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THE LABOUR MARKET, THE WORKING ENVIRONMENT AND RELATED ISSUES

THEME:
**The hunt for
manpower is on**
- is labour import the solution?

Foto: Caia Portin

News: Disabilities vs. the labour market / The Nordic region: defying economic theory / Theme: The hunt for manpower is on- is labour import the solution?

The challenge is still inclusion

"The Nordic region: defying economic theory" is one of the stories in this issue of the Nordic Labour Journal. The Nordic countries are booming, despite warnings from mainstream economists. Now the Nordic model is under scrutiny by researchers on the hunt for the X factor.

Unemployment is lower than for many decades. At the same time more older people will soon be leaving the labour market than young people entering it. We face a completely new situation, with economic growth, low unemployment and fewer people in the labour market. "Who will get the job done?" we ask in our theme: "The fight for manpower is on".

Employers are fighting over the most eligible workers, and want to import foreign competence. Is that the solution?

At the same time, millions of people of working age in the Nordic countries are still unemployed. They are not sought-after. Can they become wanted?

Globalisation, demographics and not least technological development lead to rapid changes in the labour market, and force authorities, employers and employees to plan for a new reality. The story on the Danish transport sector illustrates a dilemma: while the employers' union claim they lack 4 - 5,000 drivers, the trade union's numbers show 1,500 drivers in Denmark have no work, and that there are only 250 jobs being advertised. It's a perception gap, and here lie the challenges: the employers "could have expanded their business, if...", while workers want jobs, but can't find them. Those with foreign-sounding names have a particular problem. But ethnic Danes too struggle to meet increased demands for skills in a digitalised world.

"The hunt for the super-worker" - that's how Roger Mörtvik at The Swedish Confederation for Professional Employees describes this tendency for employers to up the skills threshold. In the piece "Labour shortage on everyone's lips", he highlights the importance of workers having the chance to improve their skills during times of change, to avoid being forced out of the labour market, or being trapped in jobs from which they cannot make a decent living.

Matti Vanhanen's new Finnish government breaks the world record with 60 per cent female ministers. Change happens slowly to women's position also in Nordic societies. But perhaps this shows that Finland can't afford to discriminate against women in the labour market, and that society needs both more labour and role models to show childbirth and careers don't necessarily clash.

It's said that manpower is in short supply. Still there are millions of Nordic citizens who can't find work.

The great test of the Nordic welfare societies is still how to answer the challenge of inclusion.




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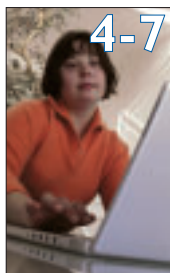
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Disabilities vs. the labour market

Young people with disabilities and their access to the labour market will receive special focus when Sweden takes the helm at the Nordic Council of Ministers in 2008.

In the Nordic countries, 2 - 4 million people with varying degrees of disabilities have no work, and young people make up the majority of these. "A catastrophe which flies in the face of the image of progressive Nordic states", is how Ivar Kristiansen, a member of the Norwegian Parliament, characterised the situation.

By Gunhild Wallin

"It's important to be aware of these terrible figures. We're talking about millions of people with disabilities in the Nordic countries, and there are also large unknown figures", Ivar Kristiansen said. He was addressing the Nordic seminar "The labour market for young people with disabilities". Mr Kristiansen has been chairman of the Nordic Council on Disability Policy since 2006. The council is a policy-shaping and advisory body for the entire Nordic Council of Ministers.

Its aim is to raise important political questions on disability throughout the Council of Ministers' areas of co-operation. It also aims to initiate policies and to be a source of competence. The council has established five sector networks, one of which concentrates on labour market issues. The sector networks are made up of civil servants and representatives from disability organisations, and regularly organise conferences. This time the organiser was the network for labour market issues, in co-operation with Sweden's Ministry of Employment. Secretary General Inge Ovesen underlined the importance of easing the entry of young people with disabilities to the labour market. He argued the Nordic

countries needed a pronounced policy to include people with some form of disability, that there was a need to emphasise how work is important in terms of integration, and that lack of manpower meant more people must be made able to participate. There was a lot that the Nordic countries could learn from each other, said Mr Ovesen.

"Our differences and similarities can create a fruitful co-operation", he said.

While the main focus at the Stockholm conference was the labour market for young people with disabilities, it used statistics incorporating all people with disabilities in the Nordic countries, and their relationship with the labour market. The statistics were provided by a commission of inquiry from the Norwegian Parliament. Ivar Kristiansen painted a bleak picture. Despite strong economic growth across the Nordic region, the number of people with disabilities in work is falling in all Nordic countries. There are more disabled people in work in Sweden than in the neighbouring countries - but there too, the number is falling. It looks as if it's becoming increasingly difficult for people with

disabilities to enter the labour market, despite pronounced political ambitions and anti-discriminatory legislation on an EU level and within the Nordic countries.



The number of people with disabilities in work is falling in all Nordic countries (Photo: Tim Garcha/Zefa/Corbis)

"There's no lack of printed aims, but the numbers show something is being done wrong. We need a joint fight", Ivar Kristiansen said.

Disability is a general term that tends to be defined differently in different countries. This makes comparisons difficult. The study of the Nordic countries, referred to by Ivar Kristiansen, included both people with disabilities and those on long-term sick leave. The statistic shows they are many, and they find it hard to gain a permanent foothold on the labour market.

In Sweden, around 1 million people say they have some kind of disability, but that does not mean they are incapable of working. Some 62 per cent do work, but that's fewer than in the year 2000, and the number is lower than that for the general population. In Norway, around 15 per cent say they're disabled - that's some 471,000 people. Of these, 44.3 per cent were in paid employment, compared to 77.7 per cent of the general population. Denmark and Finland lack similar statistics, but there too the number of

disabled people in work is considerably lower than for the rest of the population - and the number is falling. Working life for people with disabilities is often characterised by part-time work, fewer jobs demanding special competence, more jobs within the public sector and a greater need for specially adapted work places. In Sweden, more than 20 per cent of those of reduced working capacity say they feel bullied, through lack of salary increases, no offers of training, or being passed over for managerial positions.

Ivar Kristiansen said it was important to alert politicians to the millions of people affected. One problem is that people with disabilities end up being bundled in with all social outcasts, and end up getting very little attention at all. This must change, he said.

The transition from education to working life is particularly difficult for young people with disabilities. There are various projects addressing this problem in all of the Nordic countries. Between 2004 and 2006, the Norwegian Ministry of Government Administration and Reform ran a project for trainees in central government, to help young people with higher education and a disability to find work. There's now an aim to have five per cent people with disabilities out of all new public appointments. An audit in the spring of 2007 showed that 328 places of employment did now have experience of accepting and working with people with disabilities. 18 out of 329 people were trainees.

Stockholm has its own labour exchange for young people with disabilities, which services 25 municipalities in Greater Stockholm. It approaches many people with disabilities before they leave school, and prepare the transition to working life taking into account the skills of each individual. Many of these young people struggle with dyslexia, and disabilities are a growing problem.

"Finding a job is detective's work. We become the young people's

network", says Åsa Grönlund from the Swedish labour exchange.

Nicoletta Zoannos is project coordinator for Sweden's 2-year EU project "Independent Living Institute". She says they fight against institutionalised exclusion of young people with disabilities, by for instance organising work placements and trainee programmes in the Swedish public authority sector.

"The key question is how to get access to the labour market. Most people do it through a network, but many of the young people with disabilities don't have those contacts, so it becomes important to get a placement or a trainee contract", Nicoletta Zoannos says.

She says they've chosen 300 of Sweden's 500 agencies and public organisations, using various methods to make them accept young people with disabilities. They approach top management or other key people within each agency or authority. A lot of the work they do centres on influencing attitudes and spreading knowledge - but it is also important to give support to those who accept the challenge.

"We see two trends. One is that the term diversity does not include people with disabilities. So when you talk about integration, you're talking about the ethnic kind. The other trend is that there is no money to finance work experience and trainee schemes for people with disabilities", says Nicoletta Zoannos.

The labour market for young people with disabilities will receive special focus when Sweden takes the helm at the Nordic Council of Ministers in 2008, said Eva Uddén Sonnégård, secretary of state at the Swedish Ministry of Employment. The aim is to reduce the number of people missing out on working life.

"To be included into working life is to gain self confidence, to take control over your own life and to liberate yourself", she said.



The Nordic region: defying economic theory

The Nordic countries defy many of the traditional economic theories. Despite having large public sectors, strong unions, small wage differences, generous welfare states and high taxes, their economies have fared better than those of most countries. Norwegian professor Kalle Moene leads a centre at the University of Oslo which will study the phenomenon. He believes the threat to the Nordic Welfare Model comes not so much from the forces of globalisation, but rather from domestic pressures.

By Björn Lindahl

Norwegian professor Kalle Moene leads a centre at the University of Oslo



“Our challenge is to explain why a system viewed by many economists as a blue print for a macroeconomic catastrophe is working so well. We will compare facts with theory. If the two don't add up, maybe it's time we changed the theory”, he says. Last year, his ESOP centre was designated Norwegian Centre of Excellence for the coming five years. If this is extended with another five-year period, the budget will total 100 million Norwegian crowns (12 million Euro), making this one of the largest social science research projects ever in Norway.

The acronym ESOP stands for Equality, Social Organisation and Performance. Kalle Moene points out that the centre will not study the Nordic countries in isolation. They will be compared with many other countries, and the centre is keen to look at development issues. One of the main questions is whether citizens of the five Nordic countries have a stronger social commitment to equality than people in other countries.

Psychological experiments

The results of the research will be published and continually updated online, at www.esop.uio.no. One of the first projects, run jointly with the Norwegian School of Economics and Business Administration in Bergen (NHH), was a study involving 400 people from Norway, Germany, Tanzania and Uganda. It explored ways of “equally” distributing compensation for a job done.

“All the participants first had to perform a task for us. In this case it was typing extracts from a book by Charles Darwin onto a PC. After the work was done the participants were awarded money according to performance. Then they were coupled randomly to other partici-

pants, maybe from a different country, and the two were asked to suggest how the pay should be distributed and which criteria would give a fair compensation.

“We haven't done all the calculations yet, so I don't want to reveal the results, but Germany stands out as less egalitarian in this case, while Norway is closer to Tanzania and Uganda”, says Professor Moene. Compared to earlier research there will be no revolutionary new methods.

“We will work as traditional economists, but we may apply more institutional and psychology-based research as well. We will emphasise how political institutions and instruments can compliment each other. The policies reinforce each other. Small wage differences give a high political acceptance for a generous welfare state, which again leads to small wage differences”, he says.

“What separates the Nordic region most from the rest of the world is perhaps the co-ordination of wage negotiations we have, where unions and employers' associations play an important role, as well as local bargaining.”

Complex system

He conjures up an image of a complicated set of knobs which have to be tweaked in a certain order to achieve the best result.

"Technically one could decide to introduce such a policy through parliamentary elections, but it doesn't work like that in a political-economic system", he says.

"The complexity and the interactions between the systems can be part of the reason why few other countries have adapted the welfare model, even if the interest in the model is very high - mainly from Southern Africa and Latina America." The ESOP centre's aim is not only to look at the positive sides of the Nordic Model, says Kalle Moene.

"There are also things that don't work so well. The integration of immigrants into the labour market is one problem."

Will the Nordic model survive globalisation?

"Many people exaggerate the external threats and think they will affect the system more than internal problems. Many also think that the Nordic countries would be better off without such tough outside competition. But the opposite is true. These countries have done so well in the face of globalisation, because they've been so open and exposed to trade competition.

"The threats from within are much larger. What will the educational revolution do to wage equality? Does the system become socially unstable when a majority gets a higher education? Those are questions we need to look into."

Kalle Moene and his team at ESOP are not the only ones trying to pinpoint exactly what makes the model work.

At two Nordic Centres of Excellence (NCoE) co-financed by NordForsk and several Nordic national science funding bodies, an attempt is made to increase the

quality and heighten the international visibility of the welfare state research.

Professor Pauli Kettunen at the University of Helsinki is heading a research programme on how values and traditions affects the formal and the informal rules and norms in the Nordic welfare states.

Bjørn Hvinden, Head of Research at NOVA (Norwegian Institute for Research on Welfare and Aging) will lead a programme where many of the questions are relevant to the labour market, such as the challenge migration poses for redistributive welfare states. Other questions which will be addressed include whether people are becoming more or less socially excluded and what is being done to activate unemployed people.

All in all, Kettunen's and Hvinden's research teams will receive almost 10 million Euro in support between 2007 and 2012

The Nordic Model - built on trust

The Nordic Model combines competitiveness and growth with strong emphasis on welfare on a national level. But the model is also found on company level, and in other workplaces.

By Björn Lindahl

At the National Research Centre for the Working Environment in Denmark the term social capital is used to describe the quality of an organisation when it comes to the relations between management and employees, as well as between employees themselves.

A company can be more competitive because it has a high social capital. In such an organisation the employees have few conflicts and show a

greater ability to change and to be flexible.

Trust, respect and fairness are the central factors describing an organisation with a high social capital. The leadership trusts the employees to do their best.

Peter Hasle and Niels Møller have done a study of the abattoir industry in Denmark which has attracted a lot of attention. They found that a trust culture which had developed

between the production manager and shop steward team at some abattoirs later spread to the whole company.

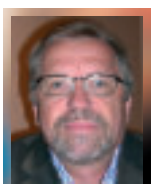
The new trust culture was based on involvement of both first line managers and employees. The involvement resulted in a better psychosocial work environment resulting in positive statistics showing low absenteeism, labour turnover and strike frequency.

The Nordic women – leaders in gender equality

The Nordic countries are leaders in Europe and the world when it comes to equality between men and women. Nowhere else do women have such good opportunities to participate in working life and build careers as in the Nordic region. Finland recently set a new world record in the number of women in government, with 12 women cabinet members. Iceland is an example in parental equality as all fathers have their own three-month paternity leave.



The Finnish Prime Minister with the female half of his government.



By Tapio Vestinen

Giving birth, in other words motherhood, should not be allowed to become a barrier to a woman's career. At least that is what Finland's new government, headed by Prime Minister Matti Vanhanen, says. It has 12 women ministers and eight men. Minister of the Environment in Vanhanen's second cabinet is Paula Lehtomäki, a member of parliament who was Minister of Foreign Trade in Vanhanen's

first government (2003-2007). Lehtomäki put her ministerial duties aside to have a child and took maternity leave from September 2005 to March 2006. And now her next child is expected in October, and she will again quit office to take mother's leave.

The new Finnish government faces a positive challenge as babies are on the way or have arrived for at least three

other cabinet members. Minister of Communications Suvi Lindén and Interior Minister Anne Holmlund are both awaiting word on adoptions in China, and Minister of Health and Social Services Paula Risikko has already enjoyed a similar happy event.

Paternity leave – Good start for an adopted child

Risikko's adopted Chinese daughter Aino gets tender care from the minister's husband, Heikki Risikko.

"I want Aino to be close to me despite my hectic life in government. A small child grows right before your very eyes, and as a mother I want to be there to see it," Paula Risikko said at the government's first news conference.

She openly praises her husband, Heikki, whose flexibility made it possible to meet the challenge of combining motherhood and membership of the cabinet. He has given up his job as an editor in chief and moved for several weeks from their home in Seinäjoki to Helsinki to care for their two-year old adopted daughter.

"It's usually the woman who has to bend in career choices. I have a good husband," the minister says with two-year-old Aino in her arms.

Members of the current government already have about a dozen small children. Prime Minister Vanhanen has promised his team that most cabinet meetings will be held during normal office hours. One-year-old Saara's dad, Finance Minister Jyrki Katainen, regards it as a positive challenge for ministers to have families. "It has to be recognised in practice that a child has only one set of parents. You can't outsource that responsibility even if help is available from people nearby," Katainen says.

Fisher(woman) Helga Pedersen of Norway

But Finland is not alone in the political arena showing that women are as good at "men's work" as men themselves. Norway's Minister of Fisheries Helga Pedersen, the leader of a masculine branch of government, gave recently birth to a baby girl and soon after that was elected deputy leader of the Labour Party. Pedersen, who is nicknamed "the new Gro" after former Prime Minister Gro Harlem Brundtland, took her mandatory maternity leave after the birth of her girl, but care for the child in the future will be given as much by Pedersen's Norwegian husband as by she herself.

But what do Finland's and Norway's examples mean in practice for equality between men and women? I posed that question to Solveig Bergman who heads the Nordic Institute for Women's Studies and Gender Research in Oslo.

"Of course it shows on a symbolic level that we have crossed a threshold. Finland now has its first woman president, the country had a woman prime minister several years ago and also the first woman leader of one of the big political parties, and 50 percent or more of the members of government or parliament are women. All this shows that a lot has happened in the political sphere in Finland and certainly in the other Nordic countries too," Bergman says.

But have changes only taken place in politics?

A lot of research has been done on this over the past 10 years, and it clearly shows that politics is quantitatively the most egalitarian area while business is certainly the most difficult arena," she says.

A Nordic women's paradise?

Women's position in economic life is the most problematic. Although Finland's forest industry federation is led by a woman, Anne Brunila, the Bank of Finland had a woman Governor, Sirkka Hämäläinen, and Nokia's No. 2 boss alongside Jorma Ollila was for years a woman named Sari Baldauf, women have still not conquered as much from men in business as they have won representation in politics. Business is still often characterised by "old boys' clubs" which are very hard for women to join. Efforts have been made in Norway to help women to the top of the corporate ladder and into the boardroom by adopting a quota system. A new law introduced in 2006 requires that both sexes should have at least 40 percent representation at the board of 500 public companies. In Sweden, the Social Democratic government of Prime Minister Göran

Persson which was defeated last autumn, tried for a 25 percent quota for women, but the centre-right coalition government now in power has decided not to adopt the quota system. In Finland and Denmark, there has been no talk of quotas.

"Denmark is the most difficult of the Nordic countries. For instance, at the universities, Denmark is way below the European Union average, and in Finland *only* 80 percent of professors are men," Bergman says with tongue in cheek.

And why is that?

"There is no single clear reason, but in Denmark women remained outside of social structures in the 1970s. They fought in organisations outside parliament and did not want to join social structures. And it shows in the position of Danish women today," Bergman says.

"Whereas in Finland and Norway women joined institutions as a result of their struggle for equality and also got positions there, in Denmark they remained outside," Bergman says.

Bergman knows what she is talking about since she took her doctorate in Finland on the strategies of the women's movement. In Denmark, according to many women's rights activists, the situation is also difficult because Denmark has a conservative government, and so equality and feminism are not the flavour of the day in Danish public discourse.

"Many think that we have been gradually shifting to the right, while others say that it is not that simple. It has not been a linear development, because there have been setbacks along the way. There is also a debate

about which factors come from education and socialisation and which are structural. This is the core and the reason women's studies exist," Bergman says.

"If we look at the 27 EU member countries, then of course the Nordic countries stand out to their advantage in terms of women's opportunities to have families and to take part in working life, politics and the whole structure of the welfare state. But it would be a bit naive to say that the Nordic countries are paradises and that all the others are far behind. For instance, the situation in Germany is very interesting right now. They are developing day care, and women's position in politics is quite different from that of women in Anglo-American culture."

Labour or religion

It is hard to find simple explanations for why women's status is better in the Nordic countries than in southern Europe if one looks at social influence. On the one hand it is a question of the workforce, but for instance religion also plays a big role.

"It is partly a question of the supply of labour. As a researcher of the women's movement I want to see which factors have affected the outcome, and not just look at macro level structures. But of course such social factors as the need for labour affect the outcome. If one looks at the EU's demographic structure, it is worrisome, as was noted in the declaration of the Lisbon summit. If we look at the need for day care across the EU, then more women are wanted in the workforce to promote economic growth."

And what kind of influence does religion have?

"It is certainly very important because it shapes traditions and of course culture. If we look at Catholic countries and the situation in Germany, for instance, then the development is, of course, different in Catholic southern Germany than in Lutheran northern Germany. Religion is one factor, but certainly not the only one."

"But my main point is that the perception that the Nordic countries are some kind of paradise is too simplistic. Here too there is a sharp divide in the labour market and in wage levels between the sexes, and family violence is also a serious problem in the Nordic countries."

Where are the men?

Consider the Nordic male, and one cannot avoid the question, as shown by the examples of Minister Risikko in Finland and Minister Pedersen in Norway, of who takes care of the children once they are born into this world?

"By housework I don't mean who washes the dishes and vacuums, but rather who stays home to take care of the small children. The systems in Norway, Sweden and especially the Icelandic fathers' quota have produced very good results. In Iceland, the situation is quite revolutionary in an international perspective, and now also in Finland people have grown interested in the Icelandic model."

In the Icelandic model, both the mother and father get three months parental leave, which is mandatory, and three months shared leave with which the parents decide who stays at home. This has changed the whole attitude in Iceland towards young fathers at the

workplace. In Finland, paternity leave was made a topic of conversation by Prime Minister Paavo Lipponen who took a week-long father's leave when a child was born to he and his wife. It was an eye-opener and a significant act in itself, but...

"He stayed home for one week, and that is not going to change the world. In Norway, the father's quota is now six weeks, and Equality Minister Karita Bekkemellem has held out the idea of a three-month paternity leave for Norway too, and the issue is now being discussed within political parties."

Since the Second World War, the Nordic countries have not had a housewife culture in the same way as in other parts of Europe. Women have always been partners in working life and have toiled alongside men. For that reason it has been easier to implant the idea of equality in Nordic culture than in southern Europe and the United States, which have strong housewife cultures.

"After the war there emerged the so-called Nordic social model, combining equality with the welfare society, which emphasises equality as part of the down-to-earth Nordic character and respect for politics, and it has perhaps been decisive in establishing the Nordic woman's position in politics, business and society. These Nordic characteristics have given political legitimacy to demands for equality between the sexes in the labour market, in family life and in politics," Bergman says.

The background image shows a Black woman smiling warmly, with a young child in the foreground. In the background, a white woman is visible, looking towards the camera. The scene appears to be indoors, possibly in a home or a community center.

The hunt for manpower is on

- is labour import the solution?

Will there be enough manpower when economies grow year on year while populations are ageing? No, say many employers in the Nordic countries. Their warning is that lack of manpower will jeopardise economic growth and innovation. Governments too are on the alert. Welfare states are dependent on enough workers to keep ticking over.

While employers in particular call for more labour immigration, employees and their unions are advocating the need to take care of the work forces that already exist, while also looking out for those who are struggling to enter the labour market. Governments are considering both possibilities.

"Strategies cannot be made without understanding how the lack of manpower influences society, or without seeing where and what kind of manpower is needed", says researcher Daniel Rauhut at the Nordic centre for regional research, Nordregio, in Stockholm. He points out that history shows us that lack of manpower can be a positive thing, and that labour immigration doesn't always help economies grow.

Finland: New government wants increased immigration

Finland has one of the lowest immigration rates in the EU, while its population is ageing quicker than anywhere else in the Union. That does not bode well for the country's future labour market. Now the new government wants to increase labour immigration. But the situation for those already in the country must be improved first.



"Our situation is pretty bad. People are having a hard time finding work they're qualified for", says Astrid Thors, the Minister for EU and immigration. There's been a rapid change in the attitude towards foreign labour in Finland. Just ten years ago, there was a law preventing foreigners from working for the state or local authorities, and those educated abroad had to complement their degrees with wide-ranging studies in Finland to gain the competence which was expected.

"Our government's programme does address this, to simplify things. We'll look at how foreign qualifications can be accepted in a fair way here", says Astrid Thors, who has also been a Finnish MEP for many years.

A comprehensive action plan for increased immigration will be drawn up in the coming months. Finnish authorities are now trying various approaches to attract foreign labour. Representatives for industry say everyone must help. One measure would be to stop insisting on a perfect grasp of the Finnish language in order to get work.

"We must all change our attitudes in order to help foreigners thrive in Finland", says Martti Mäenpää, Director General at the employers' union Technology Industries of Finland, which counts Nokia as one of their members.

Colourful hairdressers

If attitude is the main issue, the government would do well in studying the hairdresser saloon

Tukkatalo in the Munksnäs area of Helsinki. The women working here come from Russia, Estonia, Vietnam and Kenya. And Finland of course.

"Customers are very positive to our multicultural work place. Just yesterday a customer shook hands in thanks", says saloon owner Johanna Ahlberg.

It's terribly difficult to find qualified hairdressers in Finland, and wages are so low that many prefer to work in the black market, not paying taxes. Johanna Ahlberg thinks her solution works brilliantly. There are no cultural clashes - on the contrary. People with foreign backgrounds often value home, family and working relationships higher than Finnish workers. They are deeply committed to their job.



By Carl-Gustav
Lindén, Helsinki

“And we get different world-views to boot.”

The lack of language skills is not seen as a problem, the workers' skills is what counts.

Slovakian welders

Another work place which often employs foreigners with good results is Levyosa - a workshop in the town of Forssa making industrial metal parts. There's a lack of skilled metal workers in Finland, and Levyosa has so far been importing workers from Estonia. Estonian wages have been rising rapidly, and are getting close to Finnish levels. But living costs on the other side of the Finnish Gulf are still considerably lower. So Levyosa has found around ten Slovakian welders, through the recruitment agency Opteam - only it might have been the other way around.

“I met a nice Finnish girl who told me many nice things about Finland. And my cousin already worked here, and told me there were jobs to be had. So I wanted to give it a try”, says Norbert Michalec.

His family remains in the town of Tren'cin in Northern Slovakia. Michalec has worked in Slovenia, the Czech Republic and in Germany.

“I don't understand this language, but that's not a problem. People understand each other anyway.”

How long does he intend to stay in Finland? He laughs instead of answering that question.

Government minister Astrid

Thors says imported labour cannot be a lasting solution, even if Norbert Michalec's wages are on the same level as his Finnish colleagues'.

“There are problems with the casual labour which is being brought in. We don't know how

widespread it is, but many things lead us to believe the worst working conditions and real abuse is to be found in this sector. What we really need in relation to our new EU member states, is less bureaucratic rules and regulations. That's much better for the immigrants, and it will also mean they'll get work equal to that of Finnish citizens.”

The Levyosa boss thinks it has been a good thing to remove labour migration border obstacles. If he were to ask for more from the government, he'd choose support for basic coursing in language and cultural understanding. Lack of manpower is a problem for many trades and industries, especially within metal and workshop industries, construction, the ship building industry and the health care sector. The rapidly growing pay packets in the IT industry also tell a tale of big earnings to be had for those with the right qualifications.

Shrinking manpower

From a statistical point of view, the lack of manpower won't be felt until 2010. That's when large numbers of workers start going into retirement. The over-65s will grow as a group, while the number of younger people will fall. The working population is expected to have decreased by 400,000 people by 2030.

Finland is ahead of the pack within the EU, but other member states will face the same problems later. The government has no quantitative goals for securing foreign manpower. Astrid Thors has no solution for how to make Finland a more tempting destination for foreign workers, but puts her hopes on foreign students staying on to find work, amongst other things.

“We're attractive in the fields of art, technology and some other areas, and perhaps those studying these subjects will secure a foot-

hold. We also want to make it easier for students to stay and gain citizenship.”

She also mentions expatriate Finns as an important pool, and Finland has already launched campaigns to tempt people home from the UK and other places.

Comprehensive reform

After 12 years of social democratic labour market policies, Finland is ripe for a comprehensive reform. The new coalition government, comprising the Centre Party, the Finnish National Coalition Party, the Swedish People's Party and the Green League, has decided to create a new ministry with responsibility for both the labour market and trade and industry. The new Labour Minister is Tarja Cronberg, chairwoman for the Green League. Astrid Thors from the Swedish People's Party is responsible for labour immigration. The minister with overall responsibility is Mauri Pekkarinen from the Centre Party.

The goal is to create 80,000 - 100,000 new jobs during the next four-year parliamentary period, partly through tax reductions aimed at increasing domestic consumption. The government also wants to renew the adult education system, streamline the labour exchange and make it more rewarding to seek work outside of people's home area. The government programme also includes measures to support companies keen to expand. The political opposition and researchers on the left have already accused the government of neglecting the long-term unemployed, who in spite of positive economic development still number 200,000 people. The critics say the government policy will cause deeper sociological rifts in Finnish society.

Facts:

176,612 foreign-borne people lived in Finland in 2005. Foreigners accounted for only 2.2 per cent of the total population, compared to 8,9 per cent in Germany and 5,7 per cent in Sweden. Immigration is on the up, and hit post-war record levels last year with 22,700 people. Of these, only ten per cent were labour immigrants. Unemployment among immigrants is four times that of Finnish nationals. (Source: Finnish Institute of Occupational Health)

Labour shortage on everyone's lips

Are we running out of manpower? After years of economic boom in the Nordic countries, an increasing number of businesses say they can no longer expand simply because there are not enough qualified people to employ. Meanwhile, a demographic problem is lurking; the large groups of people born in the 1940s are about to retire. Daniel Rauhut is senior research fellow at the Nordic centre for regional research, Nordregio. He thinks the debate on labour shortages is generally doing itself a disservice. First, he says, you have to analyse what kind of shortage you're talking about, where it exists and in what time perspective.

In their invite to the seminar "Who will do the work?", the Copenhagen Institute for Future Studies (CIFS) write that "the lack of manpower looks set to be one of the largest challenges for the Danish economy and for Danish companies in the coming years."

"The public sector could be facing a really tough challenge, especially if there is an expansion of private health services."

Denmark has enjoyed an economic boom for longer than a country like Sweden, which means their labour shortage is all the more evident. Manpower is being imported from the south and from the north; 15,000 Swedes commute on a daily basis to Copenhagen for instance. German civil engineers and mechanics too are welcome in a labour market under high pressure.

"We're facing a great challenge. There's a new dimension to the labour shortage, and that is the

demographic aspect. During earlier economic booms, there was no shortage of labour, but that is no longer the case. Older workers are on their way out, and the groups entering the labour market are small in numbers", says Niels Böttger-Rasmussen, project manager at the Copenhagen Institute for Future Studies.

Three possible scenarios

So what will the lack of manpower mean for the country and its businesses? Niels Böttger-Rasmussen says there are basically three possible future scenarios for the Danish labour market.

The first scenario is the good one. The lack of labour is seen as a positive challenge which presents a chance to get those outside the labour market back in. The focus is on increased productivity and initiatives to avoid rejection and high levels of sick leave.

The other scenario is one in which lack of manpower leads to the economy overheating. The resulting economic crisis will stop growth. The third scenario has the private sector growing so much that it creates an imbalance between it and the public sector. Private companies will expand so much that they become more

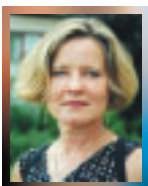
attractive than the public sector, and as a result will tempt workers to move away from public companies.

"The public sector could be facing a really tough challenge, especially if there is an expansion of private health services. Private companies are often more flexible and better at adjusting. The public sector is facing a great challenge, and must develop in order to become more attractive. If not, it risks losing the fight for the highly skilled labour force", says Niels Böttger-Rasmussen.

The government has also been paying attention to this, and a campaign is now running aimed at heightening the quality of the public sector. The campaign is focused on consumers, but the idea is also to create attractive jobs with good and stimulating working conditions.

An active senior policy

Niels Böttger-Rasmussen thinks the lack of manpower can have a positive effect. The labour market could be improved to become more inclusive towards the unemployed, but also towards those who have jobs. Many immigrants are still unemployed - only half of them have jobs, compared to 80



By Gunhild Wallin,
Stockholm

per cent of the rest of Swedes of working age. Another great challenge is to get older workers to stay in their jobs for longer. We need an active senior policy, says Niels Böttger-Rasmussen. Many want to enjoy their twilight years, and it is now common to retire around 60.

More people might find it meaningful to work for longer if

as integrating immigrants, is what might give us an immediate effect”, says Niels Böttger-Rasmussen.

All the Nordic countries are experiencing an economic boom, and while the economic wheels keep spinning around, the need for manpower is increasing. Meanwhile, a considerable number of people born in the 1940s are about to retire.

growth”, i.e. economic growth without an increase in employment. This has now changed. During 2006, the increase in employment happened at a rate not seen for many years. The trend is set to continue. The first quarter of 2007 saw 60,000 people finding work, and unemployment was down to four per cent. At the same time, the number of jobs is increasing faster than in many



The Confederation of Danish Industries (DI) runs the campaign “Full strength” to focus on solutions to the labour shortage. They take part in German job fairs to convince civil engineers and industry workers to come and work in Denmark. (Photo: Kåre Kristiansen DI)

the work is being tailored to suit older people's needs for more flexible working hours and a less stressful and demanding job.

“It is, of course, important to educate more people to fill the jobs that are there, but getting older workers to stay on, as well

Record-hot labour market

Sweden's recent economic growth has not resulted in higher employment as quickly as it has done during previous times of economic boom. The labour market was slow to react, and worried experts started talking about “jobless

decades. The increase was most pronounced in the IT and consultancy sector.

The building industry usually acts as an economic thermometer, as is the case right now. Every second building firm say they lack manpower, and every fourth has

told the Swedish Employment Service (AMS) that they cannot grow as planned because of this. A national survey in the autumn of 2006 had 30 per cent out of 9,000 businesses saying they had experienced recruitment problems during the past six months.

As usual during boom times, a key question is whether the unemployed match the demand - do they have the skills that are needed? Should the shortage be solved with labour market training, or is labour immigration a quicker fix? And are we witnessing the same kind of shortage as during earlier booms, or is this a new phenomenon?

"We're witnessing a phenomenon which is both new and old", says Roger Mörtvik, Public Policy Director at The Swedish Confederation for Professional Employees (TCO).

"Employers wish to tackle an unpredictable economy by employing superworkers."

The old phenomenon is a labour shortage resulting from the economic boom. That problem is usually solved by speeding up labour market training, or by giving people incentives to move. But the economic wheels are now spinning so fast that these measures aren't enough to keep up. What's more, the Swedish Employment Service, responsible for labour market training, need more resources, says Roger Mörtvik.

The new phenomenon is structural changes of a new kind. In the past, whole trades suffered when crisis hit. Sweden has seen

both ship building and textile industries disappear. In today's globalised economy, production is increasingly fragmented. That means changes in demand or production have different consequences than before. Any production normally depends on components from a large number of subcontractors. One part made in Sweden might be cheaper to make abroad, and a job is lost. But apart from those actually losing that job, few take notice. Structural changes happen in a more uneven way, and are getting harder to detect. Thus, the individuals involved become more vulnerable.

The right man in the wrong place

"Each job has become traded goods, and it didn't use to be that way. We need to adjust faster, which makes finding the right person for the right place even more difficult. If we cannot understand the new dynamics and fail to back more labour market training and education, change will happen too slowly", says Mr Mörtvik.

"The present political ambition is to get everyone into the labour market as quickly as possible. If people are forced to take any old job, rather than securing further training for themselves, their skills could gradually lose their value. That's what's happening in the USA."

According to Mr Mörtvik, the important thing is not to get everybody a job as quickly as possible, but that you get the right person in the right job. That way everyone wins, he says.

Roger Mörtvik has also been studying how employers are demanding more. In his publication "The hunt for the super-worker" he writes about how employers are raising the stakes for those they offer jobs to.

"Employers wish to tackle an unpredictable economy by employing super-workers. Since the mid-90s, employers have heightened their expectations when it comes to education, social skills and experience. The result is a selected specialisation of labour, despite the lack of manpower. Unemployment and labour shortage go hand in hand. If you fail to understand this, you risk increasing the number of outsiders, and you make it more difficult for employers to find suitable people for the long term. You get 'the right man in the wrong place'", says Roger Mörtvik.

To match the right people to the right jobs might be one way of fighting labour shortages. Another is labour immigration. To open the door for labour immigrants is often considered the easiest and best way of solving the problem. The Swedish researcher Daniel Rauhut and the Stockholm-based Nordic centre for regional research, Nordregio, warns against viewing labour immigration as a simple and obvious solution. The problem is more complicated, he says.

"Right now the debate on labour shortages is doing itself a disservice. You have to start by analysing what kind of labour shortage we are dealing with, where it is and when it is manifesting itself - before you start suggesting political solutions", says Daniel Rauhut.

The different faces of labour shortage

Daniel Rauhut has spent many years researching labour shortage and labour immigration, and says the debate should be based on a better analysis of the nature of this shortage. He says it is simply irrelevant to talk in general terms about labour shortages. A lack of manpower can be partial, when there is a lack of people within a

specific trade or occupation. This partial labour shortage is strongly linked to business cycles. There are also general labour shortages, but this is more rare.

“That's when you have a lack of people everywhere, across the entire economy. This was the case for instance in Germany after the Second World War, or when industrialisation gained speed in the USA towards the end of the 1800s. Many chose the free life in the West, over staying and work-

put to shame. Relatively few have moved here from the new member states, and those who did, did not necessarily move to the places where they were needed the most. Two thirds of the immigrants moved to big cities, while jobs were most often to be found outside. Immigrant labour is also often sought to fill the vacancies which the native work force hesitate to fill. These are low-status jobs that are often dirty, dangerous and degrading. Daniel Rauhut has

been involved in a soon-to-be published survey from Norway, which shows that those who take these jobs rarely stay. The same pattern is found in the other Nordic countries.

“After five to ten years, they

leave that type of job and start acting like the rest of the population. If you want to solve the labour shortage in these kind of jobs by labour immigration, you need a lot of immigrants”, says Daniel Rauhut.

Labour shortage fuels change

If the democratic development should lead to a general lack of manpower, the solution could be structural changes. According to Daniel Rauhut, history has shown that's what often happens. He talks about how labour shortage has been fuel for change and success. In the 1880s, 800,000 Swedes of working age emigrated to the USA. That was nearly one sixth of the total Swedish population.

“What happened was a structural change from labour intensive to technological intensive industry - a refining of production. Many large Swedish businesses were

established back then, like Ericsson, Atlas Copco and Asea. The result was a marked increase in production. So what should we do today if we're faced with another demographically driven labour shortage? Should we keep the existing structures, or do we adapt?”, says Mr Rauhut.

“It might be contra-productive to call for labour immigration in the face of labour shortages, and it can work against necessary structural changes. That solution requires knowledge of what it is you are setting out to solve. It is also wrong to think people are queuing up to come to our Nordic countries to work.”

“In the 60s there were more 'pull the lever' jobs, which didn't require long educations. Today's society is different, with different expectations to which skills workers should possess. Where do we find that kind of manpower? Many employers and politicians view new EU member states as a pool of labour. But the demographic problems in those countries are worse than ours. There's a surplus of workers in Western Asia and North Africa, but they lack the skills needed in today's labour market”, says Daniel Rauhut.

“It might be contra-productive to call for labour immigration in the face of labour shortages, and it can work against necessary structural changes.”

ing in the industry in the East”, says Daniel Rauhut.

There is also the third kind of labour shortage - the geographical kind - when there is a lack of manpower for instance in sparsely populated areas.

“We see this in inner Norrland, and you find the same phenomenon in all of the Nordic countries - but what kind of labour is needed here? And are we looking at the short or long term?”, asks Daniel Rauhut.

The answers from this analysis lay the foundation for understanding what kind of measures are needed. It is far from certain that labour immigration is the miracle cure to solve all problems. Firstly, there is not a lot of mobility in the labour force. At the last EU expansion, many worried there would be an influx of cheap labour, also to the Nordic countries. This fear was later

Chasing nurses and sailors ...Norway's ethical dilemma of importing workers

The lack of skilled workers is a big problem in Norway, where unemployment has fallen to less than two percent. Healthcare and shipping might seem like very different sectors, yet both are trying to attract foreign workers.

Industrial countries are attracting professionals from the third world, and are increasingly getting involved in educating them before they leave their home country. In Norway, this situation has led to a debate over what ethical guidelines should apply.

The Norwegian Shipowners' Association has supported training programmes in the Philippines, China and Russia for more than a decade. Last year a record 450 cadets joined the Norwegian Training Center Manila (NTCM). Since 1993, 2,100 cadets have finished the programme. It is free for those who are chosen to participate. After two years of education, one year in training on a vessel followed by a fourth year of education, the cadets are guaranteed a job as an engine or deck officer for a Norwegian shipping company. Earlier this year, the Norwegian Minister of Labour and the Minister of Development addressed the challenge that a shortage of workers presents.

"We will need at least 100,000 more employees in the health sector over the coming decades. I don't see how we can fill that number with people who are already in the country", said Erik Solheim, Minister of Development.

Third World nurses

One solution, said Minister of Labour Bjarne Håkon Hanssen, could be for Norway to pay for the education of nurses and other healthcare professionals in poorer countries. At the end of their education, they would be invited to move to Norway.

"It's a win-win situation both for Norway and the foreigners", said Hanssen, who believed that most of the foreign workers would choose to continue to live in Norway.

"But some would move back to their original country after a while", he said.

The two ministers soon found out that there is a large difference between sailors and nurses.

Their suggestion was immediately criticised by the head of the Norwegian Nurses Organisation, Bente Slaatten.

"I can't believe that Norway should go to poor countries to fetch nurses! The lack of nurses is global. In Europe we have ten times as many nurses per capita as in Africa. South of Sahara they need 600,000 new nurses to fulfil the UN millennium goals."

According to the Bente Slaatten, many Norwegian nurses are still only offered part-time jobs.



By Björn Lindahl,
Oslo

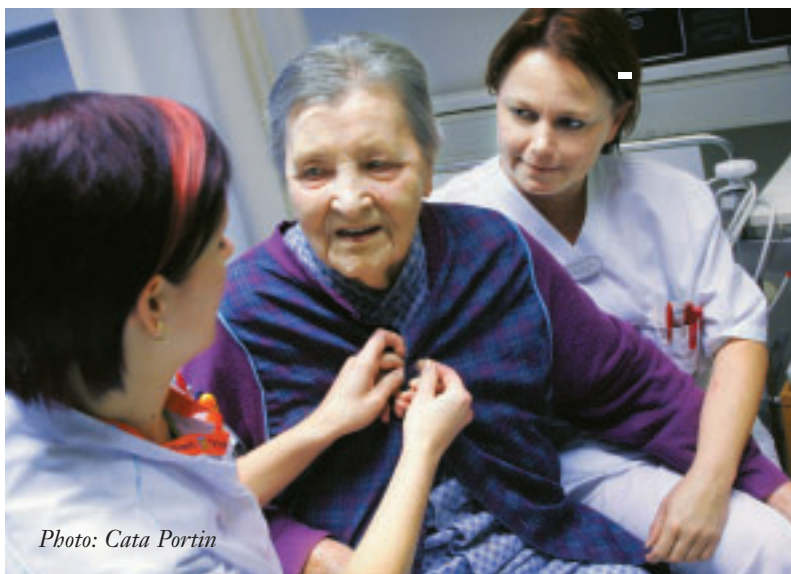


Photo: Cata Portin

"In Norway there are 91,930 nurses, health visitors and midwives, but there are only 53,709 whole-time equivalents. Newly educated nurses are still offered part-time jobs. The wages are far below that available to people in other professions, with the same amount of education."

African brain drain

The two ministers rapidly backtracked. They said what they were actually talking about was how to secure international rules to prevent a brain drain from the Third World.

"We need to prevent aggressive recruitment. Norway does not wish to drain the poor countries of

million Euro will be spent over the next three years to speed up the process of giving health workers from countries outside the EU the necessary qualifications to work in Sweden.

Ten times the native salary

The Norwegian Shipowners' Association, NSA, began supporting a training programme for Philippine sailors in 1993. "You don't educate 100.000 people over night", says Einar Schiefloe, Head of Competence and Recruitment at NSA, when he hears the number of professionals needed in the health sector. In shipping, the ethical dilemma of importing labour is not compa-

industry employs 58,000 people. Only a quarter of them are Norwegians. All in all some 20,000 Philippines are working on Norwegian-controlled ships.

The shipping boom

"Shipping is a cyclical business, but the last years has seen a tremendous boom. There is no way we can educate enough Norwegians for all the new ships and rigs that are being built", says Mr Schiefloe.

The Norwegian education system can train around 500 - 600 engine and deck officers per year.

"The maritime sector will need another 18,000 sailors just over the coming three years. Even if we have special programmes to attract more young Norwegians, there is no way we could get that many."

A special campaign website, ikkeforalle.no ("notforeveryone.no") has been set up to get more young Norwegians interested in working for the shipping industry.

"The results have been good so far. According to a fresh survey, three out of ten young people say that they could be interested in working in shipping. The goal is to raise interest significantly. We primarily want to attract candidates with an interest in a maritime education", says Einar Schiefloe. NTCM in the Philippines has been followed by similar programmes in China and Russia.

There is also a need to continue training for those who already work on Norwegian ships. The NTCM offers more than 60 courses, which can run over 1 - 2 weeks, in close co-operation with 80 - 90 shipping companies. Since the start in 1990, more than 50,000 sailors have been given such supplementary education in Manila. Last year the total number was 9,500.



their highly qualified workers, as some seem to think. What we need is a system that can handle the fact that well-educated people from poor countries now actively try to find employment in the west, instead of working in their own countries", said Erik Solheim.

The debate on nurses highlights the acute need for skilled workers in many professions. Norwegian authorities have already actively recruited nurses and other health workers from Europe for several years. In Sweden 18.5

million Euro will be spent over the next three years to speed up the process of giving health workers from countries outside the EU the necessary qualifications to work in Sweden.

A Philippine sailor earns much more than what he would get working onshore. If he advances to become a captain, the salary is, in some cases, more than ten times that of a director of a local Manila bank.

Norway has the fifth largest commercial fleet in the world, as well as an offshore sector with many vessels. The maritime

Fighting over the unemployed

Denmark is changing tack to attract manpower in the face of record low unemployment figures. The transport sector shows the way.



Danish lorries with Polish number plates: no longer an unusual sight in Copenhagen.

A Danish truck with Polish number plates passes the Tivoli Gardens in the heart of the Danish capital Copenhagen. It's not an unusual sight, and it's becoming increasingly common. Fewer and fewer trucks now have Danish number plates. Transport is one sector, along with trade, social services and health, struggling to attract manpower.

Employers now must find new ways to attract and keep manpower, according to many in the transport sector. It is important to emphasise the human aspects of drivers. You can no longer treat them as simple labour. Another challenge for the employers is the growing demand for specialised skills for anyone wanting to drive a truck.

Record-low unemployment
Denmark now has some 113,000 full-time unemployed. 90,000 are

members of unemployment insurance funds, the remainder draw unemployment benefits.

Unemployment numbers have not been this low since the 1960s, but there are still people who cannot find work, says Torben D. Jensen, secretarial manager at the Association of Unemployment Insurance Funds.

"We've just been working very closely with the transport sector, together with both employers and the United Federation of Danish Workers (3F), in order to get unemployed back to work. We have organised focus meetings amongst other things, and we know that we need completely new approaches to achieve our goals.

"But we cannot agree on how many jobs there are. We recently concluded there are some 1,500 unemployed drivers in Denmark.

The transport industry says there are some 5,000 jobs, but we've only managed to find around 250 real job ads."

In other words, there's a gap between what employers say, and the actual number of jobs being advertised. Employers say they would be able to expand if there were more drivers. Haulage contractors also want to employ people they know, to drive their large and expensive vehicles.

"It's crucial for the unemployed to have a real job they can apply for. They are also often turned away when employers see they have a foreign name", says Torben D. Jensen.

Keeping the drivers

Erik Østergaard is managing director at the employer's organisation Danish Transport and Logistics. According to him, there was a shortage of 4 - 5,000 drivers in Denmark last year.

"We have an increase in goods, more traffic congestion, while the strict regulation of the transport sector lowers productivity - and this increases the need for drivers."

He says drivers are often aged between 30 and 49, and lack the education needed to provide them with the right skills. This is a problem, as new trucks often come with a lot of complicated IT equipment which the driver must operate - the driver must be literate. At the same time, many of the older drivers choose to retire



By Anders Jacobsen, Copenhagen

early. They draw an early retirement pension at 60, rather than working until they're 67.

A new articulated lorry is being introduced into Denmark, which can haul 50 per cent more goods than an ordinary truck. This could reduce the need for drivers. More foreign drivers are hired, and competition from foreign haulage firms is increasing. That's why fewer Danish trucks roll across Danish borders.

"Our task is to both attract new drivers, and to keep hold of them. It used to be enough to give them basic things like wages, food, rest and safety. Now we have to make the trucks appealing places to work.

"Drivers must be able to get training and to develop as part of their career - they might want to become haulage contractors. And it's important to take their family life into consideration. We must also focus much more on attracting people with different ethnic backgrounds", says Erik Østergaard.

Mapping skills

Eva Berthou is deputy leader of the 3F-affiliated trade union The Copenhagen Drivers. She says those with different ethnic backgrounds do indeed have problems.

"Nearly half of our members are non-ethnic Danes, and a lot of them are turned down for jobs. Employers might be worried they cannot read properly, that goods are delivered to the wrong address, and so on."

The union lists some 200 unemployed members, of which 50 - 60 can no longer drive because of bad health and/or because they've lost their licence. There are no unemployed members within export and tourism. The around 140 remaining drivers with no work often lack the skills that employers demand before they're

allowed to drive new trucks with modern IT equipment.

"In December 2006 we started mapping the skills of all of our unemployed members, in order to find out what their skills were, and what they wished to do. We even contacted 50 - 60 cargo transport firms to offer them drivers. We only received six replies, and there were only five drivers' jobs."

"Bus drivers' salaries are low, and they sometimes have to work five - six hours without a break because of heavy traffic. So if they can get a better job - for instance in construction - they'll take it", says Eva Berthou.

New and positive experiences

The bus company Arriva Scandinavia has experienced serious recruiting problems at their Nordsjælland branch. Torben Topp is Arriva Scandinavia's head of quality:

"We have very few young drivers, and the older ones retire early - so we're struggling to maintain a steady work force. Young people with families have problems balancing work and looking after small children, so they find different jobs.

"We once tried big advertisements, we have tried the trade union and job centres, and we have offered money prizes in order to get drivers, but with no result."

In the autumn of 2006, Arriva chose a completely different approach. They asked the Education Centre for Public Transport if they could train new drivers for them. That way they were able to make sure the people they were training really wanted to become bus drivers. Would-be drivers must attend a set number of lectures, have no criminal record and must speak Danish at a reasonable level. Arriva has also employed part-time drivers. And

they've established what is needed to keep people in their jobs as drivers:

- Greater support for the drivers
The drivers must be given more control over their working day.
- Better communication
- Social support for drivers and their families.
- The opportunity for part-time workers to retire early (in co-operation with local authorities and trade unions).
- The opportunity of reduced hours, enabling older workers to join "the third age"
- Better training for middle management, with focus on human aspects of work

"There's no more being shouted at and having to follow orders! We simply need to work a lot harder to improve the image of being a driver", says Torben Topp.

Swedes in Copenhagen

The Danish Bus and Coach Owners' Association have been looking across the waters of Øresund into Sweden in order to recruit drivers for buses in Greater Copenhagen, says managing director Michael Brandt-Nielsen. "There is some unemployment in the south of Sweden, because they have long terms of notice and are weary of employing people as a result. We don't have this in Denmark, so we have no problem employing people on a permanent basis.

"We have created a good dialogue with the Southern Swedish employment services, who organise meetings for the unemployed. There they'll learn about the geography of Copenhagen, the ticketing system and some traffic-related Danish. We have 30 - 40 Swedish employees, and 25 per cent of them are of non-Scandinavian decent", says Michael Brandt-Nielsen.

Commission Green Paper on labour law and the challenges of the 21st century

The Barroso Commission of the European Union presented in late 2006 a Green Paper entitled "Modernising labour law to meet the challenges of the 21st century". The paper has received reactions and comments during the whole of spring, and the general assessment is that the Nordic countries and the Nordic social partners have been rather critical to the suggestions and proposals in the Green Paper. The aim of this article is therefore to review the Green Paper from a Nordic perspective in order to make the prevailing sceptical attitudes understandable.

The main focus in the Green Paper is to look "at the role labour law might play in advancing a "flexibility" agenda in support of a labour market which is fairer, more responsive and more inclusive". It focuses especially on the existing legal and contractual framework for the legal definitions of employment and self-employment, and asks whether greater clarity is needed in Member States' legal definitions of employment and self-employment. Furthermore it asks whether basic rights are needed for all workers regardless of their form of contract.

Focus on individual (personal) labour law

The Green Paper declares that its "focus is mainly on the personal scope of labour law rather than on issues of collective labour law". All references to collective agreements are in the spirit of Question 6: what role might collective agreements play in promoting the flexible individual employment agenda?

The experiences from Nordic labour law generally tells us that balanced agreed flexible solutions (local agreements, flexible working time arrangements etc) have been best achieved by collective agreements not only introducing flexibility, but also promoting security for employees in one way or another. From a Nordic perspective a way towards achieving a balanced flexibility would therefore be to support and reinforce collective bargaining in Member States with weak structures in this respect. There is nothing about the possible function of EU law in this respect in the Green Paper, it seems that "modernising (EU) labour law" can be interpreted to mean transforming collective labour law into individual labour law. Such a perspective represents a nightmare especially for Nordic trade unions.

EU harmonisation of the legal definitions of an employment relationship?

The industry organizations and governments in the Nordic countries have criticised the ambition in the Green Paper to harmonise key definitions in labour law as employment and self-employment. This proposal does not seem very realistic and can also be questioned from subsidiary considerations.

On the other hand there clearly are some specific internal market situations in the context of free movement of services where differences in the definitions included in an employment contract can be misused by entrepreneurs operating in several countries. This issue is

actually addressed in the ILO (International Labour Organisation) in its Recommendation 198 that was adopted in 2006. In this recommendation Members are encouraged to adopt effective protection for and prevent abuses of migrant workers in the context of the trans-national movement of workers.

Taking into account that all EU Member States voted in favour of the adoption of ILO Recommendation 198, this could form a reasonable basis for regulating the specific trans-national problems. A general harmonization of definitions of employment seems to be not only politically unrealistic, but also very difficult to justify.

Some conclusions

The achievements of the Barroso Commission in the area of labour law has been very modest so far. The Green Paper does not give an impression that the Commission has any clear agenda in this field. The author really feels that there are still concrete measures that are needed within the area of EU labour law, and that the Commission should concentrate on these. After the adoption of the Services Directive in 2006 there is an increased need to harmonise the minimum protection of temporary agency workers. That might be achieved by promoting the Commission's proposal of a Directive on temporary agency workers, and there is also an urgent need to revise the Working Time Directive.



By Professor
Niklas Bruun,
University of
Helsinki

Things to do on holiday

"How was your holiday?" they ask me. I think to myself - holiday? What holiday? I've worked harder over the past three months at home than during an entire year in the office.

My experience is that people who call parental leave a holiday are either foreigners or childfree. It's difficult for them to grasp that a state, no matter how wealthy it is, would give so much time off to fresh parents, and it's hard for them to see that this time off is no walk in the park. So I guess they should be forgiven.

In oil-rich Norway, parents enjoy full pay for 10 months or 80 per cent pay for 12 months while staying at home with their child. The system is so generous that you would expect this seemingly worryless country to be among the most populated in Europe, despite its unlikely latitude.

Its small population is still a mystery to me; a Frenchman who's been trying to hike the numbers over the past ten years.

The first chunk of parental leave usually goes to the mother - for natural reasons such as breastfeeding. My role as a full-time father for our little Eva started when she was seven months old. So here I am, five years after my first parental experience. Trying to recall how long the milk has to be heated and on which side of the nappy those funny drawings should be when it's in place, while doing my utmost to gently mute that braying baby. It's not so easy to stay alert after yet another sleepless - or so it feels - night. Not to mention mother's expectation that you must get the shopping done, keep the house tidy, wash pink pyjamas without mixing them up with once white and now stained handkerchiefs. And don't forget Eva's older sister, Lea, who needs to be picked up from kindergarten.



If I'm lucky, that's where Eva decides to soil her nappy. To top it off, my wife thought it appropriate to raise the bar even higher:

"Pierre, it's so nice to come home to a clean house but it would be even nicer if dinner was on the table, too." And they call it holiday?

But in all my misery, I would not have traded my situation for anything in the world. I've enjoyed every single minute of it, witnessing the metamorphosis which turns a tiny, unresponsive creature into a full-scale human being, full of life and personality. The first laugh, the first tooth, the first roll on the floor, the first clap, the first wave goodbye, the look in her eyes when she sees you come back and the yet-to-be-seen first step.

Beyond my personal joy, a father's time at home with his children has a wider social impact. Gender equality

starts at home. When men and women share the same obligations they also share the reward that follows - gaining your children's trust, confidence and respect. And when domestic responsibilities are shared pretty much equally between men and women, it shouldn't be impossible to reach the same level of equality in the work life.

A full year of parental leave is a wonderful thing. And to get the desired social effect, it should be shared more equally between mother and father. Only then, I believe, can men and women reach equality in the work life. So, no - the whole thing was not a holiday. But those who do not get the chance or lack the inclination to embark on this small journey miss out big time.



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