



Industrial relations and social dialogue
**Norway: Working life in the
COVID-19 pandemic 2021**

Author: Anne Mette Ødegård (Faflo Institute for Labour and Social Research)

Research manager: Christine Aumayr-Pintar (Eurofound)

Eurofound reference number: WPEF22030

© European Foundation for the Improvement of Living and Working Conditions (Eurofound), 2022

Reproduction is authorised provided the source is acknowledged.

For any use or reproduction of photos or other material that is not under the Eurofound copyright, permission must be sought directly from the copyright holders.

Any queries on copyright must be addressed in writing to: copyright@eurofound.europa.eu

Research carried out prior to the UK's withdrawal from the European Union on 31 January 2020, and published subsequently, may include data relating to the 28 EU Member States. Following this date, research only takes into account the 27 EU Member States (EU28 minus the UK), unless specified otherwise.

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.

European Foundation for the Improvement of Living and Working Conditions

Telephone: (+353 1) 204 31 00

Email: information@eurofound.europa.eu

Web: www.eurofound.europa.eu

Contents

Introduction	1
Political context	2
Governments and social partners response to cushion the effects.....	3
Adapting to the pandemic and the return to work: Policies and debates	6
New occupational health and safety rules	6
New working arrangement policies	7
Labour shortages.....	8
Wages and wage-setting	10
Impacts on the social dialogue and collective bargaining.....	12
Labour disputes in the context of the pandemic.....	13
Commentary and outlook	14
References.....	15

Introduction

The Norwegian society opened the 25 September 2021, celebrating a farewell to all public infection measures following the spread of COVID-19. However, a few months later, the government introduced new restrictions, due to the spread of the Omicron variant of the virus.

During 2021 Norway was able to keep the infection of COVID-19 at a manageable level. The year started with the introduction of new measures. Higher education switched to digital teaching, workers were sent to telework, serving of alcohol stopped and the whole society was subjected to social distancing measures, including use of facemasks and restrictions on visits at home and limitations of people at events. Kindergartens and schools were kept on a “traffic light model” with guidelines for cohorts and contacts. Sports activities were stopped (elite sports had exemptions).

There was throughout the year a combination of national and local measures, related to the infection rates in different parts of the country. According to the government, Norway had one of the strongest immigration and testing regimes in Europe. The population was advised to avoid travels, there were border controls and mandatory quarantine in hotels in certain periods.

During the spring, the government launched their plan to reopen, with the slogan “data, not dates”, meaning that the plan depended on the development of the infection level, vaccination-rates, and the capacity in the health sector. The reopening was done step by step from the end of April to the end of September.

In December 2021, “the rules of the game changed”, to quote prime minister Jonas Gahr Støre who took office following the general election in September. By this, the social distancing, telework, facemasks, and the ban to serve alcohol were back. In addition, schools at upper secondary level were put in the red category, meaning smaller groups and more online teaching. These measures were still in place by the end of the year.

There has been a very high growth in mainland Norway's GDP since April 2021, and the economy was approaching a normal level, according to Statistic Norway. In September the economic activity was 2% higher than in the period before the pandemic. In its forecasts, Statistic Norway assumed that the new measures late in the year, will have a limited and temporary negative effect on the economy (Statistisk sentralbyrå 2021). In December, the unemployment figures were at 3.5% of the workforce, the same level as before the pandemic (fully and partly unemployed) (NAV 2021).

In the third quarter of 2021 the employment rate was close to 70% (age 15 to 74 years), 1 percentage point above the same period in 2019 (SSB) The share of temporary employment rose from 8.7% in the third quarter of 2019 to 9.8% in the same period in 2021, according to Statistic Norway.

The current vaccination status on 10 January 2022 is that 89.5% of the population above 18 years of age have got two doses, 35% have got a third dose. The vaccination program started at the end of December 2020. In May it was decided to prioritize those parts of the country with the highest infection rates. At the same time, Astra Zeneca and Janssen-vaccines were excluded from the program, and it was decided to use Pfizer BioNTech and Moderna. The age-group 18-24 years was given priority before the group from 25 to 39 years of age, because of the political goal to shield youngsters.

Political context

From 2013 to 2021, there was a conservative-centrum Government in office. This government had through its period different compositions of the four parties The Conservative Party, The Liberal Party, the Christian Democratic Party, and the Party of Progress. All through this period, Mrs. Erna Solberg from the Conservative Party, was the prime minister. This was a minority-government in 2021, and on several occasions, the parliament (Stortinget) instructed the Government to make changes and extensions for different measures connected to the pandemic.

Norway had a general election for the parliament (Stortinget) in September 2021. After the election, a government led by the Social Democratic party in cooperation with The Centre Party took office in October. The current government does not have a majority in the parliament and is, first and foremost, depended on the support from the Socialist Left Party. In the period of transition of power, mid-September to mid-October 2021, there were no active restrictions in connection with the pandemic. Hence, there were no delays or major disputes about policy regarding COVID-19. Moreover, there has overall been a high degree of political consensus about measures to control the infection level and economic packages to support businesses highly affected by the pandemic, both before and after the general election.

Governments and social partners response to cushion the effects

The Norwegian parliament passed in December 2020 a temporary cash benefit scheme for enterprises with a large fall in turnover.ⁱ The national business compensation scheme was extended in 2021 and reopened for January 2022 (regjeringen.no 2022a). From June it was also possible to apply for compensation for lost stock for the period November 2020-April 2021, for enterprises that were ordered to close (Brønnøysund Register Centre 2022).

In January 2021, the parliament instructed the Government to propose a new wage support scheme. This was developed together with the social partners and established for the period 15 March to 31 August 2021.ⁱⁱ A later scheme applied for December 2021 and January 2022 and comprised business that were hit hard by infection control measures. First and foremost, hotels, restaurants, bars, theatres, and cinemas. The monthly support was limited to NOK 40,000 (approximately €4,000) per employee and maximum 80% of gross salary (regjeringen.no 2022b).

The regulation of temporary layoffs has been amended to reduce employers' costs to adapt to market failure and avoid permanent dismissals.ⁱⁱⁱ The period where employers must pay wages during layoffs was reduced from 15 to 2 days. To reduce the burden on workers, the waiting time for unemployment benefit was removed for the laid off. The period was from 20 March 2020 to 1 November 2021, and later extended to February 2022. Compensation for people with low earnings was reinstated, secured by lowering the requirement for previous income to receive unemployment benefits (regjeringen.no 2021a).

A compensation scheme for apprentices is aimed at the many apprentices who are affected by the virus outbreak and laid off or lose their apprenticeship.^{iv} The measure was extended to February 2022 (regjeringen.no 2021b).

The compensation scheme for the solo self-employed and freelancers who had lost income was continued through 1 October 2021,^v and is now proposed a further extension for 2022 (Prop. 48 LS 2021-2022).

To make it possible for the many unemployed to acquire new skills and knowledge, the government acted in April 2020 on an initiative from the social partners and made it temporarily easier to study or do training while receiving unemployment benefits.^{vi} From 1 October the possibilities to combine education and unemployment benefits has become permanent (Stortinget 2020-2021).

Employer's funding responsibility for coronavirus-related sick leave was reduced from 16 to three days in March 2020 and extended to 31 October 2021.^{vii} The extended right to care benefit for employed parents was continued throughout 2021^{viii} and prolongation of this measure in 2022 (Prop. 48 LS 2020-2021). A compensations scheme for companies that had additional costs for entry quarantine was implemented in November 2020^{ix} and extended until June 2021.

A grant scheme for events with cultural or artistic content was introduced from October 2020 and extended to December 2021. Organizers are covered up to 95% of their unavoidable cost related to cancelled or scaled-down cultural events.^x In February 2021 the Government announced an allocation of NOK 165 million to support actors, practitioners, and companies in the cultural sector.^{xi} A new compensation scheme will run until 30 June 2022.

In its budgetary proposal for 2021 (Prop. 79 S (2020-2021)) the Government proposed to extend the support to organisers of large open events outside the culture and sports sector.^{xii} The scheme ran until 31 October 2021 and was reintroduced for the period December 2021 – March 2022.

Subsidies to commercial bus and passenger boat operators was adopted in July 2020.^{xiii} This was prolonged to be active if authorities had imposed public health measures and is decided to last until March 2022 (regjeringen.no 2021c).

In February 2021, the parliament approved NOK 1 billion for restructuring projects in the tourist industry. NOK 50 million was allocated to restructuring projects in the event industry.^{xiv}

The impact of the crisis has been different for local communities and sectors across Norway. This is the background for the municipal compensation schemes.^{xv} The municipalities receive in total NOK 2.25 billion, distributed by size.

The right to sick pay for employees subject to travel restrictions applied from 29 January 2021 and as long as travel restrictions exists for work-related travel. The employer must pay the sick pay in advance.

In March 2021, the Government granted NOK 300 million for in-company training for all companies.^{xvi}

In November 2020, the Government found it necessary to further assist the aviation industry and proposed to extend the term and withdrawal period of loans under the aviation guarantee scheme. The credit period was extended by 6 months, and that the term of the guarantees was changed from two to three years.^{xvii} The passenger tax on air flights was lifted in 2020 and 2021.^{xviii}

The Ministry of Finance decided to follow The Central Bank's advice to reduce the countercyclical capital buffer requirements for banks from 2.5 to 1% in March 2020.^{xix} In June 2021 the decision was made to raise the countercyclical capital buffer rate to 1.5%, effective from 30 June 2022.

The wage support scheme was developed together with the social partners, and the proposal was launched in a tripartite setting in March 2021. This can illustrate the close cooperation during the crisis. All the major organizations for employers and employees have been active in designing and adjusting measures, and the partners have been consulted and informed about new initiatives.

This follows a long tradition for tripartite cooperation, based on mutual trust and willingness to compromise. The Norwegian Trade Union Confederation (LO) has a close cooperation with the Social democratic party but stated anyway that the cooperation with the conservative Government during the crisis had ensured the economy and workplaces (LO 2021). Unio, Confederation of Unions for Professionals, underlines that the value of the tripartite cooperation rarely has been clearer than under the pandemic (Unio 2020). Also, the employer organization The Confederation of Norwegian Enterprise NHO praise the ability to continuously work together during crisis, despite disagreements. Following the media-coverage through 2021, there have been serious disagreements about strength and arrangements of the measures, and sometimes irritation over late progression. Still, following one of the conclusions from the Corona Commission,¹ the value of the cooperation showed itself by

1 An independent commission, appointed by the government, presented its first evaluation of the authorities' handling of the pandemic in April 2021. <https://www.koronakommisjonen.no/mandate-in-english/>

giving the authorities vital input and that measures subsequently became anchored in the organizations.

-
- ⁱ Eurofound (2020), [New business compensation scheme for enterprises with large fall in turnover](#), case NO-2020-36/1651 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ⁱⁱ Eurofound (2020), [Wage support to re-employ previously laid off staff](#), case NO-2020-27/1206 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ⁱⁱⁱ Eurofound (2020), [Temporary amendment to the regulation of layoffs](#), case NO-2020-12/720 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{iv} Eurofound (2020), [New compensation scheme for laid off apprentices](#), case NO-2020-12/781 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^v Eurofound (2020), [Temporary income assurance scheme for self-employed and freelancers](#), case NO-2020-14/724 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{vi} Eurofound (2020), [Right to combine unemployment benefit with training](#), case NO-2020-17/949 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{vii} Eurofound (2020), [Reduction of employers' responsibility for funding sick-leave to three days if illness is COVID-19-related](#), case NO-2020-12/726 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{viii} [Extended right to care benefit for employed parents](#), case NO-2020-1/755 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{ix} Eurofound (2020), [Grant for additional costs for entry quarantine](#), case NO-2020-45/1664, case NO-2020-40/1660 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^x Eurofound (2020), [Grant scheme for events with cultural or artistic content](#), case NO-2020-40/1660 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xi} Eurofound (2020), [Allocation to existing schemes in the cultural sector](#), case NO-2021-6/1808 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xii} Eurofound (2020), [Support scheme for large open events](#), case NO-2020-10/1658 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xiii} Eurofound (2020), [Subsidies to commercial bus and passage boat operators](#), case NO-2020-23/1244 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xiv} Eurofound (2020), [Funding of restructuring projects in the tourist industry](#), case NO-2020-25/1824 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xv} Eurofound (2020), [Umbrella scheme for liquidity support for undertakings in municipalities](#), case NO-2021-9/1932 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xvi} Eurofound (2020), [Support for in-house training](#), case NO-2021-15/1940 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xvii} Eurofound (2020), [State loan guarantee for airlines](#), case NO-2020-14/728 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xviii} Eurofound (2020), [Temporary cancellation of the air passenger tax](#), case NO-2020-1/718 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.
- ^{xix} Eurofound (2020), [Countercyclical capital buffer is reduced](#), case NO-2020-11/800 (measures in Norway), COVID-19 EU PolicyWatch, Dublin.

Adapting to the pandemic and the return to work: Policies and debates

New occupational health and safety rules

Healthcare workers, teachers, waiters, and shop assistants are examples of professions that have been in the “frontline” during the pandemic, caring for and meeting many different people every day. The work situation and risk for infection for a hospital nurse and a bureaucrat teleworking is completely different. It is therefore difficult to talk about general workplace adaptations to the pandemic. The Norwegian Institute for public health (FHI) has therefore developed several specific guidelines for different industries.

As a basis all employers are, according to the Working Environment Act, obliged to secure “... a working environment that provides a basis for a healthy and meaningful working situation, that affords full safety from harmful physical and mental influences and that has a standard of welfare at all times consistent with the level of technological and social development of society” (section 1-1). The practical implementation is supposed to be done in cooperation between the employers, shop stewards and safety deputies.

Most workplaces that are not in the risk-zone have introduced measures like social distancing, no handshakes and installing of alcohol-based hand sanitisers. Employers have requested workers to stay at home when they have cold symptoms.

There has been a national requirement to use facemasks on public transport, in taxis, indoors in shops and in shopping centres, and businesses with one-to-one contact (hairdresser, skincare professionals, etc.) where it is not possible to keep a distance. The current national recommendations and rules stipulate that the employer shall facilitate telework where possible.

Vaccination status is personal health information. The Labour Inspectorate has assessed that the collection of information about the employees' vaccination status must be justified according to the company's needs and the collection must be proportionate and assessed against the employee's need to safeguard personal integrity (NIPH 2020).

Vaccination is voluntary. The Infection Control Act sections 3-8, 3-9 give an opening to impose vaccination, but this has not been put into action in connection with the pandemic.

In general, the employer cannot ask workers about their vaccination status or demand testing. Control measures at the workplace is regulated in the Working environment act (WEA). Before implementing control measures, it is necessary to discuss needs, design, implementation, and major changes to control measures this with the employees' elected representatives. The employer may only require medical examinations to be conducted when provided by statutes or regulations, in connection with posts involving particularly high risks, when the employer finds it necessary to protect life or health.

It is possible for the employer to relocate unvaccinated workers to other tasks (Arbeidstilsynet 2022). Major changes in work tasks cannot, however, be carried out without new agreements or formal dismissals.

There are no professions or sectors that are subject to mandatory vaccination. This question has been especially relevant for workers in the health sector. According to national guidelines, unvaccinated personnel in hospitals and healthcare should be tested twice a week, at the workplace. Unvaccinated employees working with vulnerable patients can be relocated to other departments. These guidelines are anchored in The Infection Control Act and Act relating to Health Personnel etc. Workers that do not want to be open about their vaccination status will be treated as unvaccinated.

Labour immigrants from countries subject to a period of quarantine can be asked about their vaccination-status, according to the Labour Inspectorate.

The department of law in the Trade Union Confederation (LO), has assessed the question about whether an employee can risk losing the job when refusing to take a corona vaccine or test in special circumstances. This can provide a factual basis for dismissal. However, the conclusion from the department is that it is unlikely to happen (LO 2021). The Norwegian Association of Local and Regional Authorities (KS) underlines the employers' right to manage, and that an employee who refuse to obey orders might risk suspension or dismissal.

There is, as far as we know, no court rulings concerning vaccination status or testing and access to the workplace.

New working arrangement policies

A previous study, pre-corona, showed that 39% of the jobs in Norway can be carried out from home (Holgersen et al. 2020). Still, only 10% teleworked regularly. Just after the COVID-19-outbreak, when the governmental measures directed telework for those who could, around half of the workforce did so (Nergaard 2020).

The extensive practice of telework during the pandemic has raised questions about employers' responsibility for the work environment when employees are teleworking, including health and safety, routines, costs, how employees are followed up and consequences for the social dialogue at the workplaces (Fløtten and Trygstad 2020).

In April 2020, the Ministry of Labour and Social Affairs, drew up guidelines for occupational injury benefits, stating that the workers are covered by the insurance if the telework is done on instructions from the employer.²

The current regulation for home offices (FOR-2002-07-05-715) requires a written agreement on scope, working hours, availability, and maintenance of equipment. There is, however, disagreement about whether the current regulation applies for the situation that occurred under the COVID-19 pandemic or not. The regulation does not apply to situations to brief or casual work from home but applies instead to more permanent arrangements. In April 2021 the Government proposed changes in the regulation for home offices with a consultation deadline in July. There is still no new regulation in place (regjeringen.no). The Ministry proposed, among other things, a clarification of the scope of the regulations, that it should also cover psychosocial labour-conditions, and that the Labour Inspectorate is given competence to supervise the working conditions.

² Letter from The Ministry of Labour and Social Affairs 3. April 2020 to Norwegian Labour and Welfare Administration (NAV).

A survey among employees teleworking was conducted during spring 2021.³ This was in the middle of a period when it was highly recommended by the authorities that all who could telework did so (Ingelsrud and Bernstrøm 2021). According to this study 9% of teleworkers had a written agreement about telework, 32% experienced a good work-life balance and 13% a bad balance when teleworking. The workers seemed, to a high degree, to be able to have control over the working hours and manage the division between work and their private life. Some of this might be caused by selection, i.e., employees teleworking is from the outset a group that are given a high degree of trust and autonomy (ibid.).

Fafo conducted two surveys among shop stewards in The Norwegian Trade Union Confederation (LO) on experiences with telework during the first six months of 2021 (Ødegård and Andersen 2021a). Among others, there were questions about formal agreements and/or consultations between the parties at the workplace about legal responsibility and insurances, responsibility for health and safety and work-equipment, working hours, data protection/ duty of confidentiality, and measures to cushion the effects of lack of social contact.

The scope of formal agreements and/or consultation on central issues connected to telework were limited in June 2021. Only 3% had a formal agreement on legal responsibilities and insurance and working hours. 2% had an agreement for health and safety. The shop-stewards in this survey called for better regulations for telework, especially when it comes to health and safety, and expenses related to doing the work from home.

Labour shortages

During the last decade, there has been a high demand for labour in the Norwegian labour market. Economic growth and an ageing population are among the main drivers for the shortage. Other factors are weak recruitment and high drop-out rates in education, low educational capacity, economic fluctuations, lack of apprenticeships and in some cases also a high level of part-time work and early retirement from the profession, (NOU 2020:2). In 2019 the Government and the social partners announced their fifth agreement on a more inclusive working life, lasting through 2022 (the first signing was in 2001). Its aim is to reduce sick leave and withdrawal from working life (Regjeringen 2018). The social partners have also been active in the effort to reduce the drop-out rates in education, by securing the number of apprenticeships and warned against the increasing dependency on foreign labour.

The number of employed persons increased with 189,000 from 2008 to 2019. In this period, the number of Norwegian-born employed persons decreased with more than 33,000, i.e., the whole employment growth came from abroad. A survey of business leaders in construction, manufacturing and hotels and restaurants in 2017 showed that 65% considered labour shortages to be the main reason for recruiting workers from abroad. Fluctuations in production are a common characteristic of the industries that use a lot of foreign labour, for example shipyards (Ødegård and Andersen 2021b).

The latest business survey, conducted by Norwegian Labour and Welfare Administration (NAV) (Gjerde 2021), shows that the lack of labour is highest in the health- and care sector, followed by

³ The survey comprised 5038 Norwegian employees drawn from an internet panel (Kantar) and was conducted in February and March 2021.

construction and real estate property management. Among the professions that are highly demanded, we find nurses, healthcare workers, carpenters, concrete workers, plumbers, service electronics, welders, electricians, and program developers. The shortage of labour is lower in 2021 than in 2020 and 2019 (ibid.).

An important consequence of the labour shortage, combined with a high income-level, is, as shown, a substantial inflow of labour immigrants since the EU enlargements in 2004 and 2007. The number of labour immigrants coming to Norway has during the last couple of years flattened out, and the pandemic might seem to have stimulated this trend.

The pandemic increased the need for labor in the health sector and there has been a higher demand for workers in construction from 2020 to 2021 (Gjerde 2021). According to a corona-survey from The Confederation of Norwegian Enterprise (NHO), The Federation of Norwegian Construction Industries (BNL) pointed out that almost six out of ten construction companies needed skilled workers (BNL 2021). In total, around 20% of the companies in NHO reported about lack of foreign workforce (NHO 2021). Some fish-processing companies reported during the winter of 2021 that they lacked up to 75% of the workforce.

In general, the pandemic highlighted how dependent the Norwegian labour market has become on migrant workers. In the beginning of 2021, the border was practically closed for all persons that did not have residency in Norway.⁴ This led to acute labour shortage, especially in shipyards, fishing industry (both at fishing boats and in the processing industry) and the agriculture sector.

Many of the workers from Central- and Eastern Europe have settled down in Norway. Most of them also stayed permanently in the country during the pandemic (Ødegård and Andersen 2021b). The situation was therefore most critical for employers that depended on workers travelling from and to their home-countries, like commuters, posted workers and seasonal workers.

Variable regulations of border control, quarantine rules and testing regimes, and the discussions around these measures, marked the whole year of 2021. This even resulted in a new buzzword: “import-infection”. The employers’ organisations actively lobbied the need for exemptions for labour immigrants necessary to keep up the production. Trade unions were mostly concerned about workers not getting paid because they were locked out from the country or in quarantine after arriving to Norway. The quality of quarantine places also became an important topic. This led to a requirement that the place of residence for an entry quarantine provided by the employers, had to be pre-approved by the Norwegian Labour Inspectorate.

From March to September 2021, the agriculture sector got exemption from the restrictions on foreign labour to maintain necessary operations. Moreover, seasonal workers were later permitted to stay in Norway for the rest of the year, due to corona-restrictions in their home countries (regjeringen.no 2021d).

A more general derogation from the entry-restrictions was temporarily administrated by the Norwegian Maritime Authority (Sjøfartsdirektoratet) and was meant to ensure workers with expertise in the petroleum sector and in connection with large infrastructure projects, and

⁴ The EFTA Surveillance Authority (ESA) concluded that Norway’s entry restrictions did not comply with EEA rules on freedom of movement. <https://www.eftasurv.int/newsroom/updates/covid-19-pandemic-esa-asks-norway-align-entry-restrictions-eea-rules>

additionally workers necessary to prevent stoppage of a project, termination of employment, production cessation, loss or breach of contract and bankruptcy (regjeringen.no 2021e). The government also introduced a new compensation scheme for non-Norwegian employees who were unable to work in Norway due to the tight border restrictions (regjeringen.no 2021f).

During the pandemic, a sufficient manning of the healthcare sector has been a continuous topic. This led to extensions of existing exceptions from working time regulations, especially for average calculation of working hours, rest time, overtime, and work during several weekends in a row (Andersen and Trygstad 2021).

Wages and wage-setting

The settlement period in both the private and public sector is two years but allows for wage negotiations for the second year. The 2021 wage negotiation was a so-called mid-term settlement (second year), with an expected growth in wages of 2.7% in manufacturing. The results of these initial negotiations then set the level of pay increases for the settlements in other parts of the private sector and central and municipal government.

When starting the negotiations, the central parties underlined the high degree of uncertainty due to the pandemic. For the trade unions it was important to secure the members' purchasing power, not at least for low paid workers where some of them were hit hard by infection measures. The Technical Calculation Committee for Income Settlements (shortened to TBU in Norwegian), had estimated the increase in consumer prices to 2.8% in 2021. From the employers' side it was crucial to take into consideration the consequences of the pandemic that had caused major differences between industries when it comes to earnings and capacity to pay wages (ASD 2021). Another factor that affected the discussions was the low interest rate, which is important for most workers with mortgages (ibid.).

The results from the central negotiations between LO and NHO was an increase of NOK 2.25 per hour for all workers from 1 April 2021 and additional NOK 1 for workers on collective agreements with an average salary under 90% of the salary of workers in manufacturing in 2020 (NOK 455,970). Local negotiations followed, and the TBU have estimated that the total wage growth for 2021 in manufacturing and construction is in line with the agreed outset on 2.7% (ASD 2021).

Workers in retail and service got NOK 0.50 per hour from 1 April 2021. In addition, came an hourly increase in the minimum wages rate on respectively NOK 2, 3 and 5 (related to the different levels) and additional extra pay (NOK 3.10 per hour) (ASD 2021). In the financial services industry, the parties agreed on a wage increase on 1.7% from 1 May (ASD 2021).

For employees in the governmental sector, the general wage increase was 0.9% from 1 May. Subsequently NOK 4,000 a year for workers earning from around NOK 305,000 to around NOK 460,000. From 1 July 1.8% was allocated to local bargaining. In the agreement with The Federation of Norwegian Professional Associations (Akademikerne) it was allocated 3.35% to local negotiations (ASD 2021).

For the municipal sector the workers were given a wage increase from NOK 10,000 to 22,000 a year. 1% was allocated to local negotiations per 1 October.

The negotiations for companies of public interest, primarily within the health sector, culture, and transport/infrastructure (Spekter) ended with a general annual wage increase of NOK 4,338, and additionally NOK 1,950 for workers earning below NOK 455,967 a year from 1 April. The parties in each of the companies do also conduct local negotiations (ASD 2021).

Impacts on the social dialogue and collective bargaining

As mentioned, the central tripartite cooperation has given the authorities vital input and, subsequently, measures have become anchored in the organizations for employers and employees. Through these consultations, the Government achieved understanding for measures with consequences for workplaces and businesses before the political decisions were taken. The cooperation during the pandemic was built on the same system and processes as before (NOU 2021:6). Before 2020 there were no central emergency-agreement between the parties in the health sector. One of the recommendations from the Corona Commission is however to evaluate the tripartite cooperation during the pandemic to assess a need for more permanent emergency plans, both on central and local level. An evaluation should include the relationship between legislation and collective agreements. It is also recommended to have a closer look on how national and local agreements can be adapted during a crisis (ibid).

What about the local cooperation – in the companies? A central feature of the Nordic model is the collaboration between workers and employers at the workplace. This has proven to be particularly effective during crises, such as the financial crisis in 2008/2009 (Dølvik et al. 2014). At company level, the same institutions, and processes as before the pandemic have been in operation.

Workers and managers in the municipalities have played a fundamental role during the pandemic, and especially in healthcare. A survey among managers in municipal healthcare, initiated by KS (The Norwegian Association of Local and Regional Authorities), showed that 8 out of 10 said that the municipal social dialogue had contributed to find good solutions during the pandemic. Further, 3 out of ten managers said that the cooperation had become better than before the pandemic, while only 3% said that it had worsened (KS 2021).

During the winter of 2021, Fafo conducted surveys among shop stewards in The Trade Union Confederation (LO) and in The Confederation of Unions for Professionals (Unio). Altogether, the data covers almost 70% of trade union members in Norway. The answers show that there has been a substantial contact and activity at the workplaces during the pandemic, and even more than before. This indicates that the system is used in line with the intentions in the Basic agreement (Hovedavtalen). Eight out of 10 shop stewards think that cooperation at the workplace will contribute to reduce the negative effects of the crisis (Andersen and Trygstad 2021; Trygstad et al. 2021)

In the Corona commission it is also pointed out that the cooperation between the parties hindered lock downs at workplaces because the authorities trusted that the infection control would be taken care of (NOU 2021:6).

Labour disputes in the context of the pandemic

The update on how many working days that were lost due to conflicts in 2021 from Statistic Norway will be available on 20 May 2022.

One effect of the postponed negotiations in 2020 was that some conflicts lasted into 2021. These included workers in the Church of Norway (on strike from 12 December 2020 to 11 January 2021), strike in private-run child and youth services (from 9 to 26 January 2021), and private healthcare companies (from 20 January to 19 February 2021). The two last strikes mentioned were stopped by the Government imposing compulsory arbitration.

When it comes to the bargaining round in 2021, the discussion around the frontrunner model (frontfagsmodellen) was intensified.⁵ The workload increased heavily in parts of the public sector during the pandemic, and trade unions argued that it was time for ending the lagging pay gains for important professions. Numbers from TBU (Technical Calculation Committee for Income Settlements) showed that workers in the public sector had a 1.7% wage increase in 2020, while the wages for workers in private manufacturing had increased by 2.2%. More than 23,000 members in The Confederation of Unions for Professionals (Unio) were on strike during the year, under the slogan “indispensable”. Nurses went on strike, highlighting recruitment and competence maintaining as the main arguments for higher wages. These arguments can well be connected to the corona crisis and the pressure on hospitals and municipal healthcare. Two of the conflicts were stopped by intervention from the Government, imposing compulsory arbitration, and the third with voluntary arbitration, and ended without any extra wage increases.

Workers in operas, the theater sector and orchestras went on strike in the beginning of September due to a dispute over the cultural workers' pension scheme. This strike lasted until the end of October and resulted in implementation of a lifelong and gender-neutral pension scheme from 1 April 2022.

A low degree of disputes directly related to the pandemic might be explained by a high degree of trust and employees' experiences at the workplaces. Fafó's surveys among shop stewards (as mentioned above), showed a large degree of trust to the employers' handling of the pandemic. Additionally, more than 40% of shop stewards in The Trade Union Confederation (LO) answered that they have had co-determination on issues like restructuring, temporary layoffs and downsizing in connection with the pandemic (Trygstad et al. 2021).

⁵ The model implies that the export-oriented manufacturing industries facing international competition negotiate first and set the level of pay-increases for the rest of the labour market.

Commentary and outlook

Norway experienced low levels of infection and deaths compared with most European countries in 2021. Loyalty and trust can summarize the public's attitudes towards the corona measures. Only a few scattered demonstrations have taken place, amongst them burning of facemasks outside the parliament. Among other markings are public demonstrations from managers and workers in restaurants and bars against closure and ban to serve alcohol.

The Corona Commission has also underlined that the high level of public trust has been a strength in dealing with the pandemic. Moreover, the generous economic packages from the Government have contributed to smooth the atmosphere and relived most of the working force. However, at the end of the year there was increasing criticism of the consequences of the infection measures, especially for children and young people. Some of the explanation might be a kind of "corona fatigue", evolving after living in a state of emergency for almost two years.

Like in 2020, there has been a close social dialogue and cooperation between social partners and the authorities about measures and economic compensations. On the local level, the same institutions, and processes as before the pandemic have been in operation. Surveys showed that most shop stewards think that cooperation at the workplace will contribute to reduce the negative effects of the crisis.

Although the healthcare system managed to deliver necessary care, there have been growing discussions about the pressure on hospitals and especially the capacity for intensive care. These questions came high up on the agenda in connection with the strike among nurses and other groups in healthcare.

Labour shortages in the health sector has become an even more central topic than before. Also in other industries, closed borders and quarantine rules have highlighted the dependency on foreign labour in several industries, such as in construction and real estate property management.

Claims for a more active use of vaccination certificates came on the table in line with the high vaccination level at the end of the year. So far, the Government is reluctant to introduce this as a measure in everyday life, for example for restaurants and theatres. The fear is to undermine the firm principle that vaccination is voluntary.

Despite grant schemes there are several industries that will have to face a recovery-period after the pandemic, like restaurants and bars, cultural sector, aviation, and tourism. Many of the workers in these industries are also among the lowest paid. Hence, there is an ongoing debate on how to avoid further inequalities between high- and low-income groups in the post-corona period. This will become one of the major political topics in the years to come.

The political shift in the Government has not led to major changes in infection measures and compensations schemes. It is still a high degree of consensus in these areas, and the social partners are satisfied with the above-mentioned prolongations of economic support for businesses.

References

All Eurofound publications are available at www.eurofound.europa.eu

Andersen, R.K. and Trygstad, S.C. (2021). *Styrke i krevende tider. Om arbeidsforhold, samarbeid og medbestemmelse blant Unios tillitsvalgte under koronapandemien*. Fafo-notat 2021:13.

Arbeids- og sosialdepartementet, ASD (2021). *Etter inntektsoppgjørene 2021*. Rapport fra Det tekniske beregningsutvalget for inntektsoppgjørene. Oppsummering av lønnsoppgjørene, Oslo, 18. juni 2021. Rapport.

Arbeidstilsynet (2022). Kan arbeidsgivere kreve vaksinasjonsstatus eller koronatesting av arbeidstakere? <https://www.arbeidstilsynet.no/tema/biologiske-faktorer/coronavirus-tiltak-i-arbeidslivet-mot-smitte/kan-arbeidsgiver-sporre-om-arbeidstaker-er-vaksinert/>

BNL (2021). Medlemsundersøkelse nr. 20 <https://www.bnl.no/artikler/2021/medlemsundersokelse-nr-20/>

Brønnøysund Register Centre (2022). Changes to the compensation scheme. <https://kompensasjonsordning.brreg.no/en/changes-to-the-compensation>

Dølvik, J. E., Fløtten, T., Hippe, J. M., and Jordfald, B. (2014). *Den nordiske modellen mot 2030. Et nytt kapittel?* Oslo: Fafo.

Fløtten, T. and Trygstad, S.C. (2020). *Post korona – en ny fase for den nordiske modellen*. Fafo-notat 2020:14.

Gjerde, A. (2021). NAVs bedriftsundersøkelse 2021. Nedbemanning og lavere mangel på arbeidskraft under koronapandemien. *Arbeid og velferd 2-2021*.

High north news (2021). Hastemøte om stengte grenser: En hel fiskerinæring i krise <https://www.highnorthnews.com/nb/hastemote-om-stengte-grenser-en-hel-fiskerinaering-i-krise>

Holgersen, H. Jiao, Z. and Svenkerud, S. (2020). *Who and how many can work from home in Norway?* Discussion paper935/2020. Statistisk sentralbyrå.

Ingelsrud, M.H. and Bernstrøm, V.H. (2021). *Hjemmekontor: Utbredelse og sentrale kjennetegn våren 2021*. Arbeidsforskningsinstituttet AFI ved OsloMet.

KS (2021). Arbeidsgivermonitor 2021. Dypdykk blant kommunalsjefene for helse og omsorg. <https://www.ks.no/globalassets/fagomrader/arbeidsgiverpolitikk/nyskapende-arbeidsgivere/Dypdykk.pdf>

LO (2021a). Konjunkturutsiktene. Samfunnsnotat nr. 5. <https://www.lo.no/siteassets/samfunnsnotat-nr-5.21---konjunkturvurdering-presseseminar-30.9.21.pdf>

LO (2021b). Arbeidsgivers styringsrett og krav om koronavaksine, koronatest eller bruk av beskyttelsesutstyr. <https://www.lo.no/hva-vi-mener/lo-advokatene/nyheter-fra-lo-advokatene/krav-om-vaksinebruk-av-munnbindkoronatest/>

Nergaard, K. (2020). *Hjemmekontor og digitale løsninger*. Fafo: Faktaflak april 2020.

NAV (2021). Hovedtall om arbeidsmarkedet. Desember 2021.

NHO (2021). NHO-undersøkelse: Oppturen i norsk næringsliv fortsetter

<https://www.nho.no/tema/arbeidsliv/koronaviruset/nho-undersokelse-oppturen-i-norsk-naringsliv-fortsetter/>

NOU (2021:6). *Myndighetenes håndtering av koronapandemien*. Rapport fra Koronakommisjonen

NOU 2020:2. *Fremtidige kompetansebehov III — Læring og kompetanse i alle ledd*

Norwegian Institute for Public Health (NIPH) (2020). Advice for workplaces and businesses.

<https://www.fhi.no/en/op/novel-coronavirus-facts-advice/advice-and-information-to-other-sectors-and-occupational-groups/workplace-advice/>

Prop. 79 S (2020-2021). Endringer i statsbudsjettet.

Prop. 48 LS (2021-2022). Endringer i midlertidig lov om kompensasjonssystem for selvstendig næringsdrivende og frilansere

Regjeringen.no (2022a). Støtteordninger for næringsliv og kultur.

<https://www.regjeringen.no/no/tema/naringsliv/stotteordninger-for-naeringsliv-og-kultur/id2694423/?expand=factbox2841769>

Regjeringen.no (2022b). Ny lønnsstøtteordning. Oppdatert informasjon.

<https://www.regjeringen.no/no/tema/okonomi-og-budsjett/norsk-okonomi/ny-lonnsstotteordning-oppdatert-informasjon/id2893529/>

Regjeringen.no (2021a). Forlenger koronaordninger ut februar og gir lavtlønte rett til dagpenger.

<https://www.regjeringen.no/no/aktuelt/forlenger-koronaordninger-ut-februar-og-gir-lavtlonte-rett-til-dagpenger/id2892106/>

Regjeringen.no (2021b). Forlenger koronaordninger for ledige, permitterte og selvstendig næringsdrivende.

<https://www.regjeringen.no/no/aktuelt/forlenger-koronaordninger-for-ledige-permitterte-og-selvstendig-naringsdrivende/id2891434/>

Regjeringen.no (2021c). Korona: Regjeringen vil forlenge kompensasjonsordning for togselskaper og kommersielle buss- og båtruter.

<https://www.regjeringen.no/no/aktuelt/korona-regjeringen-vil-forlenge-kompensasjonsordning-for-togselskaper-og-kommersielle-buss-og-batruter/id2891492/>

Regjeringen.no (2021d). Sesongarbeidere kan bli i Norge ut året.

<https://www.regjeringen.no/no/dokumentarkiv/regjeringen-solberg/aktuelt-regjeringen-solberg/asd/pressemeldinger/2021/sesongarbeidere-kan-bli-i-norge-ut-aret/id2872508/>

Regjeringen.no (2021e). Begrenset utvidelse av unntaksordningen for strengt nødvendig utenlandsk arbeidskraft for flere bransjer.

<https://www.regjeringen.no/no/dokumentarkiv/regjeringen-solberg/aktuelt-regjeringen-solberg/nfd/nyheter/nyheter-2021/begrenset-utvidelse-av-unntaksordningen-for-strengt-nodvendig-utenlandsk-arbeidskraft-for-flere-bransjer/id2844362/>

Regjeringen.no (2021f). Income protection for locked out EEA citizens.

<https://www.regjeringen.no/en/historical-archive/solbergs-government/Ministries/smk/Press-releases/2021/income-protection-for-locked-out-eea-citizens/id2837642/>

Regjeringen (2018). IA-avtalen 2019-2022.

https://www.regjeringen.no/no/tema/arbeidsliv/arbeidsmiljo-og-sikkerhet/inkluderende_arbeidsliv/ia-avtalen-20192022/ia-avtalen-20192022/id2623741/

Statistisk sentralbyrå (2021). Konjunkturtendensene med nasjonalregnskapet for 3. kvartal 2021 og endelig nasjonalregnskap for 2019. https://www.ssb.no/nasjonalregnskap-og-konjunkturer/konjunkturer/statistikk/konjunkturtendensene/artikler/omikron-skaper-usikkerhet-for-norsk-okonomi/_attachment/inline/aa97ed89-833d-4b4e-b8b9-247f3a476ba0:4d5793a845f11bc8211a6016e8e659ee4eb5a91f/KT2021-4.pdf

Stortinget (2020-2021). Lovvedtak 163.

Trygstad, S.C., Andersen, R.K., and Ødegård, A.M. (2021). *Medbestemmelse og medvirkning i krisetider*. Faktaflak fra Fafo.

Unio (2020). Unios melding for perioden 13. november 2019 til 10. november 2020.

<https://www.unio.no/wp-content/uploads/2020/12/melding-2019-20.pdf>

Ødegård, A.M. and Andersen, R.K. (2021a). *LOs tillitsvalgtpanel om hjemmekontor. Resultater fra juni 2021*. Fafo-notat 2021:20.

Ødegård, A.M. and Andersen, R.K. (2021b). *Working and living conditions among resident migrants from Poland and Lithuania*. Faforeport 2021:24.

WPEF22030

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.