

# Bargaining and Participation in Norway

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## Abstract

*In this paper, changes in Norwegian bargaining and participation since the end of the eighties are discussed in a twenty year perspective. It is argued that a corporatist bargaining structure has been reinstated as a pragmatic measure to handle a difficult economic situation. This is contrary to the general political sentiments which have prevailed since the beginning of the eighties. However, a new constellation of actors are emerging on the organisational level who may irreversibly change the bargaining structure. With regard to participation, the laws and institutions that were introduced during the 1970s are still in place. However, their content is changing from democratisation as a value by itself to a focus on productivity-improvement as the ultimate goal.*

## Changes in the Bargaining System

### *Levels and Structures of Unionisation*

The level of unionisation has been relatively stable in Norway in the last four decades (between 53 and 57 percent). Up to 1977, LO was the only union confederation, and the organisation had almost a monopoly on organising employees, with the exception of some high-earning white-collar groups. In 1976/77, YS (the Confederation of Vocational Unions) and AF (the Federation of Norwegian Professional Associations) were established, and this created a new climate of competition for members between the (con)federations as well as between their member unions. In 1977, LO

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The author is indebted to Arvid Fennefoss and Geir Høgnes for useful comments.

organised 38.1 percent of the employees while the unions outside LO (YS, AF and unions outside any federation) organised 15.4 percent of the employees. By 1992 LO organised 31.9 percent, and the unions outside LO had increased their share to 25.3 percent. (See Table 1)

The level of unionisation is very high in the public sector, around 80 percent. In the private sector it is below 50 percent. Wholesale, retail, hotels, restaurants and catering have the lowest levels of unionisation.

The term "unionisation" disguises the fact that the various organisations are founded on different principles. Most unions in AF are either professional or semi-professional unions, and most of the unions outside any federation are semi-professional unions. The unions in YS are white-collar unions, but they also function as vocational organisations. Most of them compete directly with LO for members.

In principle, LO seeks to recruit members from all groups of employees but, partly due to the fact that they have a long history of pursuing the interests of low-wage employees in wage negotiations, they have not been able to attract the high-wage groups. This has paved the way for the competing unions and (con)federations. The AF members are, for the most part, employees in the professions or semi-professions in the public sector. This includes the well-paid strata of highly educated wage-earners, but there are also self-employed groups such as medical doctors. However, the differences are also ideological. AF can be said to base its actions on group interests, while LO is committed to class solidarity and the Labour Party. YS has members with a similar level of wages as the LO, but it presents itself as a non-political alternative to LO (Høgsnes 1994, 106–109).

LO is almost in a monopoly-situation in private manufacturing, and it also has a strong position in the low- and middle-wage segments of the public sector. The largest LO-union organises employees in the municipalities (Norsk Kommune Forbund).

The reason for LO's relative decline is not so much that it has lost members. It is rather that it has members in declining segments of the labour-force and has been less successful than the other organisations in attracting members from the segments that are increasing. This includes the professions and other highly educated groups in the public sector as well as in private services. In addition, unionisation has been growing in the last twenty years among some of these groups (Høgsnes 1994, 115–116).

The union structure and organisational principles of LO have prevented professional and vocational unions from seeking affiliation. In some cases parallel competing unions have been established within LO. The largest and most influential unions in LO are organised according to sector and/or branch principles, across vocational and educational dividing lines. Profes-

**Table 1****Share of the Norwegian Labour Force in the various  
Union Confederations, 1977 to 1992**

	1977	1982	1987	1992
LO (The Norwegian Federation of Trade Unions)	38.1	37.0	33.2	31.9
AF (The Federation of Norwegian Professional Associations)	4.4	5.5	6.5	9.9
YS (The Confederation of Vocational Unions)	4.9	6.3	6.7	9.5
Members in unions without affiliation to any federation	6.2	8.2	8.3	5.9
Unorganised	46.3	43.1	45.4	42.8

Source: Fennefoss, 1994

sional interests lose priority in this structure, which is of concern for some of the unions outside LO.

By contrast with the labour side, the structure of the employer side has become less fragmented. NHO (the Confederation of Norwegian Business and Trade), which is LO's counterpart in private-sector wage-negotiations, resulted from a merger between The Norwegian Employers' Confederation (NAF), the Federation of Norwegian Industries (Norges Industriforbund) and Commercial Employers Organisation (Handelens Arbeidsgiverforening) in 1989. NHO has stream-lined its organisational structure by reducing the number of member trade organisations from 150 to 30, and it now presents a more co-ordinated policy front than before. There are still a number of other employers' associations outside of NHO, one of the largest being ASO (Association for Shipping and Offshore Employers). It represents employers in the offshore-oil and supply-shipping industry, that for a large part used to be unorganised. With a few exceptions, all municipalities are members of the KS (Association of Local Authorities). The state is not a member of any association. The interests of the state as an employer in wage negotiations is handled by the Ministry of Administration. The state and the municipalities co-ordinate their wages, but the KS has argued for larger differences in wages among the municipalities and between the state and the municipal-sector. Hence, while there has been a process of increas-

ing fragmentation and competition on the labour-side, the employer-side has become more co-ordinated.

### **Bargaining Structures**

It is common to differentiate between centralised and decentralised bargaining structures. One assumes that in centralised bargaining, where there is bargaining on a national level, the parties will try to take into consideration the effects of bargaining on the whole economy. For instance, the unions and the employers side may agree on avoiding a settlement that endangers workplaces by fuelling inflation. This contrasts with decentralised bargaining or bargaining at the workplace level, where only the effects for the enterprise in question are considered. Decentralised bargaining allows wages to vary according to the profitability of the enterprises.

In large sectors of the Norwegian economy, these two principles are combined in one way or another. The bargaining structure cannot therefore simply be described as more or less decentralised than twenty years ago. In most cases, there has not been replacement of centralised bargaining by decentralised bargaining. Rather, it is a question of to what extent bargaining on the central level influences what happens on the workplace level. The question is also the extent to which the central level actors, the trade union federations, the employer federations and the State can influence bargaining at the workplace level.

### **The Relationship Between the State and the Labour Market Parties**

In Stein Rokkan's classical analysis from the 1960s, the Norwegian political system had a corporatist and a numerical-democratic channel of influence. Because of its role as a broker between the central organisations representing the fishermen, farmers, workers and employers, a Labour Party Government could not confine its concerns solely to voters. More or less informal consultations and negotiations with the large organisations were also necessary (Rokkan 1966, p. 105–110).

LO had a privileged position in this process. For instance, it was unthinkable for Labour Party Governments to be without one or two ministers who had held prominent positions in the LO. This reflected the fact that LO and the Labour Party saw themselves as two parts of a unified Social Democratic Labour Movement.

There is no doubt that the Norwegian political system had and still has corporatist aspects. However, this does not include formal, decision-making bodies like the 'Sozialpartnerschaft' in Austria (Veiden 1990). The Norwegian Government has a forum for discussion and consultation called a "Contact Committee" where LO, the employers confederation NHO, two farmers' organisations and a fishermen's organisation are represented. In 1988, the new employee confederations YS and AF were also allowed membership despite several years of resistance and even threats of withdrawal from the LO.

The Norwegian Government still has an incomes policy, as it did twenty years ago. This means that, in contrast to several other countries where wage-formation is considered as an independent variable outside the government's influence, the Norwegian Government can and will interfere if the market does not serve intended purposes. The traditional incomes' policy goals are that wage-levels in sheltered sectors should not surpass the trading sectors, and that public sector wage-levels should remain below that of the private sector. This is in order to keep inflation under control. In addition, wage differentials between the sectors, as well as between the hierarchical levels, should be kept small. The rhetoric, however, has changed in favour of a greater acceptance of market-determination, since the beginning of the 1980s. This has included those in central leadership positions within the Labour Party.

The Norwegian economy slowed down between 1986 and 1993. This was in part a consequence of the neo-liberal economic policy of the non-socialist Governments which caused a boom and then an even faster collapse of the economy. To compensate for this, the Labour Party Government enacted wage laws in 1988 and 1989 to avoid wage-growth, with LO's support. Similar laws were used earlier in periods when inflation was considered to be particularly harmful for the economy. Under these laws, local bargaining was forbidden.

The Government has also participated in tripartite settlements and assisted the parties reach an agreement. In 1975–77 the central wage negotiations were formally announced as tripartite ("kombinerte oppgjør"). However, it is common that the Government is in contact with the parties and the National Mediator during negotiations. In 1993 and 1994, for example, the Government contributed to the financing of an early-retirement scheme that was extended to include employees of 64 years of age. These were examples where the Government promoted settlements that were supposed to be tolerable in a particular economic situation.

The institution of compulsory arbitration should, in accordance with ILO conventions that Norway has signed, only be used when strikes threaten life

and health. If we look at how it has been used, however, it is clear that it also is used to protect other interests, among them the Government's incomes policy. In the offshore oil sector there has hardly been one round of bargaining without the use of compulsory arbitration against one of the unions (Høgsnes, 1994, 105), as it was in 1994. Officially this was because of the national importance of the oil industry. But there were also fears of the damaging consequences for the general wage level if the workers in the profitable oil industry were allowed the right to strike. This has been criticised on several occasions by the ILO.

Compulsory arbitration is also frequently used against strikes by unions in the public sector which are not affiliated to the LO, such as those representing teachers, nurses and engineers. Although the official reason for intervention is to protect life, health and other weighty considerations, it is also in accordance with the Government's policy to keep down wages in the public sector. This is particularly important since the unions in question are not under LO's influence.

The Contact Committee, wage laws, Government contributions and compulsory arbitration are only some of the measures and institutions that are used to influence wage determination in Norway. In principle, the labour market parties are given a free bargaining right, but when the results endanger important economic goals, these and other measures are used.

## **The Relationship Between National and Industry Level Bargaining**

The labour market parties may decide if a bargaining round should be co-ordinated across different industries, or industry by industry. In the first case, the LO and NHO make one agreement; in the second case, there are separate agreements in each industry. However, there is no doubt that the latter kind of bargaining is also co-ordinated behind the scenes. In this process, the sector level becomes increasingly important. The units of co-ordination are the private industry, the private services, the municipal sector and the state-sector.

In 1994, the central wage negotiations took place industry by industry for the first time since 1986. The agreement in the metal manufacturing industry was made first, as it is traditionally. It was used as a blue-print for the other industries in the subsequent negotiations, only with some minor changes for the sailors, newspaper workers and bus drivers. There was a two-week strike in the transportation industry and a six day strike in the tobacco industry, but no other major conflicts. The negotiations outside the

NHO/LO area and in the public sector were conducted along the same lines and with similar settlements. However, strikes in the oil-industry and by the nurses were settled by compulsory arbitration.

The agreement for the metal manufacturing industry had applied mainly to the private sector, and has been considered a good place to start the bargaining in order to reach the goal of balance between the sectors. If an agreement, that is adapted to the level of profitability in the metal industry, is used as an upper limit for the subsequent negotiations, inflation will be kept down. This is in accordance with an economic model launched in the early seventies, that underlies much of the central actors' thinking in this field (Aukrust, 1970).

Since the 1994 negotiations were not completed at the time this paper was written, there are no calculations of average wage-growth per hour available, but it is clear that it is likely to be a very moderate settlement that does little more than compensate for inflation, similar to the preceding years. Since 1988, hourly earnings in manufacturing have grown more slowly in Norway than in other European OECD countries.

One reason for this high level of discipline is that the Norwegian economy has been in recession since the end of the 1980s and unemployment has been increasing. The Government has pointed out in the Contact Committee that the labour market parties have the responsibility for not wasting what was gained in the years with wage restraint, and that this is a precondition for a continuation of the extensive action against unemployment.

One of NHO's main demands for the 1994 bargaining round was to facilitate increased wage-differentiation between the enterprises and more flexible working-time and payment schemes. NHO has formulated a policy for increased differentiation of wages within the enterprises based on established criteria, such as demanding work, competence, experience and results. NHO demanded that the wage agreements should be simplified to allow each enterprise to create its own system (NHO 1991). NHO had to settle for a continuation of the old rules, but, a joint committee will discuss flexibilisation of working-time, over-time and employment. The industry by industry bargaining round in 1994 was conducted in line with the old centralised model for balancing between the sectors of the economy, while NHO's model for increased flexibilisation was put on-the-shelf, at least for the time being.

## **The Relationship Between Central and Workplace Level Bargaining**

The central level negotiations are always followed by collective negotiations at the workplace level in parts of the private sector. The central wage agreements cannot be changed or set aside by local bargaining. The usual outcome is additional wage increases, while other parts of the central agreement, such as working-time, holidays, over-time and other matters of principle are left unchanged. Some national unions define limits for the work-place negotiations and may refuse to accept local agreements if they go beyond these limits.

It remains to be seen if the local agreements in 1994 and 1995 will be as disciplined as the industry level negotiations. The private sector settlements did not set any limitations on local wage increases. In the 1992 negotiations, however, the workplaces where there were no local negotiations were given higher wage increases in the central negotiations than the others, and the local negotiations had to be kept within this frame. The settlement had a strong low-wage profile since wage raises were only given to groups whose wages were average or below. This was LO's precondition for accepting a moderate outcome. In this way the local bargaining was influenced by the central bargaining.

The influence may also go the other way. First, all wage agreements have to be accepted by the majority of voters in a ballot of union members. Second, in the long run, the local bargaining cannot be constrained, and settlements on the central level which are too moderate can be more than compensated when it is opened up for free local bargaining. During the 1980s, two thirds of the total wage increases were the result of wage drift (Høgsnes 1994, p. 124). In the intermediate central bargaining rounds, groups that do not have the right to local bargaining may get compensation for wage-drift and price increases. This is a third source of feed-back from the local to the central level.

The Director of the Central Bank, a long-time Labour Party member, suggested the suspension of local bargaining for several years to come. The reason was that stable or decreasing levels of unemployment could endanger the climate of moderation. Wage-drift on a high level may fuel inflation, and thereby reduce the potential for growth and job-creation. The totality of the economy, he argued, is best taken care of in central negotiations. (Aftenposten 1.7.94).

NHO rejected this proposition because it is their goal that wage levels should reflect the profitability of the single enterprise. LO also rejected the proposition because its members would not accept the closing of the

security-valve that local bargaining represents (Aftenposten 2.7.94). This underlines the important point that the ability of the central level settlements and the central level actors to influence the local level bargaining is conditioned by an understanding of the seriousness of the economic crisis in Norway.

### **The Bargaining-Structure Oscillates Between Centralisation and Decentralisation**

If we look at bargaining since the exceptional year of 1987, the subsequent two years with a wage law, and the very moderate wage settlements thereafter, the Norwegian bargaining structure can hardly be said to have become decentralised – quite the contrary. The local level is more influenced by the central level now than ever before.

However, it is not possible to make predictions about trends towards decentralisation or centralisation of collective bargaining in Norway. The central actors may decide to interfere or not, depending on the economic situation of the country. Because Norwegian economy is one of the most export-intensive in Europe, involvement in local bargaining by the federations representing employers and employees as well as by the State, is regarded as a necessary regulation against turbulence from outside.

It is difficult to describe the bargaining structure in Norway in terms of either centralisation or decentralisation. As Kjellberg points out, the Nordic bargaining systems are both comparatively centralised and decentralised (Kjellberg 1992, 90–91). In Norway, the relationship between the central level actors and local negotiations can best be described as ‘controlled decentralisation’. The right to free local bargaining is allowed as long as it serves intended purposes. When economic goals, including incomes policy are in danger, the central level actors interfere. However, this is only tolerated in situations when centralised co-ordination is seen as necessary by the parties. The central actors must take into account the fact that, sooner or later, they will have to give the local bargaining more independence again. This oscillation between a centralised and decentralised distribution of power is a sign that the old system still survives (Dølvik et al., 1992, p. 148) However, as we will see in the next section, it may be eroded by new relationships between the actors.

## **A New Constellation of Actors Emerging**

Organisational and individual identities have undergone a general transformation during the last 20 years. The distinction between workers and salaried employees (*arbeider/funksjonær*; or their German equivalent of *Arbeiter/Angestellt*) has lost its significance for most groups, while educational and vocational identities have become stronger and more common.

In relation to the bargaining structure, this has resulted in a more complex system. First, the number of unions at the work place level has increased, in some places dramatically. Secondly, AF and YS unions and the independent unions are acting more like interest groups, and not parts of a social movement as LO traditionally has done. They are less willing to accept settlements along the lines of the central agreements in manufacturing, and the disputes over relative wages have been increasingly important. Conflicts between unions have become more dominant in wage negotiations. This is also the case in other questions of principle as the struggle between unions over membership in the Contact - Committee. Høgsnes calls it a "war of unions" in his analysis of the 1982 negotiations (Høgsnes 1994, 134).

This war may now be entering a new phase. In November 1993 an agreement was reached between the LO and AF. It states that the parties have the intention to "develop forms of co-operation founded on mutual respect for the independence of each organisation, and for their different membership basis and different principal political attitudes". The practical consequences of this will only become clear through the course of time. The most important facts are that an agreement exists and that AF has changed its international affiliation from CESI (Confederation Europeenne Syndicat Independant) to ICFTU, ETUC (the European Trade Union Confederation) and the Council of Nordic Trade Unions. It is also clear that LO and AF do not intend to co-operate on levels other than the executive board level. Whether the agreement implies that LO and AF have divided the markets for potential members between them, as the confederations in the other Scandinavian countries have, is yet to be seen. The competition between LO and YS will probably continue as before.

One possible interpretation of the agreement is that LO accepts that AF is the only credible confederation for professional employees, and that LO wants to form a pressure-group together with AF on issues that concern all types of employees. This interpretation is strengthened by the fact that LO recently has declared that they will co-operate with the Socialist Left Party (SV) on interests in common. It seems that LO is building up strategic alliances that might enable it to put pressure on employers and Government, whichever parties are in power.

These new alliances will be increasingly important since the Labour Party now has more voters among the employees outside of LO than inside, and there are signs that the Labour Party is redefining its policy from a worker-orientation to an employee-orientation. In addition, an increasing number of LO members are opposed to a continuation of the strong, formalised co-operation with the Labour Party (“det faglig-politiske samarbeid”). The fact that AF and YS now are members of the Contact Committee is an indicator that LO’s hegemony as the Labour Government’s partner in policy-making is over. This can be illustrated by the fact that in 1988, LO and NHO was allowed to reach an agreement before a wage-law was issued that made the NHO/LO agreement a framework for all other negotiations. YS and AF made it quite clear that they could not accept being left out in the cold in this way. The following year, a wage law was issued before any negotiations took place. The employee (con)federations, to a larger extent, were being placed on the same footing. As a consequence, the LO may become less committed to the Government’s policy and more responsive towards its members.

A situation is emerging where the Government will let the labour market parties determine wages by themselves. At the beginning of the eighties, a non-interventionist policy was a point of agreement for the political parties that were in Government: first the Labour Party and then the non-socialist coalition that took over from 1981 to 1986. There was a general dissatisfaction with the results of the intervention and contributions made by the state during the seventies (Cappelen, 1993). However, by the end of the decade, new versions of the old regulatory mechanisms were brought back to handle the severe economic recession.

Sivesind et al (1995) have argued that important elements of the social-democratic order, that prevailed in Norway from the 1950s to the end of the 1970s, were reinstated by the end of the eighties to solve acute economic problems, despite the fact that the ideological foundation for these measures had diminished. This applied not only to counter-cyclical policies and public ownership of financial institutions, but also to Government contributions and interventions in wage-negotiations. It remains to be seen if the tools for influencing wage-formation can be put away. And, if they should be needed again, will they still be there?

In 1994, the central level actors and centralised wage bargaining in Norway seems to be as important as they were twenty years ago, but decentralised bargaining still has importance. The central level actors know they will have to give the local bargaining more independence again. This indicates a continuation of the traditional structure characterised by controlled decentralisation. However, the influence of the central level may be

eroded in the future by a new constellation of actors. First, union competition on the labour side has increased. Second, partly as a consequence of the first, the LO's role as a privileged partner for Labour Governments is gradually being redefined. LO can be expected to rely more on new strategic alliances and to be less willing to bear the costs of imposing Labour Party policy on its members. The potential for concerted action involving central as well as local levels may be endangered by this new constellation of actors.

## **Changing Forms Of Participation**

### *Are There Works Councils in Norway?*

After the Second World War, production committees were introduced in Norwegian enterprises as part of a broader planning process involving branch councils. During the fifties, it became increasingly clear that, while the branch councils and production-committees handled projects related to production in a spirit of participation, problems related to distribution were handled in negotiations between the labour market parties. In 1966, the production committees became part of the Main Agreement between LO and NAF (later NHO) and changed their name to Works Councils ("bedriftsutvalg").

The Work Environment Act of 1977 made Work Environment Committees obligatory at all work-places and, in many instances, they were merged with the Works Councils. The Works Councils consist of management and representatives of all unions at a work place. One half of the members on the Work Environment Committees are elected by the employees and the other half are nominated by the employer.

Both these type of bodies differ from the German Work Councils which are elected by all employees and negotiate with management on all kinds of issues that are of concern to the employees. The Norwegian type of Work Councils are structured around the central role traditionally played in most firms by local union representatives, who are elected by the members at a work-place.

The Work Environment Committees are authorised to stop dangerous work and to have work-environment inquiries made. This also applies to the Safety Delegates who are responsible for a particular section at the work place. Whereas the Works Councils only have consultative status, the Work Environment committees have a limited delegative status. Kalleberg argues that the Work Environment Act, with its underlying, locally-based development-strategy, is a participatory, democratic reform (Kalleberg, 1993).

There are also other types of participation that are less applied than the Works Councils and the Work Environment Act. For instance, at some work places union-representatives may take part in regular management meetings. According to agreements, employees can take part in project groups concerned with the implementation of new technology at the work-place. Formally, this is a consultative style of participation.

### **Employee Representation on Boards**

Another type of delegative participation is membership on boards. According to the Joint Stock Company Act of 1973, the employees vote in one third of the board-members. The employee representatives have the same rights as the other board-members. After a revision in 1989, the law applies to firms with more than 50 employees, and the employees may have one full member and one observer on boards in firms with 30-50 employees.

In the beginning of the 1980s, a committee of LO-officials (Skytøenutvalget) proposed 50 percent employees' representation on boards and increased influence on the daily decisions made by management, but the proposal was buried after some discussion.

Employee participation on boards was vigorously opposed by employers when it was introduced, but a few years after the act was passed it is no longer debated. There are also no indications that the owners settle important matters "under the table" instead of bringing them up on board meetings. The Government stated in a White Paper to the Parliament that, in principle, it is important that employees, who invest their working power and tie their personal destiny to the firm, have a right to participate in management. Instead of being just production-factors, the employees are recognised as stake-holders with governing-rights (Kalleberg, 1984, p. 390).

The membership share of 30 percent is too small to secure real influence, but the employee representatives may make suggestions and take part in discussion. In addition they get access to information and the situation motivates them to study it. It is, as yet, uncertain the extent to which this reform in fact has changed the distribution of power in firms.

### **Employee Participation in Bipartite and Tripartite Development Programs**

The most important, broadly-based organisational development initiative in Norway is the so called **HFB-program**. In 1982, LO and NHO made an

agreement on jointly supporting development projects in firms, promoting productivity, broad participation and co-determination. This is a part of the Scandinavian tradition for bipartite and tripartite development programs triggered off by the socio-technically inspired industrial democracy program in the sixties (Gustavsen and Hunnius, 1981, 37–84, Kalleberg 1987, 87–92). In 1992, about 500 firms had carried out at least one HFB-project (approximately 7.5 percent of the 6,685 Norwegian enterprises with more than 5 employees in 1989). The extent of the projects varied in different industries. For instance, in the mechanical industry, 15 % of the 604 firms organised in the employers' union have TBL ("Teknologibedriftenes Landsforening") have taken part in such projects (Hovde, 1992).

The aim of the HFB-projects is to establish a democratic dialogue between management and employees in the firms and to constitute new arenas for this purpose. The intended outcome of these dialogues is to discover challenges crucial for the firms' well-being and survival, and to mobilise all employees in the solving of these problems. Three or four enterprises in the same branch or region may take part in parallel conferences, promoting the development of networks and a sustainable project development. The purpose is to facilitate the generation of local theory, and the expert role of the researcher is abandoned. As it might be clear from this, socio-technical theory is not particularly important any more. The HFB program is rather based on a process-oriented, democratic development strategy (Gustavsen, 1992).

The experience from these projects indicates that they reinforce development processes already in action. They seem to be less important for the initiation of organisational renewal. In general, the projects have facilitated work with productivity-improvement rather than democratisation (Hovde 1992).

Another important development initiative was the **Centre for Improvement of Working Life** (Senter for Bedre Arbeidsliv or SBA). It was established in 1988 for a 5 year period as an independent foundation by the Government, LO, AF, YS and NHO. The SBA was involved in more than 80 projects, involving contact with 350–400 organisations in the private sector as well as in the municipal- and state-sector. The activities were supported by researchers in the program staff, but they were client-customised rather than research driven through a broad based participatory concept. As in HFB, mapping conferences with broad participation were important tools, in particular in the initiation-phase. Later, project groups and a steering committee followed up intentions that were agreed upon by the participants.

According to the evaluation by Davies et al (1993), the program was successful at promoting competitiveness and quality at the enterprise or organisation level, but the desired effects on an industry or national level were minimal. One reason for this was lack of support from key national level and industry level actors. There was also a lack of international bench-marking for the program and its projects. Despite the difficulties with extracting the effects of SBA projects from other on-going activities, productivity gains could be found in at least 19 projects and improvement of service-quality in at least 7 projects (Davis et al., 1993, 82). However, 64 percent of the participating organisations wanted to continue the development when the program was completed.

The evaluation committee underlined that the SBA projects were both design-driven and process-driven, in contrast to the Swedish LOM program which was dominated by a process-orientation. However, the committee criticised the narrow scope of development approaches, concentrated around the socio-technical tradition. The conclusion was that the program had been directed towards the improvement of factors that are important for survival in a turbulent world-environment such as direct participation, network building and flexibility. To reach more conclusive results, this type of development would have to be continued for a longer period, with some important adjustments, and with additional actors involved (Davis et al., 1993, p. 105–111).

A new development initiative called “**Development of Enterprises Towards the Year 2000**” (BU 2000) was launched in 1994, financed partly by the Norwegian Research Council and partly by the participating enterprises and organisations. It will continue until year 2000, and it should be in line with what the evaluation committee recommended. Whether the results will meet expectations this time, remains to be seen.

## **Conclusion**

The general impression is that, while the 1970s was a decade of reforms which promoted participation in working-life, the period thereafter has been one of consolidation. There have been no reversals of the reforms, and they have rather been applied more generally than was anticipated when introduced. It is also an important fact that the tradition of bipartite and tripartite development-programs is prolonged. The most important change is that while in the 1970s, democratisation was seen as an ideal worth promoting by itself, joint commitment now viewed as a means of achieving increased productivity.

## Appendix: Collective Bargaining in Norway, 1974–94

Year	Type of Settlement	Level of Bargaining	Centrally Agreed Wage Increase <sup>2</sup>	Locally Bargained Wage Drift	State Intervention	Government
1974	Main Settlement	Industry by Industry	16.9	7.9	No Intervention	Labour Party
1975	Intermediary	Tripartite	8.9	4.3	No Intervention	Labour Party
1976	Main Settlement	Tripartite	9.4	5.8	No Intervention	Labour Party
1977	Intermediary	Tripartite	2.9	7.1	No Intervention	Labour Party
1978	Main Settlement	Centr. Co-ordinated	2.1	3.9	Compulsory Arbitration	Labour Party
1979	No Regular Bargaining	Wage Stop	0.3	2.4	Wage and Price Freeze	Labour Party
1980	Main Settlement	Industry by Industry	5.0	8.2	No Intervention	Labour Party
1981	Intermediary	Centr. Co-ordinated	1.7	6.8	Compulsory Arbitration	Labour Party
1982	Main Settlement	Industry by Industry	5.4	6.0	Compulsory Arbitration	Conservative minority government
1983	Intermediary	Centr. Co-ordinated	0.9	5.7	No Intervention	Non-socialist coalition
1984	Main Settlement	Industry by Industry	3.0	5.9	Compulsory Arbitration	Non-socialist coalition
1985	Intermediary	Centr. Co-ordinated	0.5	6.9	No Intervention	Non-socialist coalition
1986	Main Settlement	Industry by Industry	11.4	6.9	No Intervention	Labour Party from May
1987	"Exception Year"	Centr. Co-ordinated	0.2	8.3	No Intervention	Labour Party

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1988	No Regular Bargaining	Irrelevant	1.7	0.7	Wage Law	Labour Party
1989	No Regular Bargaining	Irrelevant	4.1	-0.2	Wage Law	Conservative minority government
1990	Main Settlement	Centr. Co-ordinated	3.3	3.0	No Intervention	Labour Party
1991	Intermediary	Centr. Co-ordinated	1.6	2.5	No Intervention	Labour Party
1992	Main Settlement	Centr. Co-ordinated	0.5	2.4	No Intervention	Labour Party

Source: Hogsnes, 1994, 102-3

<sup>1</sup> Under level of bargaining, 'centr. coordinated' means a centrally coordinated system of collective bargaining.

<sup>2</sup> & <sup>3</sup> The figures for wage increases and wage drift refer to percentage increases from the first quarter of one year to the first quarter of the following year.

## Notes

- 1 Under level of bargaining, 'centr. coordinated' means that the bargaining round took place co-ordinated across different industries, in contrast to industry by industry bargaining, where there are separate agreements in each industry.
- 2 & 3 The figures for wage increases and wage drift refer to percentage increases from the first quarter of one year to the first quarter of the following year.

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