

Atypical labour markets in Norway

Author: Kristine Nergaard (Fafo)

Flexible employment forms in Norway

In 2015, 29% of all persons in employment were in non-standard employment, either part-time workers, on fixed-term contracts or solo self-employed (Figure 1). In 2000, the share of non-standard employment was 30%, i.e. we see a marginal decline over time. The main change in Norway is a decline in long-part time work and a slight increase in marginal part-time work. The share of fixed term contracts and solo self-employed has been fairly stable over the period 2000 till 2015. Temporary agency workers are not measured as a distinct category in the Norwegian LFS. The share of temporary agency workers is estimated till 1.5 – 2%, with an increase from 2000 till 2007/2008. A substantial decrease in agency work followed the 2008/2009 financial crisis, but today the number

of agency workers is more or less the same as before the crisis.

Variations in flexible employment across sectors

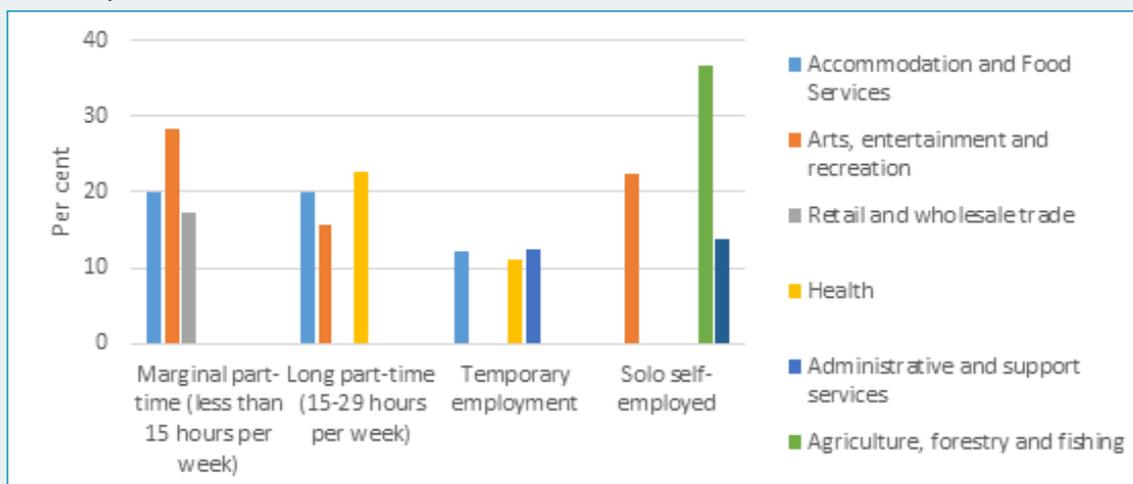
In 2015, non-standard contracts were most frequent within *Agriculture, in Forestry and Fishing, Arts, Entertainment and Recreation, in Education and in Accommodation and food services* (Figure 2). Marginal part-time is most common in Arts, entertainment and recreation whereas long part-time is most common in Health and social services and in Accommodation and food services. Temporary contracts are more prevalent in public than in private sector, and most common in Administrative and support services and in Accommodation and Food Services. Agriculture,

Figure 1: Recent development in non-standard employment forms in Norway (2000-2015, 4th quarter) in per cent of all employees aged (15-74 years)



Source: Authors own calculations based on LFS data.

Figure 2: The three sectors with the largest shares of non-standard employment forms in Norway in 2015 4th quarter, percent of all in employment, 15-74 year olds.



Source: Authors own calculations based on LFS data.

forestry and fishing have the highest share of solo self-employed. We also find a substantial number of solo self-employed in Arts, entertainment and recreation.

Characteristics of flexible workers

The probability for non-standard contracts has been studied for 2015, using binary regression analyses where we control for age, gender, education, size of the workplace and number of jobs (one or more). Young age substantially increases the probability for working marginal part-time as well as having a fixed term contract. Women more often work part-time (marginal and long) and they also have a higher probability of fixed term contracts. Persons with higher education more seldom work part-time (marginal as well as long part-time), compared to other groups. Employees with education at primary level have a higher chance of fixed term contracts compared to other groups. Solo self-employed deviate from other types of non-standard workers by being most common among the oldest age-groups.

Involuntary long part-time work has decreased somewhat during the period, whereas the number of people on fixed-term contracts who would prefer permanent employment has increased over time.

Recent debates and regulatory changes

The debate on *part-time work* has mainly been focusing on involuntary part-time, including persons who want to work part-time but would prefer more hours. Part-time work, and especially involuntary part-time, is seen as an obstacle to gender equality as well as a challenge for sectors with high part-time rates, especially the health and social work sector. A number of measures have been implemented in order to fight involuntary part-time work, including a preferential right to an extended post (2006) and an entitlement to a post equivalent to the actual working hours over the last twelve-month period (2015).

Fixed term contracts have been much debated due to new legislation, which opened up for fixed term contracts on general bases with a duration of up to 12 months (2015). The aim of the government was to ease labour market entry -- especially for groups with a weak labour market position -- whereas critics argue that the recent rule changes will lead to increased job insecurity for more workers. So far the use of the new rule has been very limited. *Temporary work agencies* have also been high on the Norwegian labour market agenda over the last 10-15 years due to increasing number of agency workers in the construction sector and parts of the manufacturing sector. A number of measures have been implemented in order to fight sub-standard wage- and working conditions among agency workers. From 1 January 2019, new and stricter legislation will affect the temporary agency sector and its user companies. Agency workers cannot be employed on zero-hour contracts (the number of hours have to be spe-

cified if the position is permanent). The hiring companies' possibilities for extended use of agency workers (derogation) have also been restricted. There has not been any change of regulations regarding *solo self-employed*. Recent court-rulings have been relevant for drawing the line between employees and self-employed, and some issues were also discussed as part of the 2017 government led Sharing Economy Commission.

Future challenges

A challenge in the years to come is to secure sufficient manpower in the health and care sector, which will mean finding ways to increase the full-time rates among (female) health personnel. In parts of the private services sector, atypical work in combination with vulnerable workers and challenging working conditions are presently seen as a problem, and measures to fight sub-standard working conditions and labour market crime will remain on the agenda. This applies particularly to sectors, which depend on migrant workers, including agency workers. Novel types of employment contracts -- perhaps in the grey zone between employees and self-employed -- may become more salient due to the platform economy and new ways of organizing businesses and services. Finding ways to integrate more people into the labour market will be important in the years to come, including discussions about whether non-standard employment contracts are a "bridge" or a "trap" for persons with a weak labour market position.



The future of work: Opportunities and challenges for the Nordic models

In this collaborative project funded by the Nordic Council of Ministers, more than 30 researchers from the five Nordic countries study:

- What are the main drivers and consequences of the changing future of work in the Nordic countries?
- In what ways will digitalisation, new forms of employment, and platform work influence the Nordic models?
- What kind of renewal in the regulation of labour rights, health and safety, and collective bargaining is warranted to make the Nordic model fit for the future?

Through action and policy oriented studies and dialogue with stakeholders, the objective is to enhance research-based knowledge dissemination, experience exchange and mutual learning across the Nordic boundaries. The project runs from 2017 to 2020, and is organised by Fafo Institute for Labour and Social Research, Oslo. www.fafo.no

This brief emerges from Pillar III Self-employed, independent and atypical work, coordinated by Anna Ilsoe, ai@faos.dk

The project is funded by the Nordic Council of Ministers.