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# **REVISED EUROPEAN SOCIAL CHARTER**

7th National Report on the implementation of the European Social Charter (revised)

submitted by

## THE GOVERNMENT OF NORWAY

(Articles 2, 4, 5, 6, 21, 22 and 28 for the period 01/01/2005 – 31/12/2008)

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# **CYCLE 2010**

8 January 2010

# 7th NORWEGIAN REPORT ON THE IMPLEMENTATION OF THE REVISED EUROPEAN SOCIAL CHARTER

Reference periods: 1/1/2005 - 31/12/2008

#### Article 2 – the right to just conditions of work

#### Article 2§1 Reasonable daily and weekly working hours etc.

#### Question 1 - General legal framework

During the reference period (17 June 2005 No. 62) a new Working Environment Act (The Act relating to Working Environment, Working hours and Employment Protection, etc.) was adopted, hereinafter referred to as the WEA. This act, with some exceptions, came into force 1 January 2006 and replaced The Act relating to Worker Protection and Working Environment of 4 February 1977 No. 4. Please find enclosed an unauthorized version of the new WEA - enclosure 1, as subsequently amended until 23 February 2007.

With regard to the general legal framework which was in force in the period from 1 January 2005 to 1 January 2006 we refer to previous reports.

The legal framework regarding *working hours* in the WEA (chapter 10) generally correspond to the former regulation following from the Act relating to Worker Protection and Working Environment of 1977. Hence, reference is made to the previous reports.

Nevertheless, some amendments have been adopted in the reference period regarding the rules concerning overtime.

#### Overtime work

According to WEA section 10-6 paragraph 4, overtime work must not exceed ten hours per week, 25 hours per four consecutive weeks or 200 hours during a period of 52 weeks. Before imposing overtime work, the employer shall, if possible, discuss the necessity of such work with the employees' elected representatives. Further, the employer and the employees' representatives in undertakings bound by a collective agreement may agree in writing upon overtime work not exceeding 15 hours per week, but the total overtime work must not exceed 40 hours per four consecutive weeks, cf. WEA section 10-6 paragraph 5. Overtime work must however not exceed 300 hours during a period of 52 weeks. In special cases, The Labour Inspection Authority may on application permit total overtime work not exceeding 20 hours per seven days or 200 hours during a period of 26 weeks, cf. WEA section 10-6 paragraph 6. Records of the discussions held by the employer and the employees' elected representatives shall be enclosed to the application. When making its decision, the Labour Inspection Authority shall attach particular importance to the health and welfare of the employees.

WEA section 10-6 paragraph 8 states that <u>total working hours</u>, including overtime, must not exceed 13 hours per 24 hours or 48 hours per week. The limit of 48 hours per week may be calculated according to a fixed average over a period of eight weeks.

According to WEA section 10-8 paragraph 1, an employee shall have at least 11 hours continuous off-duty time per 24 hours. This off-duty period shall be placed between two main work periods. The employer and the employees' elected representatives in undertakings bound by a collective agreement may agree in writing upon exceptions from the abovementioned provision. Such an agreement may only be entered into if the employee is ensured corresponding compensatory rest periods or, if not possible, other appropriate protection. Off-duty periods shorter than eight hours per 24 hours may not be agreed.

#### Regulation regarding working hour arrangements

We would also like to point out some other amendments in WEA, which may affect daily and weekly working hours.

According to WEA section 10-2 paragraph 3, an employee shall be entitled to flexible working hours if this can be arranged without major inconvenience to the undertaking. Pursuant to WEA section 10-2 paragraph 2 an employee who regularly works at night shall be entitled to exemption from the working-hour arrangement if such exemption is needed due to health, social or other weighty welfare reasons and can be arranged without major inconvenience to the undertaking. Further, employees who have reached the age of 62 are entitled to have normal working hours reduced as long as this reduction can be arranged without major inconvenience to the undertaking, cf. WEA section 10-2 paragraph 4.

#### Information requested by the Committee

The Committee has asked for information regarding the average number and frequency of cases when a working day has been extended to 16 hours.

We have no available information regarding the average numbers and frequency of the cases when working days have been extended to 16 hours, as there is no requirement for notifying the authorities in these cases. As far as we know, the central federations neither have accurate information to what extent the possibility to extend the working day to 16 hours is being used.

The Committee has also asked for the frequency of and under what circumstances the reference period for average working hours is extended to one year. There is no information regarding this, due to the same reason as mentioned above.

The Norwegian Government notes that the Committee reiterates that the legal situation under which total working hours in a 24 hour period under certain circumstances may be up to 16 hours, is not in conformity with the Charter.

We would like to emphasize that as a main rule the working hours are maximum 9 hours a day and 40 hours a week, cf. WEA section 10-4 paragraph 1. However, normally the working hours in Norway are 37.5 hours according to collective agreements. This is the fact in most undertakings even if they are not covered by collective agreements.

The maximum working hours, including overtime, may under <u>certain circumstances</u> be extended to 16 hours in a 24 hour period, based on a written collective agreement between the employer and the employees' representatives, cf. WEA section 10-6 paragraph 9.

We find it important to emphasize that there are several restrictions for the use of this provision. Firstly, it's demanded that the management of the undertaking and the union have agreed to enter into a collective agreement about such an extension. Secondly, the conditions

for overtime work must be present. In addition, an employee is entitled to exemption from performing work in excess of agreed working hours when so requested because of health reasons or weighty social reasons. The employee shall also be ensured corresponding compensatory rest periods. This compensatory rest period must be taken immediately after the work period it shall compensate.

We would also like to emphasize that the new WEA has strengthened other provisions concerning working time. According to section 10-2 paragraph 1, the employer is made responsible for arranging working hours in such a way that the employees are not exposed to adverse physical or mental strain, and that they are able to observe safety considerations. In addition to the rules regarding working time, WEA also contains a range of other provisions which ensure the workers safety and welfare.

According to the legal system in Norway and the interpretation of the various sections of WEA that must be seen in conjunction with each other, we are of the opinion that the Norwegian legislation in this respect is in conformity with the Charter.

#### <u>Question 2 – Implementation of the legal framework</u>

Both legislative and strategic measures have been carried out to implement the legal framework. WEA section 10-7 imposes the employer to keep an account of the hours worked by each employee. This account shall be accessible to both the Labour Inspection Authority and the employees' elected representatives.

The Labour Inspection Authority has conducted inspections and reactions on conditions concerning working hours in the reference period. In dealing with enterprises that do not comply with the requirements of the WEA, the Labour Inspection Authority may respond with orders. If the order is not complied with, coercive fines may be imposed. The size of the fine is dependent upon several factors, but the main rule is that it shall be unprofitable to violate the WEA. The Labour Inspection Authority may also shut down an enterprise with immediate effect if the life and health of its employees are in imminent danger. Shutdowns may also be imposed when enterprises fail to comply with orders given.

Further, The Labour Inspection Authorities have run campaigns with special focus on working hours in certain sectors.

We may also point out that the Social partners are closely monitoring the conditions regarding working hours.

#### Question 3 - Figures, statistics or relevant information

Professional categories	<u>Actual working hours in</u> 2008 (hours per week)*		
Agriculture, forestry and fisheries	41,9		
Oil- and gas industry and mining	42,9		
Industry	36,6		

Power- and water supply industry	36,3
Construction and building industry	38,2
Trade, hotels and restaurants	31,5
Transport and communication	38,4
Financial and commercial services and insurance	36,3
Other services	32,2

\*Figures from Statistics Norway

## Article 2§2 Public holidays with pay

Questions 1-3

Reference is made to the previous reports.

#### Information requested by the ECSR

The Committee has requested updated information on the rates on increased remuneration paid in respect of work done on a public holiday.

According to The National Holiday Act (26 April 1947 No. 1 Lov om 1 og 17 mai som høgtidsdager), section 3, the employee is entitled to full pay on both 1 and 17 May, unless these days falls on a Sunday or statutory church holidays, provided that the employee has or will be continuously employed by the employer for at least 30 days. In case of an agreement on wage increase for Sundays, the employee is entitled to the same wage increase as for Sundays for work done on 1 and 17 May. If there is no such agreement, the employee is entitled to a wage increase of minimum 50 percent of ordinary pay.

#### Article 2§3 A minimum of four weeks' annual holiday with pay

Question 1 - General legal framework

Reference is made to the previous reports.

#### Information requested by the ECSR

The Committee has requested information on the rules of postponement.

Pursuant to section 7 paragraph 3 in the Holiday Act the employer and employee may enter into a written agreement on transfer of holidays up to 12 working days to the following holiday year. Transfers of holidays beyond that limit may not be agreed.

If holidays cannot be taken within the holiday year due to sick leave or parental leave, the employee may demand up to 12 working days transferred to the next holiday year, cf. section 7 paragraph 3.

#### Question 2 - Implementation the legal framework

Because the rights pursuant to the Holiday Act are regarded as private-law, the employee has to pursue the compliance of the provisions individually, if necessary through the court system.

#### Question 3 - Figures, statistics or other relevant information

Reference is made to the previous reports.

#### Article 2§4 Elimination of risks in inherently dangerous or unhealthy occupations etc.

#### Question 1 - General legal framework

#### *Introduction and basic principles*

From 1 January 2006 the new WEA came into force and replaced the provisions in the Act relating to Worker Protection and Working Environment of 1977 relevant to this Article. With regard to the general legal framework which was in force in the period from 1 January 2005 to 1 January 2006 we refer to previous reports.

The actual content of the provisions of the WEA which are relevant to article 2 § 4 has not been changed, but as the numbering is different we would like to give an overview of the provisions in question. We also refer to previous reports.

Eliminating or reducing dangers or threats to the employee's health is the basic and major concern of the WEA and many provisions in the WEA are aimed at eliminating or reducing such risks. These provisions have a general scope and apply to all occupations, including inherently dangerous or unhealthy occupations. The underlying view is that all occupations involve risks although at different "levels" and that measures to eliminate or reduce these risks to a satisfactory level must be applied accordingly. If hazards are not reduced sufficiently work shall be temporarily stopped.

#### Requirements regarding the working environment

The WEA section 4-1 states that the working environment in the undertaking shall be fully satisfactory when the factors in the working environment that may influence the employees' physical and mental health and welfare are judged separately and collectively. The standard of safety, health and working environment shall be continuously developed and improved in accordance with developments in society. When planning and arranging the work, emphasis shall be placed on preventing injuries and diseases. The organization, arrangement and management of work, working hours, technology, pay systems, etc. shall be arranged in such a way that the employees are not exposed to adverse physical or mental strain and that due regard is paid to safety considerations.

The WEA section 4-4 states inter alia that physical working environment factors such as factors relating to buildings and equipment, indoor climate, lighting, noise, radiation and the like shall be fully satisfactory with regard to the employees' health, environment, safety and welfare. Machines and other work equipment shall be designed and provided with safety devices so that employees are protected against injuries.

The WEA section 4-5 states inter alia that when handling chemicals or biological substances, the working environment shall be so arranged that employees are protected against accidents, injuries to health and excessive discomfort. Chemicals and biological substances shall be manufactured, packed, used and stored in such a way that employees are not subjected to health hazards. Chemicals and biological substances that may involve health hazards shall not be used if they can be replaced by other substances or by another process that is less hazardous for the employees. The undertaking shall have the necessary routines and equipment to prevent or counteract injuries to health due to chemicals or biological substances. The undertaking shall keep a record of hazardous chemical and biological substances. The record shall include information on physical, chemical and hazardous properties, preventive safety measures and first-aid treatment. Containers and packaging for chemicals and biological substances shall be clearly labeled with name and composition and a warning in Norwegian.

The WEA chapter 10 provides provisions aimed at ensuring that working hours shall be arranged in such a way that employees are not exposed to adverse physical or mental strain, and that they shall be able to observe safety considerations. These regulations apply to all undertakings that engage employees unless otherwise explicitly is provided by the Act.

#### Working Environment measures

In the WEA chapter 3 it is stated what measures the employer must implement in order to safeguard the employee's health, environment and safety.

According to section 3-1 the employer must ensure that systematic health, environment and safety work is performed at all levels of the undertaking. This shall be carried out in cooperation with the employees and their elected representatives.

Systematic health, environment and safety work entails that the employer shall establish goals for health, environment and safety, have an overall view of the undertaking's organization, including how responsibility, tasks and authority for work on health, environment and safety are distributed. Furthermore, the employer shall make a survey of hazards and problems and, on this basis, assess risk factors in the undertaking, prepare plans and implement measures in order to reduce the risks.

During planning and implementation of changes in the undertaking, the employer shall assess whether the working environment will be in compliance with the requirements of the Act, and implement the necessary measures, implement routines in order to detect, rectify and prevent contraventions of requirements laid down in or pursuant to the Act. The employer shall ensure systematic prevention and follow-up of absence due to sickness, ensure continuous control of the working environment and the employees' health when necessitated by risk factors in the undertaking, and conduct systematic supervision and review of the systematic work on health, environment and safety in order to ensure that it functions as intended. In addition to this, the Ministry of Labour may by regulation issue further provisions concerning implementation of the requirements of this section, including requirements regarding documentation of the systematic health, environment and safety work. Such provisions were given by the Ministry in 1996.

#### Special safety precautions

WEA section 3-2 regulates special safety precautions. In order to maintain safety at the workplace, the employer shall ensure that employees are informed of accident risks and health

hazards that may be connected with the work, and that they receive the necessary training, practice and instruction. Furthermore, the employer shall ensure that employees charged with directing or supervising other employees have the necessary competence to ensure that the work is performed in a proper manner with regard to health and safety. Employer shall ensure expert assistance, when this is necessary in order to implement the requirements of the Act.

If satisfactory precautions to protect life and health cannot be achieved by other means, the employer shall ensure that satisfactory personal protective equipment is made available to the employees, that the employees are trained in the use of such equipment and that the equipment is used. A regulation concerning equipment for personal protection was given in 1993.

If work is to be carried out that may involve particular hazards to life or health, written instructions shall be prepared prescribing how the work is to be done and what safety measures are to be implemented. The Ministry may issue regulations concerning implementation of the provisions of this section.

There are no provisions giving right to additional holiday with pay based on the fact that certain occupations are particularly dangerous or unhealthy. Some provisions require reduction in working hours on these grounds. Section 10-4 paragraphs 4 and 5 of the WEA state that the length of the working hours must be reduced in certain cases of shift work, other comparable rota work, work which necessitates a certain amount of work on Sundays and public holidays, work performed at night, work below ground in mines and work in tunnels and rock chambers.

#### Special measures for workers using ionizing radiation etc

In its conclusions regarding the 4<sup>th</sup> report from Norway (2006) the Committee asks "whether there are special measures for workers in occupations using ionizing radiation, extreme temperatures, ship building etc. More generally the Committee asks whether there are other measures in place to reduce/ limit exposures to inherent risks where it is impossible to eliminate entirely these risks."

#### Ionizing radiation

Special measures for workers in occupations using ionizing radiation are stated in the regulation of 14 June 1985 No. 1157 regarding work involving the use of ionizing radiation (currently not available in English). Section 3 instructs the employer to keep radiation as low as possible and refers to regulations No. 1362 of 21 November 2003 on Radiation Protection and Use of Radiation section 21 regarding the maximum dose limits. The following additional measures/ precautions are stated:

- The use of a personal dosimeter for persons working inside a controlled or monitored area according to the regulation on work involving ionizing radiation, section 3 and the regulation on radiation protection section 22.
- An initial health examination and then health examinations every third year if the worker may be exposed to more than a certain amount of radiation.
- The recording of each employee's measured radiation dose and duration of employment
- Undertakings carrying out work using ionizing radiation and that also regularly work with cytostatic must issue instructions on how to execute the work and which safety measures are to be effectuated.

Furthermore the Act No. 36 of 12 May 2000 on Radiation Protection and Use of Radiation and the regulations No. 1362 of 21 November 2003 on Radiation Protection and Use of Radiation states requirements which are relevant to the protection of workers in occupations using ionizing radiation.

#### Extreme temperatures

A regulation from 26 February 1998 No. 179 applies to welding, thermal seizure, thermal spraying, carbon arc fettling, soldering, and mechanical abrasion. Systematic health, environment and safety work entails that the employer shall make a survey of hazards and problems and, on this basis, assess risk factors in the undertaking, prepare plans, and implement measures in order to reduce the risks. Chapter 4 regulates special protective measures. The regulation is currently not available in English.

There are no other current regulations directly regarding extreme temperatures at work. The Norwegian Labour Inspection Authority recommends that temperatures below 19 Celsius and above 26 Celsius should be avoided. In cold temperatures where normal clothing is not adequate, the employer must provide additional clothing. WEA requires in section 3 paragraph 2 that the employer shall ensure that satisfactory personal protective equipment is made available to the employees when satisfactory precautions to protect life and health cannot be achieved by other means.

## Ship building

There are no regulations that apply to ship building alone. However, more general regulations apply to this work area as well as to other categories of work, e.g. the building industry. In addition to the regulations in the WEA, there are several specific regulations concerning e.g. work equipment, work carried out at heights, personal protective equipment, use of chemicals, heavy and monotonous work, noise, etc. These regulations are currently not available in English.

## Special regulations

Listed below are some of the regulations issued pursuant to the WEA aiming at eliminating or reducing the inherent risks of dangerous or unhealthy occupations. The list is not exhaustive. The regulations are currently not available in English and the titles are not formal translations.

- Regulations concerning work in tanks
- Regulations concerning work on tank ship protected with inert gas in loading tank
- Regulations concerning work in sewerage system
- Regulations concerning work by EDP (electronic data processing) display
- Regulations concerning workplace
- Regulations concerning working time for drivers and road transport workers
- Regulations concerning working time in railway traffic
- Regulations relating to Asbestos
- Regulations concerning bolt gun and attachments
- Regulations concerning diving
- Regulations concerning operator protection on old tractors
- Regulations concerning excavation and bracing on ditches
- Regulations concerning work in ports
- Regulations concerning health and safety in atmospheres with danger of explosion
- Regulation concerning machinery
- Safety, health and working environment on construction sites (Construction Client

- Regulations)
- Technical Appliances
- Protection against exposure to biological factors on the workplace
- Protection against exposure to chemicals on the workplace
- Protection against mechanical vibrations
- Protection against noise at the workplace

#### Question 2 - Implementation of the legal framework

The Labour Inspection Authority supervises and controls that the legislation is complied with. In dealing with enterprises that do not comply with the requirements of the WEA, the Labour Inspection Authority may respond with orders. If the order is not complied with, coercive fines may be imposed. The size of the fine is dependent upon several factors, but the main rule is that it shall be unprofitable to violate the Working Environment Act. The Labour Inspection Authority may also shut down an enterprise with immediate effect if the life and health of its employees are in imminent danger. Shutdowns may also be imposed when enterprises fail to comply with orders given.

The strategic plan of the Directorate of Labour Inspection, have seven main priority programs. These programs are orientated towards specific topics and branches based on risk assessment developed in what is called the knowledge basis. This knowledge basis is furthermore developed in cooperation with STAMI (The National Institute of Occupational Health) and NOA (a part of STAMI performing national surveillance of work environment and health).

## Question 3 - Figures, statistics or other relevant information

The number of inspections within the seven main priority programmes\*:

Prevention of muscular and skeleton	1740
disorders	
Prevention of mental load	374
Adaption of work and follow up for workers who has a reduced capacity for work as a result of an accident, sickness, fatigue or the like	2861
Noise, chemical and biological conditions	1459
Prevention of employment injury (accidents)	4549
Social dumping	2063
Young employees	675

\*Statistics from the Directorate of the Labour Inspection Authority

## Article 2§5 Weekly rest period etc.

#### Question 1 - General legal framework

With regard to the general legal framework which was in force in the period from 1 January 2005 to 1 January 2006 we refer to previous reports.

The WEA of 2005 section 10-8 paragraph 2 states that "An employee shall have a continuous off-duty period of 35 hours per seven days." The WEA section 10-8 paragraph 4 states as follows: Off-duty time as referred to in the second paragraph shall as far as possible include Sundays. An employee who has worked on a Sunday or public holiday shall be off duty on the following Sunday or public holiday. The employer and the employee may agree in writing to a working hour arrangement that ensures that the employees will be off duty on average every other Sunday and public holiday over a period of 26 weeks, provided, however, that the weekly 24-hour off-duty period falls on a Sunday or public holiday at least every third week.

The WEA section 10-10 paragraph 1 states that "No work shall be performed from 06.00 p.m. on the day preceding a Sunday or public holiday until 10.00 p.m. on the day preceding the next working day". The WEA of 1977 section 44 paragraph 2 litra a - p listed all the exceptions from the prohibition of Sunday work. To simplify and make the provisions more flexible with regard to the development in society the WEA section 10 -10 paragraph 2 just states that "Work on Sundays and public holidays is not permitted unless necessitated by the nature of the work".

The WEA section 10-10 paragraph 4 states that "In undertakings bound by a collective agreement, the employer and the employee's elected representatives may enter into a written agreement concerning work on Sundays and public holidays when there is an exceptional and time-limited need for it." According to the WEA of 1977 section 45 the employer and employee's representatives could agree on up to 8 Sundays or holidays per year.

As opposed to the WEA of 1977 the WEA of 2005 does not give The Labour Inspection Authority the competence to permit work on Sundays.

The WEA section 10-12 paragraph 6 states that The Norwegian Labour Inspection Authority may consent to working hour arrangements that derogate from section 10-8, including the requirements regarding weekly rest, and section 10-10 regarding work on Sundays in cases where there is a considerable distance between the workplace and the employee's place of residence. Such consent may only be granted if it is of significance for safety reasons to provide for comprehensive regulation of working hour arrangements at the workplace. Derogation from section 10-8, first and second paragraphs, requires that the employees are ensured compensatory rest periods or, where this is not possible, other appropriate protection. Furthermore according to section 10-10 paragraph 7 such consent requires that the parties do not have the power to establish the working hour arrangement concerned by means of a collective agreement.

The background for these provisions is that with the WEA of 2005 the competence of The Labour Inspection Authority to give dispensations from the provisions regarding average working hours, daily and weekly rest and work on Sundays was more limited while employers and unions with more than 10 000 still had the possibility to establish deviant working hour arrangements by collective agreement. This however was reported to cause problems in some sectors of society. In cases where there is a considerable distance between the workplace and the employees' place of residence the employees may wish to save up as much as possible of their daily and weekly rest in order to have as much time off as possible at home with their family. Some of the actors which were consulted before the provisions were adopted, inter alia The Petroleum Safety Authority (which regulatory authority includes petroleum related plants and pipeline systems on the main land) argued that there is often an interdependence between different work operations on construction sites which means that having different work schedules for the workers is a safety risk. These situations may occur when some workers are covered by collective agreements and others are not.

The WEA section 10-12 paragraph 7 states that The Norwegian Labour Inspection Authority may consent to working hour arrangements that derogate from section 10-8, first and second paragraph, and the limit of 13 hours in section 10-5, third paragraph, for health and care work and for on-call duty or surveillance work where the work is wholly or partly of a passive nature (cf. section 10-4 second paragraph). Such consent may only be granted if the employees are ensured compensatory rest periods or, where this is not possible, other appropriate protection. Furthermore according to section 10-10 paragraph 7 such consent requires that the parties do not have the power to establish the working hours' arrangement concerned by means of a collective agreement.

Regarding these provisions the ministry emphasized that the working time framework should allow for working time arrangements which is of great importance to the people who use health and care services and which is not harmful to the employees health and which the employees themselves wish to have. Work of a wholly or partly passive nature means that the employee may sleep or relax during the period of work. The Labour Inspection Authority must consider each application individually to see if the working time arrangement is fully satisfactory. It is stated in the preparatory works that The Labour Inspection Authority shall not consent to a particular working time arrangement unless the employees wish to work according to this scheme. According to the WEA section 10-12 paragraph 4 trade unions entitled to submit recommendations pursuant to the Labour Disputes Act or the Civil Service Disputes Act (conditions regarding number of members or representativeness), may enter into a collective agreement that departs from the provisions of sections 10-8 and 10-10. Exceptions from section 10-8, first and second paragraphs, require that the employees are ensured corresponding compensatory rest periods or, where this is not possible, other appropriate protection.

## Question 2 - Implementation of the legal framework

The Labour Inspection Authority supervises compliance with the provisions regarding weekly rest/ Sunday rest. For more information about the instruments used for enforcement, see "Implementation of the legal framework" under art. 2§4.

## Question 3 - Figures, statistics or other relevant information

Regarding circumstances under which the postponement of the weekly rest period is provided we refer to the description of the general legal framework under question 1 above.

## Article 2§6 Information of the essential aspects of the contract or employment relationship

#### Question 1 - General legal framework

The WEA of 2005 section 14-5 states that all employment relationships shall be subject to a written contract of employment. In employment relationships with a total duration of more than one month, a written contract of employment shall be entered into as early as possible and one month following commencement of the employment at the latest. In employment relationships of a shorter duration than one month or in connection with contract labour, a written contract of employment shall be entered into immediately.

The WEA section 14-6 states the minimum requirements regarding the content of the written contract. To better reflect the content of Council Directive 91/533/E ØF Article 2 this provision is somewhat modified in that it initially emphasizes that the written employment contract must contain information about matters of "significant importance for the employment relationship, including.." etc. This implies that if something is of significant importance, it must be included in the written contract even though it is not specifically stated in section 14-6 first paragraph litra a - m. In the letters j - 1 it is stated in more detail than before what information the contract must include regarding the working hours. Furthermore the information regarding pay must according to section 14-6 also include the method of payment and payment intervals.

#### Section 14-6 now reads as follows:

(1) The contract of employment shall state factors of major significance for the employment relationship, including:

a) The identity of the parties,

b) The place of work. If there is no fixed or main place of work, the contract of employment shall provide information to the effect that the employee is employed at various locations and state the registered place of business or, where appropriate, the home address of the employer, c) A description of the work or the employee's title, post or category of work,

d) The date of commencement of the employment,

e) If the employment is of a temporary nature, its expected duration,

f) Where appropriate, provisions relating to a trial period of employment, cf. section 15-3, seventh paragraph, and section 15-6,

g) The employee's right to holiday and holiday pay and the provisions concerning the fixing of dates for holidays,

h) The periods of notice applicable to the employee and the employer,

i) The pay applicable or agreed on commencement of the employment, any supplements and other remuneration not included in the pay, for example pension payments and allowances for meals or accommodation, method of payment and payment intervals for salary payments,

j) Duration and disposition of the agreed daily and weekly working hours,

k) Length of breaks,

l) Agreement concerning a special working-hour arrangement, cf. section 10-2, second, third and fourth paragraph,

m) Information concerning any collective pay agreements regulating the employment relationship. If an agreement has been concluded by parties outside the undertaking, the contract of employment shall state the identities of the parties to the collective pay agreements.

(2) Information referred to in the first paragraph (g) to (k) may be given in the form of a reference to the Acts, regulations and/or collective pay agreements regulating these matters.

Section 14-8 replaces section 55D in the WEA of 1977. Pursuant to this provision changes in the employment relationship shall be included in the contract of employment as early as possible and not later than one month after entry into force of the change concerned. This shall nevertheless not apply if the changes in the employment relationship are due to amendments to Acts, regulations or collective agreements. There is no possibility of derogation from these provisions.

## Question 2 - Implementation of the legal framework

The competence of the Labour Inspection Authority to issue orders and make such individual decisions as are necessary for the implementation of the provisions mentioned above is now made part of a general regulation stated in section 18-6. For more information about the instruments used for enforcement see "Implementation of the legal framework" under article 2§4.

The Labour Inspection Authority generally sees the existence of an employment contract as a very important element to ensure good working conditions. Thus, special emphasis is put on this subject when conducting inspection programs in sectors or trades in which for instance a majority of the employers seem to lack the will to comply with the working environment regulations and few employees are members of trade unions (e g hotels and restaurants). The Labour Inspection Authority also focuses on contracts in the priority program regarding young employees. The written contract of employment can therefore be either the primary topic of an inspection or a secondary topic of an inspection.

## Question 3 - Figures, statistics or other relevant information\*

Statistics where contracts is a primary topic.				
Year	Number of	Number of inspections with	Number of reactions	
	inspections	reaction		
2005	560	165	371	
2006	2083	777	1468	
2007	1315	824	2029	
2008	662	276	663	

#### Statistics where contracts is a primary topic:

Statistics where contracts is a secondary topic:

Year	Number of	Number of inspections with	Number of reactions
	inspections	reaction	
2005	317	133	368
2006	388	182	477
2007	551	320	942
2008	447	318	934

Statistics focusing on contracts in branches and reactions given for the years 2006 - 2007 - 2008:

Agriculture, forestry and fisheries	40	40	68
Mining industry and extraction	-	-	2
Industry	14	23	24
Water supply, drain and waste management	-	-	2
Construction and building	31	101	73
Commodity trade, repair of motor vehicle	156	93	111
Transport and storage	11	26	30
Accommodation and service	70	43	52
Information and communication	1	1	-
Trade and management of property	3	5	2
Occupational, scientific and technical services	4	3	4
Commercial services	12	14	19
Public administration, defence and social security in public sector	3	-	-
Health and welfare	4	2	2
Cultural business, entertainment and leisure activities	2	2	4
Other services	12	1	2

\*Statistics from the Labour Inspection Authority

## Article 4 – The right to a fair remuneration

## Article 4§1 The right to a remuneration such as will give a decent standard of living

#### Question 1 General legal framework

Reference is made to previous reports.

There is no general minimum wage in Norway. The method for fixing minimum wage standard by law is by making collective agreements generally applicable. The legal framework in this matter is the Norwegian Act of 4 June 1993 No 58 relating to General Application of Wage Agreements etc. (the General Application Act). More detailed information about the contents of this legislation may be found in our previous report.

There have been some amendments in the General Application Act since the last reporting period.

Even though the General Application Act came into force in 1994, the first claim was put forward in 2003. A more detailed account for this may be found in our previous report. However, the regulation passed in October 2004 is still in force.

Since then other wage agreements have been made generally applicable, mainly connected to the construction sector, but also in the shipbuilding industry and electrical trades.

The ECSR concludes that the situation in Norway is not in conformity with article 4 Paragraph 1 of the Charter; because Norway lacks systems for guaranteeing a single person earning the minimum wage a decent standard of living.

The method for fixing minimum wage standard by law is by making collective agreements generally applicable. This way of fixing minimum wage, based upon collective agreements which are negotiated by the Norwegian social partners, is ensuring a decent wage level.

The reason that Norway does not have a general minimum wage is inter alia, that the social partners' negotiation right is deemed to be a fundamental principle in the Norwegian legal system.

Where such regulations does not exist, it is up to the contractual partners (i.e. the actual worker and employer) to agree upon the wage level for the actual position. We would also like to emphasize that the average wage level in Norway is high compared to other countries.

#### Question 2 - Implementation of the legal framework

The responsibility of supervision of compliance with a generally applicable wage agreement is divided between several actors. The Labour Inspection Authority and the Petroleum Safety Authority have the power to supervise that the regulations on general application of wage agreements are complied with including the compliance of the requirements for pay etc. We refer to our previous report for more information on the authority of the Labour Inspectorate and the Petroleum Safety Authority. These agencies still have no authority and no obligation to enforce payment on behalf of the employee. This is a question of private-law which the employee has to pursue himself, if necessary through the court system. From 14 March 2008 companies buying services from a subcontractor are imposed a duty to ensure that the subcontractors complies with the regulations on general application of wage agreements. The Ministry of Labour has also issued regulations imposing that the main contractor has a obligation to inform subcontractors of current regulations concerning general application of wage agreements.

Furthermore, a representative representing the trade union party to the generally applicable collective agreement in the company subcontracting services, have the right to have documentation on the wages and working conditions of the subcontractor if so required.

## Question 3 Figures, statistics or other relevant information

According to Statistics Norway there is no national statistics on lowest wages in the private or public sector.

According to Statistics Norway the average monthly earnings for all occupations in 2008 were NOK 34 200 (about 4020 Euros). The average monthly wage for all salaried employees was NOK 32 300 (about 3845 Euros) in 2007. The 10 percent employees with the lowest salary were paid NOK 19 300 (about 2297 Euros) per month in 2008, and NOK 18 600 (about 2214 Euros) in 2007. Wage growth from 2006 to 2007 was 5.6 percent on average, compared to 4.8 percent in the previous year. Monthly earnings include paid, agreed salary, irregular increase of salary, bonus and commission. Supplement for overtime work is not included.

## Article 4§2 The right of workers to an increased rate of remuneration for overtime work

#### Question 1 - General legal framework

According to WEA section 10-6 paragraph 11, a overtime supplement for at least 40 per cent shall be paid in addition to the pay received by the employee for corresponding work during normal working hours.

Since the provisions concerning working time does not apply to employees in leading positions and employees who hold special positions of responsibility, the provisions concerning overtime pay neither applies to them.

Many collective agreements also have regulations concerning overtime pay, often exceeding the minimum 40 per cent supplement.

#### Question 2 - Implementation of the legal framework

The Labour Inspection Authority and the Petroleum Safety Authority are obliged to inform and guide the employees concerning their rights pursuant to the WEA. These agencies still have no authority to enforce payment on behalf of the employee. This is a question of privatelaw which the employee has to pursue individually, if necessary through the court system.

#### Question 3 - Figures, statistics or other relevant information

The following numbers from Statistics Norway relate to the second quarter of 2005. Unfortunately we do not have available statistics after this period.

In the second quarter of 2005, 21 percent of full-time employees worked overtime. The figure is 24 percent for men and 17 percent for women. The amount of overtime equals 68 000 full-time jobs, or 4.7 percent of all man-weeks by employees working full-time.

The proportion of people working overtime was highest in financial intermediation (31 percent), wholesale trade (30 per cent), and oil and gas extraction (29 percent), and lowest in education, health and social work, public administration and defence (13-16 percent).

60 percent of the overtime was paid overtime, 22 percent was credited as time off in lieu, and 17 percent was without any compensation.

The amount of overtime work increases with education. Among full-time employees with university or university college education, 25 percent worked overtime, compared with 19 percent of employees with lower education levels.

			Types	of compensatio	n
Industry and sex	Number of man- weeks of overtime work	Paid overtime	For time- off	Without any compensation	Unspecified
ALL INDUSTRIES	68	39	14	11	3
15-37 Manufacturing	12	8	2	2	_
50-55 Domestic trade,hotels,restaurants	13	7	2	3	1
60-64 Transport, communication	5	4	-	1	-
65-74 Financial intermediation,real estate,business activities	13	6	3	3	1
75-99 Other services	16	8	5	2	1
MALES	51	30	9	9	3
15-37 Manufacturing	10	7	1	2	-

Number of man-weeks of overtime work by types of compensation, sex and industry. 1000. 2nd quarter 2005.

			Types	of compensatio	'n
Industry and sex	Number of man- weeks of overtime work	Paid overtime	For time- off	Without any compensation	Unspecified
50-55 Domestic trade,hotels,restaurants	10	5	2	3	1
60-64 Transport, communication	4	3	-	1	-
65-74 Financial intermediation,real estate,business activities	10	5	2	2	1
75-99 Other service activities	8	4	2	1	-
FEMALES	18	9	5	2	1
15-37 Manufacturing	1	1	-		
50-55 Domestic trade,hotels,restaurants	3	2	1	1	_
60-64 Transport, communication	1	-	-	-	-
65-74 Financial intermediation,real estate,business activities	3	2	1	-	-
75-99 Other services	8	4	3	1	1

## Article 4§3 The right of men and women workers to equal pay for work of equal value

We refer to conclusions 2007 concerning article 4 § 3, where the following was stated:

"In the General Introduction to conclusions 2002 on the Revised Charter, the Committee indicated that "since the right to equality under Article 20 of the Revised Charter covers remuneration, the Committee will no longer examine the national situation in this respect under Article 4§3 (right to equal pay). Consequently, States which have accepted both provisions, are no longer required to submit a report on the application of Article 4§3". Therefore, the Committee decides to adopt the same conclusion under both provisions in respect of equal pay. Consequently, as it did under Article 20 (Conclusions 2006, pp. 658-661), it concludes that the situation in Norway is in conformity with Article 4§3 of the Revised Charter."

Hence, we will not report on this paragraph.

## Article 4§4 The right to a reasonable period of notice for termination of employment

#### Question 1 - General legal framework

Reference is made to previous reports and the latest conclusions of the ECSR of December 2007. The committee concluded that the situation in Norway is in conformity with Art 4§4 of the Revised Charter.

As accounted for under the previous Articles, a new Working Environment Act entered into force 1 January 2006. Still, there are no changes in the legal situation. The regulations in sections 58 and 59 in the previous Working Environment Act comprising regulations of periods of notice are continued in the new act and are to be found in section 15-3 in the new Act. We refer to the enclosed translation of the WEA, this section.

#### Question 2 - Implementation of the legal framework

Reference is made to the previous reports and the conclusion of the ECSR in December 2007. The regulations concerning periods of notice are defined as private-law, and must be pursued by the employee himself, if necessary through the court of justice. The authorities are nevertheless in general obliged to guide everyone who has questions concerning their rights based in law related to a labour relationship.

#### Art 4§5 Deductions from wages

#### Question 1 - General legal framework

Reference is made to previous reports and to the conclusions of the ECSR from December 2007. The Committee concludes that the situation in Norway regarding the limitation of deductions from wages is not in conformity with Article 4§5 of the Revised Charter, because workers may waive there right to limited deductions from wages. On the basis of the information in the Norwegian report and previous reports, the Committee notes that there has been no change in the situation in Norway.

According to the WEA section 14-15 paragraph 2, deductions from wages and holiday allowances are prohibited except in special mentioned cases. Among the exemptions the employer may deduct an amount from wages when stipulated in advance by a written agreement between the employer and the employee.

When deductions from wages are allowed, they shall in certain cases which are specific mentioned in section 14-15 paragraph 3, be limited to that part of the claim which exceeds the amount reasonably needed by the employee to support himself and his household. However, this limitation does not apply to deductions from wages in accordance with a written agreement between employer and the employee during the reference period.

In spring 2009 the Parliament adopted a proposal to extend the limitation settled in section 14-15 paragraph 3, to also cover written agreements between an employer and an employee concerning deduction. The employer will pursuant to this be clearly obliged not to enter into agreements concerning deductions which will make an employee unable to sustain himself and his family. The amended law will enter into force 1 January 2010.

The ECSR asks in their conclusions 2007 what is meant by the limitation in deductions from wages "to that part of the claim which exceeds the amount reasonably needed by the employee to support himself and his household" and in particular describe how and according to what criteria the amount is decided on.

According to the preparatory works (Ot.prp. (white paper) number 41 (1975-76) on page 69), the assessment of the employer as regards what is reasonably needed by the employee to support himself and his household, have to be approximate. It cannot be required from the employer to make a complete analysis of the economic situation of the employee.

Nevertheless, the employer in the future clearly has to take into account if the employee claims that a proposed or agreed deduction imply a too heavy economic burden. As a consequence, the employer may require documentation of the contractual obligations the employee claims to have. Generally, the practical consequence of the regulation will be that the deduction is carried out through a smaller amount every month over some time, rather than a deduction of the whole amount from one single wage payment.

## Question 2 - Implementation of the legal framework

If the employer and the employee do not agree about the level of deduction from wages, it will firstly be a question of negotiations between the two parties. If they do not agree about the level and the employer is deducting a too high amount for example monthly, the employee may take the case before the court of justice and have a judgment concerning the level of deduction. It will also be possible to have a temporary precautionary measure while waiting for the case to be handled by the court.

Creditor Security Act section 2-7 has the same formulation regarding limitation of deductions from wages related to a general regulation concerning attachments of earnings carried out by the authorities. When the court assesses the situation of the employee it probably has to be done according to the same criteria established by the court regarding this law.

"What is reasonably needed" is considered to be a legal standard. The standard implies that it has to be taken a stand to what is the acceptable minimum of existence.

Systematically the assessment is done by comparing the income side with the current spending. There is a lot of case law regarding the elements of this assessment, which we assume will be the basis of the assessment of the court also in cases regarding the WEA section 14 - 15 paragraph 3. The elements are inter alia what sort of income may be taken into account (salary, overtime payment, holiday allowances, pension, other income in the household, capital income etc.), what do the word "household" imply (spouse, partner, other cohabitants, children, stepchildren etc.) and what expenses regarding housing, food, clothing, transport and travelling costs etc. may be taken into account.

The debtor has a right to keep what is "needed to support himself and his household". Supreme Courts standards indicate that it is correct to assume social assistance rates by shortterm deductions. This is a starting point and the level seems to be too low on the more longterm deductions. In the end the assessment have to be concrete and regarding the individual situation.

Finally, violation of the WEA is a criminal offence, and the employee may also report charges on too heavy deduction from wages to the police, which will assess whether the case shall be prosecuted or not.

## Article 5 The right to organise

Question 1 – General legal framework

Reference is made to previous reports and to the conclusion of the ECSR from 2006 which states that the situation in Norway is in conformity with Article 5 of the revised Charter. However, the Committee asks Norway to give an account of updated information on Article 5.

There are no changes in the basic legal situation. The Norwegian non-statutory law principle regarding freedom to organise, is founded on common sense of justice, prerequisites in the legislation and practice in the working life, and is clearly stated inter alia by the Supreme Court judgment of 9 November 2001 in a case between Norwegian People's Aid and a former mine clearance worker. This legal situation and relevant judgments are accounted for in previous reports.

Since the last report in 2005 (the 3<sup>rd</sup> Norwegian report) a new Supreme Court ruling relating to freedom of association has been given. In a judgment of 24 November 2008 the question whether employees who benefited from a collective agreement, but were not themselves members of the union which was party to the agreement, could be imposed a fee which shall compensate for a proportionate part of the union's expenses concerning negotiating, controlling and maintaining the collective agreement. The Supreme Court found that the monitoring fee which the Norwegian Seamen's Union imposed on non-members covered by their collective agreement, was unlawful and unwarranted.

The Court first stated that freedom of association is a fundamental human right protected under international law (the Convention for the Protection of Human Rights and Fundamental Freedom article 11, the Revised European Charter article 5 and the International Covenant on Civil and Political Rights article 22) as well as a part of Norwegian law. The Court also underlined that both the positive and the negative aspect of the principle of freedom of association are covered by the protection.

As of the lawfulness of the wage monitoring fee in question, the Court stated that per se it is not contrary neither to the relevant international instruments nor to Norwegian law that workers who are not organised in the union are imposed a fee to cover the union's expenses in monitoring that they have the pay and other terms of work they are entitled to, provided, however, that some conditions are met. Firstly, the fee must only be used to control these workers' wages and working conditions, and secondly, it must be possible to supervise and check that the fee is not used to other purposes, as this would imply that the workers were imposed to support a union they do not want to be a member of. Thirdly, the monitoring fee imposed on unorganised workers must not be disproportionate. Applying these principles the court found that the monitoring fee was unlawful and unwarranted, as the fee was too high (equal to ordinary membership fee) as well as disproportionate, and the union was also unable to show that the fee was solely used to legitimate purposes, i.e. the monitoring tasks.

The judgment is considered to deepen and clarify the Norwegian non-statutory law principle regarding freedom to organise.

## Question 2 – Implementation of the legal framework

Reference is made to the previous reports.

#### Question 3 - Figures, statistics and relevant information

Please follow the link and find a new report relevant for the reference period, concerning labour relations in Norway, formulated by Espen Løken and Torgeir Aarvaag Stokke, Fafo. Fafo (Institute of Applied Science) is an independent and multidisciplinary research foundation inter alia focusing on social welfare and trade policy, labour and living conditions. Of special interest regarding the right to organise will be the chapter about the organisations, cf. pages 21- 31.

http://www.fafo.no/pub/rapp/20123/20123.pdf

A paper version of the report *Labour relations in Norway* is in addition enclosed to the report – enclosure 2.

## Article 6 The right to bargain collectively

#### Article 6§1 Joint consultation

#### Questions 1, 2 and 3

There have been no changes in the legal framework. Hence, reference is made to previous reports.

## Art 6§2 Promotion of machinery for voluntary negotiation

#### Questions 1 and 2

There have been no changes in the legal framework and reference is made to previous reports.

#### Question 3 - Figures, statistics or other relevant information

Below follows an account on the wage rounds in 2005, 2006, 2007 and 2008, which are mainly summaries of reports from Fafo (Institute of Applied Science), published on <u>www.eurofound.europa.eu/eiro</u> and in the State Mediator's annual reports.

#### Wage settlements 2005

The 2005 collective bargaining round in Norway was an intermediate settlement, which normally involves minor adjustments to wage rates agreed in the previous year's main settlement. Around 500 collective agreements entered into between a nation-wide employers' organization and a trade union were subject to renegotiation, and very few of them were subject to mediation, namely 14. Two of them ended in conflict, and in one of those arbitration was imposed in early 2006, see under article 6§4 3).

#### Wage settlements 2006

In 2006 the nationwide biannual collective agreements were renegotiated, resulting in expected wage increases varying from 3.3 percent to 4 percent. The settlement was a so-called main settlement, during which the social partners have an opportunity to renegotiate their whole biannual collective agreements. Bargaining in the private sector was carried out at industry level, which means that each sectoral or industry collective agreement is negotiated separately.

Pay negotiations commenced on 6 March 2006 with negotiations between the social partners in the 'trend setting trades' (metal industries, building and construction, textile industries and the cardboard container production sector). Negotiations resulted in a general increase of NOK 1 per hour for all employees covered by the agreements. Employees in areas not covered by additional company level negotiations were entitled to a wage increase of NOK 1.50 per hour. Other pay scale rates, including minimum wage rates, were also adjusted, and the result was expected to give an average wage increase of 3.3 percent for blue-collar employees in the manufacturing industry. In wholesale and retail trade a general increase of NOK 1.50 per hour was awarded, in addition to a low-wage increase of NOK 2.50 per hour. Provisions allowing for one hour of paid leave of absence per day for breastfeeding purposes were also introduced. In the hotel and restaurant sector a general increase of NOK 3.70 per hour was awarded to all employees. This is a substantial increase compared to the previous period. Negotiation in the building and construction sector ended in strike action on 2 April 2006. The strike was short lived, and the social partners managed to agree on a general increase of NOK 1 per hour.

In the finance sector, the parties did not come to terms. When the conflict threatened to stop all banking activity, including Internet banking, the Government intervened and the dispute was transferred to compulsory arbitration. See also under article 6§4 3).

Negotiations in the state sector proved difficult in 2006. In the end, three of the four confederations, YS, LO and UNIO, accepted the proposal for a new agreement presented to them by the State Mediator. However, the fourth confederation, The Federation of Norwegian Professional Associations (Akademikerne), had already taken strike action. Akademikerne has long called for changes to the state sector bargaining system, seeking to move away from centralised wage formation. The strike was stopped by compulsory arbitration. See also under article 6§4 3). In the municipal sector the parties accepted the proposal for a new agreement presented to them by the state mediator.

One dispute from the 2005 rounds and two from the 2006 rounds were stopped by means of compulsory arbitration, to be solved by the National Wages Board. Other large strikes taking place were the short lived actions taken in the building sector, involving the whole sector, the strike among employees in the public broadcaster NRK, in the telecom company Telenor, as well as among employees in electricity companies affiliated to the Confederation of Norwegian Enterprise (NHO).

Figures from Statistics Norway show that just below 147 000 working days were lost as a result of industrial disputes in 2006. The annual report of the Norwegian State Mediator shows that almost half of the conflicts in the 2006 settlement were related to wage issues, while the other half concerned the question of gaining influence and control over occupational pension schemes and the issue of company level bargaining.

#### Wage settlements 2007

The 2007 collective bargaining round in Norway was again an intermediate settlement, which normally involves minor adjustments to wage rates. Around 500 collective agreements entered into between a nation-wide employers' organization and a trade union were subject to renegotiation. Remarkably few of them were subject to mediation.

The 2007 wage bargaining round resulted in wage increases above the average in the previous years. The 2007 collective bargaining round did not generate any major industrial conflicts.

#### Wage settlements 2008

The 2008 collective bargaining round was a main settlement and provided the highest wage growth for Norwegian wage earners in 10 years. Moreover, few conflicts emerged in connection with the negotiations. Collective bargaining in 2008 not only involved bargaining over pay, but also renegotiation of the agreement-based early retirement scheme or 'agreement-based flexible pension', AFP. The government contributed substantial funds to put a new AFP scheme in place, and agreement was also reached on the main principles of a revised early retirement scheme in the public sector.

In the private sector, negotiations were carried out as industry-wide talks between the Norwegian Confederation of Trade Unions (LO) and NHO. This means that all of the agreements between trade unions affiliated to LO and employers affiliated to NHO were subject to joint renegotiations. Similar discussions also took place between the Confederation of Vocational Unions (YS) and NHO.

A large part of the mediation cases in 2008 concerned public administration or public enterprises, and most conflicts also took place here. The conflicts were mainly small and of short duration, as the parties managed to come to terms after a few days of strike action. A rather comprehensive strike took place in the public sector at municipal level, where the main employee confederation, the Confederation of Unions for Professionals (Unio), failed to reach agreement with the employer side. Pre-school facilities, nurseries and schools were particularly affected by the ensuing strike action. After 12 days of conflict the parties came to terms on a new agreement.

The number of working days lost to industrial conflicts in 2008 was less than 90 000 working days. This is well below the number of days lost within the context of collective bargaining in recent years. One explanation for this relatively positive outcome is that this year's settlement

was carried out industry-wide, which is a form of bargaining known to produce fewer strikes and a lower number of working days lost to industrial disputes.

#### Article 6§3 Conciliation and arbitration

#### Questions 1 and 2

There have been no reforms in the legal framework, and reference is made to previous reports.

Question 3 Figures, statistics or other relevant information

Please see under Article 6§4, question 3 below.

## Article 6§4 The right to collective action

#### Question 1 and 2

There have been no reforms in the general legal framework. Hence, reference is made to previous reports.

## Question 3 Figures, statistics or other relevant information

Year	Conciliations	Conflicts	Acts on compulsory
			arbitration
2005	14	2 (+ 2 from 2004)	1 (from 2004 rounds)
2006	117	14	3
2007	17	1	0
2008	43	9	0

Statistics on conciliation, conflicts and arbitration\*

\*Figures from the State Mediator's annual reports

Below follows an account on the four Parliament interventions imposing compulsory arbitration.

## 2005

An industrial conflict from the 2004 bargaining round involving Norwegian *elevator constructors* was halted in the very beginning of 2005. On 28 January, the Norwegian government placed a bill before Parliament recommending the use of compulsory arbitration to end a five-month industrial conflict between the Norwegian Electricians' and IT Workers'

Union (EL &IT Forbundet), and the Technical Contractors' Association Norway (Tekniske Entreprenørers Landsforening, TELFO). The government's proposal was grounded in the safety risks evolving in elevators not being subject to maintenance during the conflict.

The elevator constructors went out on strike on 24 August 2004 following the social partners' failure to conclude a new collective agreement for this group. TELFO responded to the strike action taken by imposing a lock-out in September 2004. The conflict escalated several times during the autumn, and when it ended in January 2005 the strike involved 481 out of 608 elevator constructors in Norway. The conflict lasted for five months, which is relatively long in the Norwegian context. While the employers were restrictive in allowing for dispensation to work during the conflict, the unions established their own company, Elevator Service AS (Heistjenesten AS).

In a report 20 January the National Office of Building Technology and Administration (Statens bygningstekniske etat, BE) raised concerns about the general safety situation of elevators during such a long conflict. BE grounded its concerns in the fact that general and routine maintenance were not being carried out as long as the conflict lasted. BE further reported that it was not possible to overview the number of lifts out of order, but the number was strongly accelerating, and stated that the lack of repairs and maintenances would imply danger of lift stops that could lead to critical situations. BE found the safety situation severe. The health authorities reported at the same time that the conflict implied huge inconveniences and a difficult life situation for all dependent on lifts, especially disabled, elderly people and families with young children.

On this background and with a special emphasis on the fast increasing hazard concerning safety reported from the BE which could endanger life and health, the Government decided to propose the more than five months long dispute to be solved by compulsory arbitration. The social partners ended their action and work resumed after the Minister of Labour and Social Affairs informed them of the government's intention to place before parliament a proposal for compulsory arbitration. The bill was adopted by Parliament by Act 18 February 2005 No. 9, and the dispute was referred to the National Wages Board for settlement. The act imposing the strike ban expired on 11 April 2005, when the National Wages Board gave their decision in the dispute. Basically the National Wages Board is a permanent voluntary arbitration body put at the disposal of the workers' and employers' organisations in order to settle industrial conflicts. In each particular case three neutral members and one member from each of the disputing parties have the right to vote. The National Wages Board is a free-standing body which resolves the conflicts submitted to it against the background of the material presented by the parties in the individual conflict.

#### 2006

#### Ambulance planes

The first intervention was in the health sector and concerned air ambulance pilots. A bill proposing compulsory arbitration of the dispute was adopted by Parliament by Act 3 March 2006 No. 5. According to the 2004 conclusions on Article 6 paragraph 4, ECSR no longer considers interventions in the health sector as part of the reporting procedure.

#### The financial sector

On 20 April 2006 the Finance Sector Union of Norway (Finansforbundet) and the Norwegian Employers' Association for the Financial Sector (FA) began their bargaining round, in order to renegotiate wages and working conditions of about 26 000 employees in the sector. In

addition to wage claims, Finansforbundet tabled the demand to make existing occupational pension schemes part of the sector's collective agreement. Most employees in this sector have contribution-based occupational pension schemes which are considered to be among the most generous in Norway, but which are not part of the collective agreement.

The following mediation failed to bring the parties to terms, and the trade union called out some 6020 members from a number of insurance companies on strike from 1 June 2006. Finansforbundet warned that a further 1500 employees in banking would join the strike from 12 June, to which the employers responded by issuing notice of a lockout of the remaining members of Finansforbundet, which would have stopped all types of bank services from the same date.

On 11 June, i.e. the day before the lockout was to be effected, the Government informed the organisations about its intentions to intervene in the conflict by means of compulsory arbitration. The Government based its decision on reports from the Financial Supervisory Authority of Norway (Kredittilsynet), the Bank of Norway and social insurance authorities. Later the same day the union followed up by calling an end to the strike. On 12 June the Government put forward a bill proposing compulsory arbitration of the dispute, which was later adopted by Parliament by Act 16 June 2006 No. 10 The act imposing the strike ban expired on 17 August 2006, when the National Wages Board gave their decision in the dispute. As referred above the National Wages Board is a free-standing body which resolves the conflicts submitted to it against the background of the material presented by the parties in the conflict, and three neutral members and one member from each of the disputing parties have the right to vote.

The background for the government intervention was this: From 12 June the conflict would, with few exceptions, expand to include commercial banks and savings banks. The 11 remaining banks, not being directly involved, would, however, also be strongly affected by the conflict, as all joint operations within payment service systems would be closed down due to safety reasons.

According to Norges Bank during the conflict it would not be possible for the public to carry out payments through the banks, as the banks would be closed, and the payment terminals, telebanks, internet-banking and minibanks (ATMs) would not be available. Paperbased giro would not be handled. Cheques could be an alternative, but are almost out of use in Norway. Some places pure credit cards could be used, provided paper based, non-electronic solutions were at hand. Most grocery shops e.g. do not have such solutions. Norges Bank further stated that neither wages nor national insurance benefits would be available at the receivers' accounts. The public could still use cash for payment of goods and services, but as minibanks (ATMs) and bank premises would be closed, people would have to depend on the cash they had at their disposal at the start of the conflict. Many people are not in an economic position enabling them to build up cash reserves beforehand. Without access to wages or benefits many would be prevented from buying necessities as food, medicines, etc.

For persons dependent on unemployment benefits, old age pensions or social service benefits the situation would immediately become difficult. According to the social insurance authorities vast amounts in unemployment compensation and social benefits including pensions were due for payment on 12 June and the following days. Although Rikstrygdeverket (National Insurance Administration) had seen to it that the request for the payment of pensions was transferred to the banks in advance, in case of the announced lockout the money would still be inaccessible to the receiver. Actat (Norwegian Directorate of labour) and Rikstrygdeverket on 9 June applied FA for a dispensation from the announced lockout. The application was denied.

Kredittilsynet stated that such an extensive conflict rapidly would paralyze vital functions in society. A halt in all payment systems would stop most trade and service activities, and society as a whole would quickly come to a stop.

The Government found that the consequences of the announced escalations were so detrimental to society that the situation had to be avoided. The Government particularly emphasized that transfer of payments constitutes an infrastructure which is critical in a modern society, and which it is essential to maintain without disruptions. As the conflict from 12 June would cause a close-down of practically all bank activities, this would immediately result in serious problems for receivers of national insurance benefits, for the individual consumer and for trade and industry, and intervene in the households' possibilities to meet their daily basic needs. The Government was deeply concerned by the fact that it would not be impossible to target dispensations in order to ease the situation for those who would suffer most. The situation between the parties was deadlocked, and while it was beyond any doubts that the conflict would have to be stopped very shortly, it was also a fact that after a close-down it would take some time to get the systems in operation again. On this background the Government found it indefensible to let the parties implement the announced escalations.

#### *The State sector – Akademikerne*

The second intervention in the 2006 rounds was done to end a conflict (strike) in the state sector between the Federation of Norwegian Professional Associations (Akademikerne) and the Ministry of Government Administration and Reform (FAD). There were parallel negotiations and mediation between the four main organisations in the state sector and FAD. Three organisations came to terms with the employer while Akademikerne broke the negotiations and went on strike.

From 24 May 2006 Akademikerne took out on strike 139 members in the police and the Norwegian Food Safety Authority. From 31 May another 140 members in the same services as well as in the Norwegian Institute of Public Health went on strike, and on 6 June the strike was extended with another 328 employers in the same services. The strike had a broad range of consequences. Many criminal proceedings stopped or had to be postponed. Persons arrested could not be brought before court in order to be taken into custody. A certain minimum service was however maintained, so that those criminals regarded as potentially dangerous still could be taken into custody. In Oslo the work with cases concerning immigration stopped.

Gradually the strike among veterinaries brought about serious consequences for animal/livestock health, due to the fact that Akademikerne refused to give enough dispensations for veterinaries, and it was this situation which made it necessary for the authorities to intervene. On 7 June 2006 the Norwegian Food Safety Authority reported that the situation was critical and untenable in relation to the provisions in the Act on animal protection § 2 stating that animals shall be protected against suffering. On the same day the minister of labour and inclusion summoned the parties to the conflict for a meeting. At the meeting he expressed his concern for the situation which was mainly brought about by the lack of dispensations, and announced that the Government would put forward a bill to Parliament proposing compulsory arbitration of the dispute. The government's decision was based on the fear that striking veterinaries would threaten the health of livestock, thereby threatening the health of the population. The bill was adopted by Parliament by Act 16 June 2006 No. 18 and the dispute referred to the National Wages Board for settlement. The act imposing the strike ban expired on 15 August 2006, when the National Wages Board gave their decision in the dispute. As referred above the National Wages Board is a free-standing body which resolves the conflicts submitted to it against the background of the material presented by the parties in the conflict, and three neutral members and one member from each of the disputing parties have the right to vote.

## Article 21 The right to be informed and consulted within the undertaking

Question 1 – The general legal framework

Reference is made to previous reports regarding provisions in the WEA of 1977.

There are both legal and collective agreed foundations for employee representation in Norwegian enterprises.

The ECSR has in their conclusions 2007 asked for detailed information on the new regulations, their implementation in practice and what proportion of workers that are covered by them.

The new WEA of 2005 (entered into force 1 January 2006) includes in chapter 8 new provisions concerning the workers' right to information and consultation within the undertaking, which are similar to the provisions in the LO-NHO Basic Agreement. The provisions in the Basic Agreement are described in previous reports. The new provisions are based on Council Directive 2002/14/EF, and specify a general framework of minimum standards for information and consultation with representatives of the business.

The provision in section 8-1 states the general duty for employers to inform and consult with the union representatives in issues of importance regarding employees' working conditions. The rules apply to undertakings that regularly employ at least 50 workers. Both full-time employees and part-time employees shall be regarded.

Section 8-2 first paragraph regulates what must be informed and consulted about. Section 8-2 second paragraph states when the employer shall inform and consult with employees' representatives. Information and consultation about the employment situation and on decisions about work organization and employment shall be carried out "as early as possible." Information about current and expected business development, e.g, information about the company's results for the first quarter, may be carried out at "an appropriate time." This rule gives employers a certain room to select a later suitable time.

Section 8-2 third paragraph gives further provisions about the way information and consultation shall be carried out. Consultations about decisions that can lead to significant changes in the organization of work or employment, should aim to reach an agreement. The rules give a general framework for the individual undertaking with respect to how information

and consultation specifically is to be carried out. The implementation would thus be adapted to what information and what kind of business it concerns.

Pursuant to section 8-2 fourth paragraph the implementation may be waived in a collective agreement. The collective agreement shall nevertheless meet the goals and principles that follow from section 8-1. The collective agreement shall ensure the employees' right to information and consultation on issues of importance to working conditions. It should, in other words, include certain minimum standards regarding content, timing and the way the information and the consultation are carried out. The right to information and consultation cannot be reduced so it is no reality left in this right.

Section 8-3 first paragraph states that the employer is allowed to impose the employees' elected representative and other advisors confidentiality if the needs of the undertaking require that confidential information should not be passed on. In addition, section 8-3 second paragraph states that the employer in special cases may omit to provide information or carry through consultations, if this obviously would cause significant damage to the undertaking if the information becomes known at the time. Pursuant to section 8-3 third paragraph disputes regarding the employer's decision pursuant to the first paragraph, shall be brought before the Industrial Democracy Board. The Board will thus be able to settle disputes about the legality of the decision, i.e. whether the employer meets the legislative conditions to impose a duty of confidentiality or withhold information.

The WEA has also several other provisions that require information and consultation with the employees and/or representatives for the employees. These provisions apply independently of and come in addition to the provisions in chapter 8.

The employees and their representatives must be kept informed, trained and be able to take part in the introduction and modification of work organization systems, cf. the WEA section 4-2 (1).

The employer is responsible for creating workplaces where individual employees have direct participation, autonomy, variation and contact with their colleagues, cf. the WEA section 4-2 (2).

Safety representatives shall be elected at all undertakings subject to the WEA, cf. the WEA section 6-2. The safety representative shall safeguard the interests of employees in matters relating to the working environment. The safety representative shall ensure that the undertaking is arranged and maintained, and that the work is performed in such a manner that the safety, health and welfare of the employees are safeguarded in accordance with the provisions of the WEA. The number of the representatives depends on the size of the enterprise. The company is responsible for financing the training of these representatives.

The WEA in addition makes working environment committees compulsory in all enterprises having more than 50 employees, and in enterprises having between 20 and 50 employees if required by one of the local parties. These committees shall have an equal number of representatives from the employers' and the employees' side. The employer still has the main responsibility for a fully satisfactory working environment, according to the law. The working environment committee shall nevertheless work for a fully satisfactory working environment in the enterprise, inter alia consider plans that may be of material significance for the working environment, such as plans for construction work, purchase of machines, rationalization, work

processes, and preventive safety measures, cf. the WEA section 7-2. The members of the committees are entitled to necessary training to do the work in the committee.

In case of implementation of control measures in the undertaking, the employer is obliged as early as possible to discuss needs, design, implementation and major changes with the employees' elected representatives, cf. the WEA section 9-2.

In case of mass redundancy, defined as the redundancy of 10 employees over a period of 30 days, the provisions in the WEA section 15-2 establish the obligation of consultation with the employees' elected representative, at decision-making level, in order to reach an agreement on the possibilities of avoiding redundancies or mitigating their consequences, supplying written information to the elected representative.

In case of transfer of undertakings, the former and new employer shall as early as possible provide information concerning the transfer and discuss it with the employees' elected representatives, cf. the WEA section 16-5 and 16-6. Information shall particularly be given concerning the reason for the transfer, the legal, economic and social implications of the transfer for the employees, changes in circumstances relating to the employees, measures planned in relation to the employees, rights of reservation and the time limit for exercising such rights.

In cases where the employer is assessing a dismissal with notice, the employee and the employee's elected representatives have the right to be consulted about the matter before the final decision is taken, cf. the WEA section 15-1.

In addition, there are several other laws which have provisions on information and participation. E.g., the employees have pursuant to the Joint Stock Company Act the right to request representation in corporate bodies. The law applies to all companies having more than 30 employees (average over the last three financial years). There are also provisions concerning corporate assemblies applying to companies having more than 200 employees.

#### Question 2 – Implementation of the legal framework

The Norwegian Labour Inspection Authority gives guidance and information concerning the requirements of the WEA. For information about the instruments used for enforcement, see "Implementation of the legal framework" under art 2§4.

The Norwegian Ministry of Labour established in 2009 an expert group which will review and evaluate whether the provisions in the WEA concerning the workers right to be informed and consulted and the provisions in the Joint Stock Company Act are functioning in practice.

#### Question 3 – Figures, statistics or other relevant information

The Committee has also asked for the new regulation's implementation in practice and what is the proportion of workers covered by them.

It is difficult to determine what the exact proportion of the workforce covered by either the legal arrangement in the WEA chapter 8 or collective agreed arrangements, but a recent

survey on the prevalence of industrial democratic legislative arrangements shows that systems for information and consultation within the undertaking are established in 1 out of 3 enterprises where an arrangement is required by law.

In addition, a large amount of workers are covered by the collective agreed arrangements. As mentioned in previous reports about 52 percent of the workforce in the private sector is formally covered by collective agreements. According to case-law and agreement practice the enterprises bound by a collective agreement are obliged to apply the agreement also to unorganized employees in the enterprise comprised by the scope of the agreement. The estimate regarding public sector are that 100 percent of the employees are covered by collective agreements of the employees are formally covered by collective agreements in this sector.

## Article 22 The right to take part in the determination and improvement of the working conditions and working environment

Question 1 – The general legal framework

The WEA chapter 8 contains as described above provisions granting the workers' elected representatives right to information and consultation regarding issues of importance to employees' working conditions. Through settlements of collective agreements employees are also given the opportunity to take part in the determination of their working conditions.

The provisions granting the employees' rights to take part in the improvement of their working environment are continued as described above in the WEA chapter 6 and 7 regarding safety representative and Working Environment Committee (WEC).

Moreover, reference is made to previous reports.

#### Question 2 – Implementation of the legal framework

Regarding implementation of the WEA chapter 8, see "Implementation of the legal framework" under art 2§4.

The Norwegian Labour Inspection Authority continuously supervises and controls that the legislation are complied with.

#### Question 3 - Figures, statistics or other relevant information

Regarding statistics on the prevalence of arrangements pursuant to the WEA Chapter 8 and collective agreements, we refer to the answer above (Article 21, question 3).

A recently published report referred to above, on the industrial democratic arrangements prevalence, shows that 83 percent of the workers who were asked are working in enterprises where safety representatives are established. Of those working in enterprises that are obliged to establish working environment councils, it is established in 2 of 3 cases.

## Article 28 The right of worker representatives to protection in the undertaking and facilities to be afforded to them

#### <u>Question 1 – The general legal framework</u>

The employee's representatives' protection against unfair dismissal has been continued in the revised WEA section 13-1, 15-7 and 15-14. These are the general rules that apply in dismissal cases. A dismissal must be objectively justified. The courts will take into consideration that the employee is a union official when assessing if a dismissal is objectively justified.

Furthermore, the WEA section 2-5 provides a special protection against retaliation after notification/warning of unacceptable conditions within the undertaking.

In addition, collective agreements secure an expanded protection against dismissal for employee's representatives. According to the Basic Agreement section 6-11 the minimum period of notice is 12 weeks. The issue must first be discussed with the shop stewards` executive committee and, in the event of the committees' disagreement; dismissal from the enterprise cannot take place before a judgment has been issued by the Labour Court.

Collective agreements also secure facilities to enable the representatives to carry out their functions, such as paid time off to perform their tasks, the right to hold meetings during working hours and the use of premises and materials for the operation.

#### Question 2) – Implementation of the legal framework

The labour relationships of the employees' representatives are protected by the same sections in the WEA as other employees, cf. in particular chapter 15 concerning termination of employment relationships, and have to be prosecuted by the employee individually, if necessary through the courts. Trade unions will often support the employee financially if the termination is considered unjustified by the employee side or seems to be grounded on the representative's role or tasks in the enterprise.

Trade unions may in addition prosecute a termination of a representative's labour relationship through the Labour Court, according to the Basic Agreement.

#### Question 3 – Figures, statistics or other relevant information

We have no statistics, but there are several judgments which states that elected representatives have an extended employment protection in accordance with the WEA, compared to the other employees.