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The Norwegian working life model promotes good health

PERSPECTIVES

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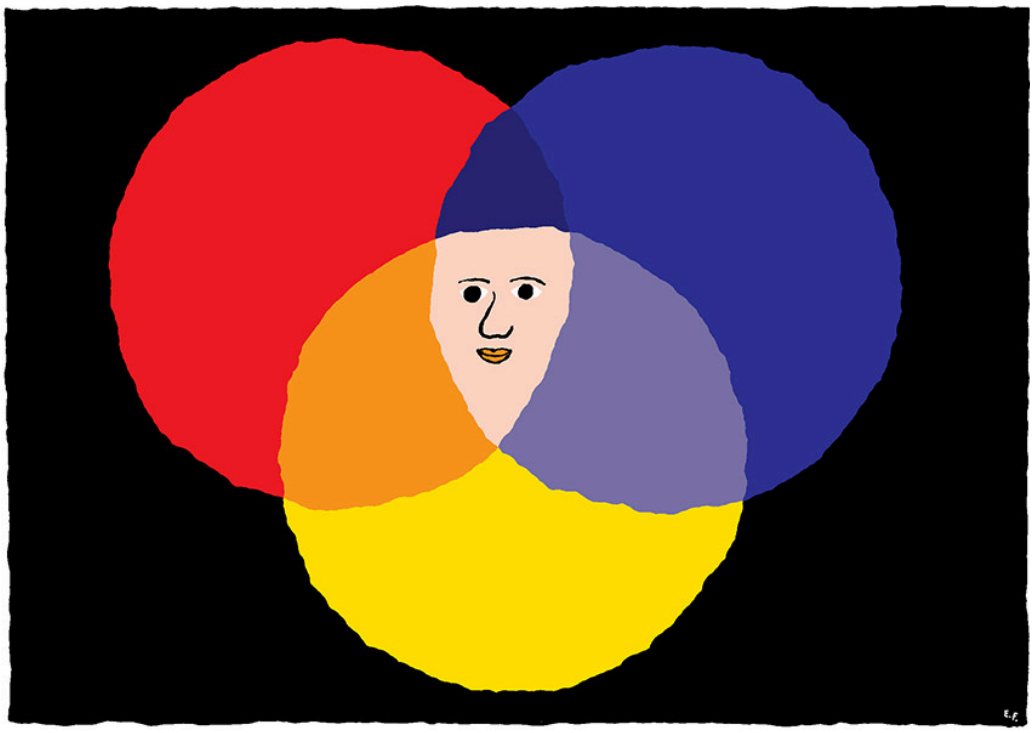
Occupational physicians and others in the occupational health service should get more involved in how Norwegian working life is organised.



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Globalisation and technological developments create challenges for the Norwegian working life model. In turn, this can impact on public health in Norway. In addition to efforts to improve the working environment internally, the occupational health service should get more involved in how working life is organised.

This summer, the Fougner committee presented its report on future perspectives for working life in Norway (1). In broad terms, future development will be characterised by increasing globalisation, automation, and new ways of organising work and value chains. This may well impact on everything from productivity and job creation to employees' rights, pay conditions and occupational health. A recently published report from the independent social science research foundation Fafo shows that there has been an increase in the number of low-paid workers in the Norwegian labour market, and that this increase is primarily seen in enterprises without collective agreements (2).

The Norwegian working life model

For the most part, having a job combined with a good working environment has a positive impact on health. Meanwhile, we know that a poor working environment can lead to sickness and health problems. The Working Environment Act requires the majority of Norwegian enterprises to have an occupational health service that promotes a robust and healthy working environment (3).

In an international perspective, Norwegian enterprises have promoted good working conditions for their staff with the help of their occupational health services (4). For example, employees in Norway are more satisfied with their working conditions than employees in any other country in Europe (5). Although the physical working environment is good, it is primarily psychosocial factors that distinguish the working environment in Norway from that of other European countries. Employees in Norway report that they often have the opportunity to make decisions about their own work and

working hours. They are also happy with the social support they receive from their colleagues and managers and are satisfied with the opportunities they are given to learn new things at work.

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Moreover, a large number report that they have a secure job. Job security has proved to be of great importance for health and quality of life. Despite relatively high sickness absence rates, employees in Norway report good mental health and a high level of work commitment compared with their European counterparts (5).

The Norwegian working life model is characterised by a well-developed system of cooperation between employers, employees and the authorities on issues related to working life. This tripartite collaboration has resulted in low unemployment, high productivity and adaptability, and strong international competitiveness. In combination with relatively centralised and coordinated wage negotiations, wage differences in Norway have remained fairly moderate.

The principle of egalitarian wage policy, or "solidaristic wage bargaining" as the policy is named, has an established position in Norway. This entails gradually increasing the wages of those with the lowest incomes while restricting increases for top earners. Together with the welfare state's redistribution of income and resources, solidarity in terms of wage policies helps to prevent social inequality at many levels. Minor social differences also contribute to the preservation of a high degree of social trust in Norway. Furthermore, it is well-documented that public health is good in countries with minor social differences and a high degree of trust.

Changes in the labour market

We are now seeing some trends that are putting the Norwegian working life model under pressure. Migration and migrant workers have influenced the Norwegian labour market over the past 20 years. Overall, Norway has probably benefitted from this, but it has also created challenges. For example, employees with little education and low incomes have dropped out of the labour market because of competition from foreign workers (6).

Social dumping and atypical forms of employment – as well as the use of temporary staffing agencies, self-employment and a variety of platform services (e.g. Airbnb and Uber) – are closely linked to labour migration. We see that these developments are stronger in other countries than in Norway. Nevertheless, industries and enterprises in Norway are also significantly affected (4), and we must focus on these issues in the years ahead (7).

Before 2000, the use of temporary staffing agencies was forbidden in Norway, but since then, their use has increased, particularly in the construction and hospitality sectors and in health and care services. Earlier, so-called zero-hours contracts were common, but this was forbidden by law in 2019 (by a narrow majority in the Storting, the Norwegian parliament). The use of temporary agency workers is problematic for organised working life in that it paves the way for 'stretching' existing legislation. In

addition, it is difficult for temporary agency workers to participate actively in collective HSE efforts in the company hiring them. Moreover, the hiring system challenges the collective bargaining system at both enterprise and national level.

In 2015, the Working Environment Act was amended to allow companies to employ more people on temporary work contracts. Even though the use of this type of contract has not increased in recent years, the Fougner committee is of the opinion that this liberalisation of the Act should be reversed. Norway's recently elected government has stated in its Hurdal platform that it will follow this up. As is the case with workers hired from temporary staffing agencies, it is difficult for those on short-term contracts to participate in HSE efforts, complain about adverse working conditions affecting themselves and others or highlight irregularities in the operation of the enterprise. Temporary work is common in academia and the hospitality industry, among others.

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We have seen the worst types of social dumping in connection with the use of so-called posted workers. Posted workers work in Norway but their employment contract is drawn up in another country. Over time it has become clear that Norwegian employers must ensure that posted workers have the same conditions as Norwegian employees, but it is difficult to monitor the situation. This also poses a challenge to the collective and consensus-oriented wage-setting system in Norway. Posted workers work in, for example, the construction industry.

Norway has a low percentage of self-employed workers, only 6–8 %. Elsewhere in Europe, the percentage has been increasing and now stands at 14 % (8). Many enterprises may find it convenient to use self-employed workers because this means they are not subject to the wage agreements negotiated through collective bargaining. Nor do they need to disburse sick pay. Moreover, the outsourcing of hazardous work to self-employed workers means that the enterprises concerned are not required to follow strict HSE regulations.

The Working Environment Act does not apply to self-employed workers. Self-employed workers who work primarily for one enterprise are often referred to as 'disguised employees'. Employees must follow strict rules in relation to this type of worker, but they often find 'creative' solutions to work around these. Self-employed workers have seemingly a high degree of self-determination but live under considerable insecurity in terms of their financial situation and social welfare rights if they fall ill.

In the platform economy, in which enterprises and private individuals use the services of self-employed workers, the person responsible for electronic contact between the clients and the principal plays a key role – often when it comes to pricing as well. It is very difficult to gain an overview of this area of the labour market. Nor is it part of the ordinary collaboration between employers' organisations and labour organisations in Norway. The use of platform services is common, for example, when ICT assistance is required.

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According to Statistics Norway, as many as one-third of all jobs will disappear in the course of the next 20 years due to automation and digitalisation. This will be particularly challenging for older employees and those with little or no education. These groups may find it increasingly difficult to get a job. Another challenge is that new jobs seem to be in industries in which unionisation has traditionally been weak. This will boost the trend towards a decline in union membership, which in turn will represent a serious threat to the Norwegian working life model. Tripartite collaboration, collective bargaining and the balance of power in working life depend on well-organised employers and employees.

A 'Norwegian' leadership culture has developed over many years based on dialogue, trust, co-determination and consensus-oriented decision-making. With the growing number of multinational companies and managers educated in countries such as the USA and the UK, we are seeing a trend towards the introduction of HR policies that differ from those developed in a Nordic context. This impression is confirmed by the findings of the 'co-determination barometer', which show that both employees and managers in Norwegian working life feel that co-determination opportunities have decreased in recent years (9).

In summary, the way in which working life has been organised in Norway has been successful, but we are now seeing signs that the system is in the process of change and that the impetus of the Norwegian working life model is declining (10). This is due to falling unionisation rates in the private sector, increased use of atypical employment contracts and an 'Americanised' leadership culture that can lead to less power for employees, increased social inequality and a reduction in trust. Ultimately this will have a significant impact not only on the health and well-being of employees but also on the health of the population as a whole.

The occupational health service should get more involved

The organisation of working life and the design of legislation on employment contracts and labour relations are closely affiliated with traditional politics, where right-wing and left-wing parties often have different approaches. Many people are therefore likely to feel that this is not an issue that health personnel should get involved in. Nevertheless, we know that politics and the organisation of society have a major impact on health (11), and according to the World Health Organization, health promotion entails establishing healthy public policies combined with active efforts to provide information on health.

«Since the organisation of working life and terms of employment have a direct impact on people's health, the occupational health service should also get involved»

The Working Environment Act is the yardstick for all occupational health work. The stated purpose of the Act is to create a healthy, meaningful and safe working situation, in addition to ensuring secure conditions of employment and equality of treatment at work, and to foster inclusive working conditions. Since the organisation of working life and terms of employment have a direct impact on people's health, the occupational health service should also get involved.

Our experience is that the occupational health service plays little part in hiring employees and how enterprises obtain labour and services. Naturally, this is the responsibility of management and the HR department, but as long as it impacts on health, the occupational health service should also be involved.

The occupational health service and health personnel could highlight health issues linked to working life in the public discourse. Promoting and arguing in favour of internal measures in individual enterprises in 'the name of health' are just as important for strengthening the Norwegian working life model. This applies to unionisation, permanent rather than temporary employment contracts and the promotion of a leadership culture that builds on the employees' right to co-determination and participation in key decisions made by the enterprise.

Much of the work of the occupational health service is subject to competitive tendering. It is understandable that suppliers of occupational health services are afraid, therefore, to take up problematic issues that conflict with the wishes of company management for fear of losing contracts. The Norwegian Medical Association, together with the *Norsk forening for arbeidsmedisin* (Norwegian association for occupational medicine) and the *Norsk samfunnsmedisinsk forening* (Norwegian association for community medicine), should make concerted efforts to preserve Norway's well-organised working life and hence motivate and legitimise their members' commitment to safeguarding one of the best working life models globally in the future (12).

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