

Information and consultation in the world of work

Presentation, Bulgaria, May 2022

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(NHO)

Confederation of Norwegian Enterprise (NHO)

NHO

- 31 000 member companies, 610 000 employees (full time)
- 10 regional offices
- 17 sectoral federations

Various instruments for social dialogue

- Collective bargaining agreements (CBA)
- Consultations at enterprise level
- European works council (EWC)
- International Framework Agreements (IFA)
- Board members representing the workers

Collective Agreements and wage formation, Norwegian experience

Collective Agreements in a brief historical view – the starting point

- Confederation of Norwegians Enterprise (NHO) was established in 1900
 - An answer to the creation of LO (1899)
 - Same organizational structure as LO
- The first national Collective Agreement (CA) at branch level concluded in 1907
 - Mainly about terms and conditions
 - But also the starting point for social dialogue
 - This CA is still the "mother" of all our CAs for blue collar workers

The next step – development of social dialogue

- In 1935 LO and NHO concluded a separate CA for Social Dialogue
- Purpose: creating a common understanding for the need of improving work conditions for the employees and economical performance for the companies
- This Basic Agreement is still recognized as the "the constitution of work life" in Norway
- First part of all CAs

The Basic Agreement

“The constitution” of work life in Norway

- Negotiated between NHO and LO every 4th year for private sector
- Contents:
 - negotiation procedures and conflict solving procedures
 - rights/obligations of shop stewards
 - workers’ involvement; cooperation, information, consultation rights
- No regulations of terms and conditions (not a single word on wages!)

The Basic Agreement, 2022-2025

- Renegotiated autumn of 2021 with LO (The Norwegian Federation of Trade Unions)
- Peace obligation
- Minor changes



Terms and conditions – sector agreements



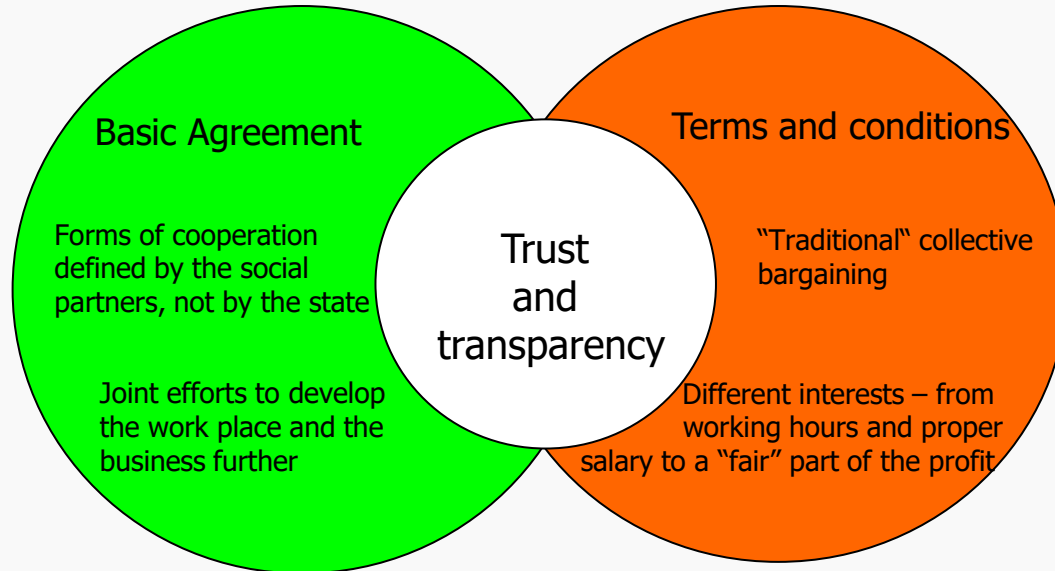
- Sectoral level
 - Salary increases, special issues like pension, working hours, social benefits etc, framework for local agreements etc
- Local level
 - Consultations, not traditional collective bargaining with the right to strike
 - Local payment policy, wage system, specific local entitlements etc

Wage formation in Norway



- No national minimum salary
 - For some sectors the Government makes the actual CBA temporary mandatory for all companies operating within the sector (shipbuilding, construction and agriculture)
- Centralized negotiations
 - Technical committee (TBU)
 - General minimum increase
 - Minimum salary adjustments
 - CBA signed – local negotiations starts

Our **philosophy** forms the basis for Industrial Relations in Norway



Workers and management have a mutual interest in making the company competitive

What's the Value Added for the Employers ?



- CA is an efficient way of managing the work force
 - According to law a CBA constitutes regulation of work conditions also for non-unionized employees
- Industrial Action (eg strike) prohibited as long as the CA is in force
- Right to Industrial Action on CA Branch level (national) only
 - Sharing risks for strike – gives power in the negotiations
- Common framework/cost base
 - Work hours, shift payment, holiday entitlements etc

What's the Value Added for the Employers ?



- Within the "framework" of the CA management and shop steward have freedom to enter into local CAs
 - Approval from the Trade Union not requested.
 - wage formation/distribution and yearly increases (approx. 2/3 of yearly increases agreed locally)
 - Shift schemes, job rotation, training, workwear etc
- The system provides solid conflict solving processes accepted by both parties (our Basic Agreement)
- Positive involvement from the employees and their shop stewards in building a safe and sustainable business

Disputes of interest and legal disputes

- conflict solving process

Disputes of interest and legal disputes

- two ways of conflict solving

- Disputes of interest
- Legal Disputes

*Dispute on the future content
of a collective agreement*

➤ The National Mediator

*Disputes on the interpretation of
an existing agreement*

➤ The Labour Court

The Labour Court - hearing



Wage negotiations at enterprise level

Background, context

- After the sector negotiations are concluded
- Based solely on the local situation

The four criterias

- The financial situation of the company
- Productivity
- The future outlook
- The competitiveness of the company
 - These criterias are part of all collective agreements

EWC

- More than 1000 employees and more than 150 in at least two EEA-states
- EU Directive 2009/38 (based on 1994/45)
- Implementation via national legislation or collective agreements

EWC

- Tasks: Matter of importance relating to transnational challenges at corporate level
 - OSH
 - Structure
 - Economic situation
 - Future outlook
 - investments

EWC

- New working methods
- Transferring production
- Large scale redundancies

EWC

- Provisions: Composition of the EWC, election of the members, number of meetings, confidentiality, working committee, exceptional circumstances
- Nothing on sanctions
- Norwegian experience; no court cases, few inquiries to NHO
- Revised directive?

IFA

- An agreement between a multinational enterprise and a Global Union Federation (GUF)
- Purpose: Labour standards in all the locations
- Provisions on supply chains
- No enforcements mechanism, campaigning

Board representation

- The numbers of workers representatives depends on the number of employees in the company (30 – 50 – 200)
- Full member, the same rights and obligations as the ordinary members
- Split loyalty, best for the company or best for the workforce?