 to 2016, when the number of employment service staff rose sharply – from 5,000 to 9,000. In the same period, the Public Employment Service's mandate changed.

Parts of the service was privatised as early as in 2009, and in 2010 it was tasked with helping newly arrived people into work.

The Public Employment Service was under a great amount of pressure, and had to accept a lot of criticism for not achieving expected results. It lost trust, and media coverage was often negative. There was an increasing chorus of people calling for the service to be scrapped or reorganised, the two researchers conclude.

Many have been unemployed

There is no education for becoming an employment service worker, but in 2009 the general education demand was increased to a certain number of years at university. Unemployment is something many employment service workers have experienced themselves. One third of new employees were unemployed at the time of hiring, and one in six had been unemployed for more than six months. That is a high number compared to similar groups.

With so many newly hired people, the average employment service worker has changed. The average age has fallen from 48 in 2003 to 44 in 2015. More than two thirds are women,

and that number is rising. The number of people born abroad rose from nine percent in 2009 to 20 percent in 2015.

“With the current employment rules favouring people who have been employed the longest, newly hired employment service workers are the most exposed. But based on previous experience we know that the number of people who are given notice is higher than the number who do lose their jobs in the end,” says Martin Söderström.

How attractive are the unemployed employment service workers on the labour market?

“With their work experience and relatively high education levels they should be fairly attractive. They also enter into a labour market where the need for labour is still high,” says Martin Söderström.



Danish trade union movement gathers the troops

A joint trade union confederation with all of the country's unions as members? Denmark took a big step in that direction on 1 January.

NEWS

11.02.2019

TEXT: MARIE PREISLER, PHOTO: FH

Until recently, Danish employees were represented by a total of three confederations: LO, FTF and Akademikerne (the Danish Confederation of Professional Associations). That was too many to secure optimal political influence, thought LO and FTF. So on 1 January 2019 they merged into FH – the Danish Trade Union Confederation. This giant comprises 79 trade unions representing 1.4 million members.

Bente Sorgenfrey was the FTF President and is now Vice President at FH and the leader of the FH's international de-

partment. She believes the merger will increase their influence in Danish, Nordic and European labour markets.

“As FH we can now speak with one voice in national, Nordic and European fora, where we used to speak with two. We no longer need to coordinate two support bases and two administrations, and our international departments have been merged into one. This gives us more agility and a better chance of making a real impression.”

As FTF President, Bente Sorgenfrey said she spent a lot of energy on Nordic coordination and cooperation. Now she shares the responsibility for Nordic issues with the FH President, former LO head Lizette Risgaard.



Lizette Risgaard, FH President

Both have Nordic cooperation high on their list of priorities, underlines Bente Sorgenfrey.

“We have a clear agenda with our Nordic work, which is to safeguard the Nordic labour market and welfare models. This is an important task which takes a lot of legwork.”

Politically independent

Prior to the merger, LO was a member of the organisation SAMAK, together with LO organisations in Norway, Sweden, Finland and Iceland as well as social democratic parties in Sweden, Finland, Iceland, Norway, Denmark, the Faroe Islands, Greenland and Åland.

The new FH has chosen to take Danish LO's seat in SAMAK. But that does not mean that FH is “wedded” to certain political parties, explains Bente Sorgenfrey.

“FH is independent from political parties, and we will cooperate broadly. We have chosen to take part in the SAMAK cooperation, but will gladly work together with other organisations where we can have influence. This is where we differ from the LO organisations in some of the other Nordic countries.”

Historically there have been close links between LO and the social democrats in the Nordics, but in Denmark this is becoming a distant past. LO cut its economic ties with the Social Democrats in the 1990s, and in 2003 LO cut the remaining ties. Without that break, FTF could not have joined FH, believes labour market researcher Henning Jørgensen, Professor at the Center for Labour Market Research at Aalborg University.

“Being politically dependent on the Social Democrats was unpalatable for TFT, which was founded in 1952 as a centre-right reaction to the labour-led trade union. There was a de-

sire to create a confederation which was not linked to any political party, and this attracted new groups of middle class employees who were not organised in any union.”

A more important role in the Nordic region and in the EU

Henning Jørgensen believes FH stands a good chance of being an important player in SAMAK, because the old FTF and old LO now join forces and speak with one voice. These advantages will also strengthen the European cooperation between trade unions, he believes. It will be easier for FH to be heard in The European Trade Union Confederation, ETUC, because FH now represents more people. And Danish trade unions do need more influence in Europe, he says.

“So far the Danish trade union movement has had a marginal influence in the European trade union movement. If you wanted to know the Danish trade union movement's opinion, you had to listen to three delegations: LO, FTF and Akademikerne. Now there are only two; FH and Akademikerne. And there are a range of areas in which the Danish trade union movement can take part and make a difference in the EU. There will be a need for cross-border labour market regulation. In 10 to 15 years I think we will see pan-European agreements, for instance.”

More will listen

The trade unions in FTF mainly represented public sector employees, while LO organised trade unions for unskilled and skilled workers primarily in private companies. The merger means public and private employees share the same confederation. This makes it easier to achieve one of FH's main goals: to get better at securing member organisations' interests in a time where the trade union movement does not automatically enjoy any influence over important decisions in society, believe both Henning Jørgensen and Bente Sorgenfrey. She says:

“There are now so many stakeholders who want to enter into a dialogue with decision makers and leave an impression. With FH we can better look after our organisation's interests. Partly because FH is a confederation for trade unions representing both the public and private sectors. Joint solutions in the labour market should benefit both public and private employees, and we can help create that balance,” says Bente Sorgenfrey.



Lars Quistgaard, President for Akademikerne, said no to FH

Yet it proved impossible to create one single confederation for employees from all wage and education levels – from the unskilled to academics. Akademikerne, which represent 25 trade unions organising university-educated professional and managerial staff, did not want to join FH. This means Denmark has still not got one single confederation which can speak with one voice, points out Henning Jørgensen.

Bente Sorgenfrey would have liked Akademikerne to join, but it was not to be.

“Back in 2000 I said that Denmark is too small for three confederations. Now we have two, and that is a clear improvement for employees. It is Akademikerne’s choice not to join, but we will work together with them when appropriate.”

Show social responsibility

Henning Jørgensen sees the creation of FH as an attempt at regaining the political influence which was lost because politicians to a lesser extent now ask the trade union movement for advice before passing legislation.

“Law makers have been sidestepping the Danish trade union movement. Beyond the unemployment reform, political agreements are generally made outside of the tripartite system, which as a result is in crisis. The trade union movement is on the defensive, and the merger is an attempt to fix this,” says Henning Jørgensen.

He points out that until the 1980s, the Danish trade union movement was used to always being involved when the Social Democrats were in power – which was common. Since then, Denmark has mainly had centre-right governments. It took the trade union movement a long time to realise that it needed to work politically also under centre-right rule, believes Henning Jørgensen.



Even if the traditional name "LO" disappears and the new FH has moved even further away from the Social democrats, there will be demonstrations on May 1 this year. The banners will fittingly have "unity" as the main theme.

If FH is to succeed in giving the trade union movement a stronger voice politically and in the media, it needs to take a greater shared social responsibility by presenting visionary political initiatives, thinks Henning Jørgensen.

His advice to the trade union movement is therefore to create an analysis and research institution modelled on the Norwegian Fafo foundation.

“FH can become top-of-mind among politicians and social servants, but to do that FH needs to become very good at presenting new ideas and better ways of organising the labour market, built on proper analyses. The trade union movement must earn the right to be listened to.”

Large body, small head

Meanwhile, FH’s resources are limited, which could be a hindrance to its ambitions, the professor believes. The money and power remain to a large degree in the individual trade unions, explains Henning Jørgensen. He describes the Danish trade union movement as “a large body with a small head”. The body is the individual trade unions, which drive the collective bargaining processes and control the strike funds. The confederations represent the head, with little money in a time where membership numbers fall and further savings must be made. Creating FH is therefore also a money-saving exercise.

“FH has 25 percent fewer employees than LO and FTF had before the merger, and aims to save 30 percent on administration fees. At the same time, FH must secure more influence. This will take time, and studies of similar mergers over the past 20 years show that they normally do not save money as a result.”

Bente Sorgenfrey expects the merger to save them money, which is important when the trade union membership numbers are falling.

“We will spend the members’ money in the best possible way, and the merger means we no longer have to run two administrations and pay rent for two headquarters.”

She hopes FH can help turn the negative membership trend, but a lot depends on the trade unions.

“FH’s budgets for the coming years are based on the expectation that membership numbers will keep falling. We hope that FH and the trade unions together will secure an increase in membership in the long run, but at the end of the day this is up to the trade unions,” says Bente Sorgenfrey.

FH’s first big test is just around the corner – the next general election. Important labour market issues will become part of the election campaign, believes FH’s Vice President.

“The election campaign will feature big debates about when employees can retire. Other important election issues will be working environments, employee retention and further education, which we need to prevent people being forced out of the labour market.”