General Labour and Employment Law

The Labour Market Partners

The parties of the Norwegian labour market are employers, employees, employers’ associations and trade unions. Established trade unions enjoy a favored status within the field of industrial relations and, under certain circumstances, have more extensive rights than individual employees. Approximately 50 per cent of the Norwegian employees are unionized.

Labour Law Basis

Norwegian employment law is largely regulated through legislation, as well as by collective agreements concluded with nationwide, well-established trade unions. Until the early 1970s, the Labour market was characterized by the lack of legislation and the inclination to regulate employee-employer relations through collective agreements. A shared view to avoid government intervention has been paramount to the Labour market for centuries. However, since the 1970s, several additional aspects of the relationship between employers and employees have been regulated by legislation, which generally is comprehensive, extensive and, in many cases, highly complex.

Norway is part of the so-called EEA-Agreement with the EU, and thus implements most EU regulations and directives into Norwegian law, including regulations and directives regarding Labour Law.

Another part of the basis of the Norwegian Labour Law is the legal dispute resolution mechanisms implemented through legislation. These mechanisms normally make the Norwegian labour market a rather low area of conflict. The State Mediator plays an active and prominent part in the resolving conflicts between the unions on one side, and the employers and their organizations on the other. If the dispute cannot be solved through the State Mediator’s involvement, a compulsory Pay Board may be imposed.

Sources of Law

There are several laws manifesting public policies in order to protect and benefit the individual employees. The most important is the Working Environment Act 2005. Areas such as job security, working hours, termination of employment relationships, and health and safety are all regulated in this Act. Through collective agreements, the parties on the labour market have vast opportunities to deviate from many of the provisions in these laws. It is believed that this liberty to differ may lead to regulations that are better designed to the different sectors of industry.

The Labour Disputes Act 2012 regulates disputes between the organized parties of the labour market. The Act regulates two kinds of disputes: legal disputes which concerns interpretation of collective agreements, and on-jural disputes, which concerns the creation and renewal of collective agreements. The Labour Disputes Act 2012 establishes and regulates a separate court (The Labour Court of Norway) to deal with disputes concerning the interpretation, validity and existence of collective agreements, cases of breach of collective agreements and the
peace obligation and cases of claims for damages arising from such breaches and unlawful industrial action. The Labour Court has territorial jurisdiction over the whole country and is the highest court in its domain.

The Labour Dispute Act 2012 also lays down the necessary formal conditions for an agreement to be considered a collective agreement, and highlights the most significant implications of such agreements. The legislation provides the organized parties of the labour marked with quite extensive mandates, and collective agreements have been established in most areas of the Norwegian Industry. Thus, the parties of the labour market have maintained their influence. The most important collective agreement is the so-called Basic Agreement, first issued in 1935 between the main organizations in the labour market (LO and NHO).

I. Hiring

A. Recruitment

Employers are entitled to recruit whomever they please provided that they do not discriminate on grounds of political opinion, membership of a trade union, sexual orientation, age, gender, disability, ethnicity, national origin, ancestry, colour, language, religion or belief. In addition, employers are prohibited from demanding or collecting information regarding the applicant's stand on political, religious or cultural issues, the applicant's sexual orientation, and whether they are members of a trade union.

The Working Environment Act 2005 includes provisions regulating the priority of re-employing former employees who i.e. have been laid off or who have not been given continued employment due to lack of work. This means that if an employer wishes to hire new employees within the department, he may be obligated to offer the position to a person that previously has been laid off.

The European Directive on Temporary Agency Work (2008/104/EU) has been implemented in Norwegian law and new regulations entered into force on 1 January 2013. The directive provides for equal treatment for agency workers and permanent employees employed by the end users in relation to basic pay and working conditions, i.e. working time, rest periods, night work, holiday and salary. The temporary agency workers will also have access in the same manner as permanent employees to the services of the company, such as canteens, childcare and transport facilities. In order for the agency to fulfill its obligations according to the regulations on equal treatment, the end user shall provide the agency with information regarding employment conditions of permanent staff. The end user will be jointly and severally liable for the employees' right after the principle of equal treatment to pay, holiday pay and other benefits.

B. Discrimination

Several acts state a prohibition of discrimination in relation to employment, including discrimination in the everyday work life and at the workplace. Together, the acts regulate the different grounds where discrimination can occur in the working life.

The Working Environment Act imposes a general prohibition of discrimination, either directly or indirectly, based on political view, membership of a trade union, age, as well as part-time employment or temporary employment.
As of 1 January 2018, the Gender Equality Act, the Ethnicity Anti-Discrimination Act, the Anti-Discrimination and Accessibility Act, and the Sexual Orientation Anti-Discrimination Act were combined into the Equality and Anti-Discrimination Act, in order to strengthen the protection of discrimination by making legislation more accessible to those who enjoy protection under the law.

The preamble of the Equality and Anti-Discrimination Act states that the Act shall promote equality and prevent discrimination on the basis of gender, pregnancy, leave in connection with childbirth or adoption, care responsibilities, ethnicity, religion, belief, disability, sexual orientation, gender identity, gender expression, age or other significant characteristics of a person. The act applies to all areas of society, including family life and other purely personal relationships.

The Equality and Anti-Discrimination Act prohibits employers from discrimination, either directly or indirectly, on the basis of gender, pregnancy, leave in connection with childbirth or adoption, care responsibilities, ethnicity, religion, belief, disability, sexual orientation, gender identity, gender expression age or combinations of these factors. Ethnicity includes national origin, descent, skin colour and language.

Under the act, "direct differential treatment" means treatment of a person that is worse than the treatment that is, has been or would have been afforded to other persons in a corresponding situation, on the basis of factors specified above. «Indirect differential treatment» means any apparently neutral provision, condition, practice, act or omission that results in persons being put in a worse position than others on the basis of factors specified above.

Differential treatment does not breach the prohibition against discrimination if it has an objective purpose, is necessary to achieve the purpose, and does not have a disproportionate negative impact on the person or persons subject to the differential treatment. It will not be considered discrimination if, for example, a theatre, in the job announcement, asks for a male actor in relation to a performance where the lead character is a male.

Chapter 5 of the Act contains special provisions relating to all aspects of an employment relationship, including announcement of a position, appointment, reassignment and promotion, training and skills development, pay and working conditions and cessation. The provisions apply correspondingly to employers’ selection and treatment of self-employed persons and hired workers.

**C. Use of Employment Contracts**

According to the Working Environment Act, a written contract of employment is required in all employments. The written contract of employment must state the terms and conditions applicable to the employment and must be presented to the appropriate employee either no later than one month after he or she commence work, or immediately if the duration of the employment is shorter than one month.

An employment contract is generally entered into for an indefinite period of time. Thus, the employees have a right to continue working for the employer until the employment contract is terminated by one of the parties.

Temporary and fixed-term employment may only be used in specifically defined situations such as when the work is of a temporary nature, for work as a temporary replacement for another person, for work as a trainee, with
participants in labour market schemes under the auspices of or in cooperation with the Labour and Welfare Service, with athletes, trainers, referees and other leaders within organized sports, and for the chief executive officer of and enterprise. An employer may also, on a general basis, use fixed term contracts for a specific work for 12 months. If, after this period, the fixed terms employee is let go without receiving an offer of permanent employment, the employer cannot use the same/another fixed term employee to perform similar work until a restriction period of 12 months has passed. Temporary appointment on a general basis may apply to a maximum of 15 per cent of the employees of the undertaking.

Unions may enter into collective agreements with an employer or employers' association concerning temporary employment within a specific group of workers employed to perform artistic work, research work or work in connection with sport.

The Working Environment Act requires several aspects to be included in the contract of employment, which is mainly an implementation of the applicable EU-directive.

As a minimum, all contracts of employment must include the following: the identities of the parties; the place of work; a description of the work or the employee's title, post or category of work; the date of commencement of the employment; the expected duration if the employment is of a temporary nature and the legal grounds which the temporary employment is based on; provisions regarding a trial period of employment if such is the case; the rights of the employee to holidays and holiday pay; the period of notice regarding termination from either parties; pay and other benefits; the ordinary working hours on a daily or weekly basis; the length of breaks; if such exists, agreements concerning particular working time arrangements; and finally, information concerning any collective pay agreements governing the employment.

**D. Probation Period**

An employer may employ a person on probation for a maximum of six months. Unlike temporary employment, after the six month period of probation, the employment automatically turns into a permanent employment for an indefinite period. However, this can be avoided if the employer gives notice of termination of the employment on the last day of the probationary period at latest. Such dismissal must be based on the grounds of the employee's lack of suitability for the work, or lack of proficiency or reliability. In addition, the employer can dismiss an employee on probation if the dismissal is objectively justified on circumstances relating to the undertaking, the employer or the employee.

**II. Compensation and Benefits**

**A. Minimum Wage**

There are no statutory provisions regarding minimum wage in Norway. However, collective agreements normally stipulate a normal and/or minimum wage. Further, minimum wage has been introduced in certain sectors on the basis of general applicable collective agreements. The generally applicable collective agreements are agreements regarding pay and working conditions that apply to everyone who work in the specific sector, regardless of whether they are party to the agreement. The following sectors have generally applicable collective agreements:
agreements: construction, the maritime construction industry, agriculture and horticulture, cleaning workers, fish processing enterprises, electricians, and freight transport by road, passenger transport by tour bus, hotel, and restaurant and catering.

Unless the payment is fixed through a collective agreement, or the work performed falls within the scope of a generally applicable collective agreement, the employer and employee may agree upon the wage without any statutory minimum requirements.

**B. Wage Payments**

Unless otherwise agreed, salary shall be paid at least twice a month. However, it is most common to agree on a monthly pay. Usually, the wage consists of a basic salary along with numerous benefits, as well as overtime payment based on the employee's overtime the previous month. The wage may also depend on the performance of the employee. As a main rule, the employer is not entitled to deduct from wages. The Working Environment Act contains an exhaustive list of possible exceptions.

**C. Health Insurance**

Health care in Norway is heavily subsidized and, thus, private health insurance is normally offered only to highly ranked employees.

**D. Overtime Issues**

Overtime is defined as all time that exceeds ordinary working hours and on-call time. The general overtime work must not exceed 10 hours per seven days, 25 hours per four consecutive weeks, or 200 hours during a period of 52 weeks. However, when the employer and the employees' elected representatives in undertakings are bound by a collective pay agreement, they may enter into a written agreement to allow as much as 20 hours overtime work during a period of 7 days. In such cases, the total overtime work must not exceed 50 hours per four consecutive weeks or 300 hours during a period of 52 weeks.

The Labour Inspection Authority may on application in special cases permit a total of overtime work not exceeding 25 hours per seven days or 200 hours during a period of 26 weeks. The general overtime may be imposed only on employees who, in each individual case, have declared their willingness to perform such overtime.

For overtime work, a supplement shall be paid in addition to the pay received by the employee for corresponding work during normal working hours. The Working Environment Act states that the overtime supplement shall be at least 40 percent. Most collective agreements, however, demand a minimum of 50 percent overtime payment.

**E. Workday/Workweek/Work hours**

The working hours of employees are subject to strict and detailed rules in the Working Environment Act. As a general rule, ordinary working hours should not exceed ten hours per day and 40 hours per week including breaks. However, most collective agreements in Norway situate ordinary working hours to not exceed 7,5 hours per 24 hours and 37,5 hours per seven days.
Deviations from the ordinary working hours are listed in section 10-4 of the Working Environment Act. In most cases, the exceptions relate to the nature of the work.

Overtime work and additional work must not be established as a regular system and must be performed only in extraordinary cases. Exceeding hours are subject to overtime payment. Overtime work is subject to a supplementary payment of at least 40 percent extra per hour, as explained above.

The provisions concerning working hours do not apply to employees in senior posts or employees in particularly independent posts. To a certain extent, the statutory rules concerning working time may be deviated from through collective agreements.

III. Time Off/Leaves of Absence

A. Paid Vacation

The Annual Holiday Act states that the employee shall have 25 days of paid holiday each year, which amounts to four full weeks and one day. The Annual Holiday Act entitles the employee to holiday payment, which is 10.2 percent of the annual wages earned the previous year.

Employees may be granted longer holiday through individual or collective agreement. The main collective agreements in Norway grant the employees a contractual right to five weeks of holiday, hence this is the general arrangement in Norway. The holiday payment (i.e., the percentage of annual wages) is upgraded proportionally to 12 percent.

B. Paid Sick Leave

If employees are absent from work due to illness or injury, he or she is entitled to payment from the employer for the first 16 days of the absence (the employer-paid period). The rules on sick pay are found in the National Insurance Act of 1997. After the employer-paid period of 16 calendar days, the responsibility of paying the employee is passed on to the Social Security.

The amount of sick pay from the Social Security is limited. The employee is entitled to 100 percent of his or her wage benefits, limited to approx. NOK 561 804 per year (last changed in May 2017). The limit is regulated annually. In order to receive sick pay, the employee must immediately notify his or her employer of the sickness and, if ill for four or more days, the employee must obtain a doctor's certificate. In the case of an oral notification of absence due to illness, the employer may require a written confirmation from the employee upon his or hers return to work.

The employee may have a contractual right to full payment from the employer through his or her individual contract of employment.

C. Pregnancy Leave/Paternal Leave

Parents are entitled to 12 months' leave of absence during the first year of their child's life. In total, the length must not exceed 12 months for both parents jointly. In addition, each parent is entitled to an unpaid leave of
absence for up to one year for each child. A total of 10 weeks are reserved for the father and 10 weeks for the mother. The first six weeks after the birth are reserved for the mother, and are included in her 10 weeks. Apart from these limitations, the parents are free to divide between them the remaining period the leave. In addition, the father is entitled to two weeks of unpaid leave of absence in connection with the birth.

The parents are entitled to compensation from the Social Security for loss of wages during the first year of leave if they are employed. In addition, the employee may have a contractual right to full payment from the employer through his or her individual contract of employment.

The above mentioned right to a leave of absence in connection with birth also applies to situations of adoption and care for foster child.

Employees may be entitled to a partial leave of absence combined with partial payment of parental or adoption benefit as described above. This right is based upon an agreement between the employee and employer.

IV. Termination Issues

A. Wrongful Termination

Employers may dismiss their employees either with notice (discharge) or without (dismissal). Discharge, with notice, is the customary method of termination. In both cases, the Working Environment Act draws up a procedure that must be followed before the employee is informed on the company's decision (discharge or dismissal).

Dismissal without notice (N. avskjed) is only lawful if the employee has committed a fundamental breach of contract, such as gross misconduct or disloyalty, i.e., by working for a competitor. Thus, dismissal should be executed only in extraordinary circumstances.

An employer may only give notice to terminate an employment if such a decision is based on objective grounds (N. saklig grunn). The term "objective grounds" is not defined by statute, but can be either:

- Subjective personal reasons (factors such as an employee's conduct or performance) (N. personlige årsaker); or
- Objective reasons (all discharges that are not based on subjective personal reasons, i.e., redundancy, lack of work, and the economic situation of the employer) (N. arbeidsmangel).

A discharge will never be based on objective grounds if it could be avoided through alternatives such as re-assigning the employee elsewhere within the business. Thus, it is important for employers to investigate all the possibilities of the employee prior to making the ultimate decision to discharge him or her.

An employer will be liable to damages for loss suffered by the employee, his or hers pay and other entitled benefits if the termination lacks objective grounds. As a main rule, the employer must pay damages corresponding to lost wages, with deductions for any unemployment benefits, until the employee finds new work. The employer may also have to pay for the employee's non-economic losses, but this will seldom be a considerable amount.
When claimed by the employee, a notice of termination may be declared invalid if it is not based on objective grounds. In the case of a dispute concerning the validity of a notice of termination, the employment will remain in force until the final settlement of the dispute.

Pending the final adjudication, a court may rule that employment will terminate at either the expiration of the notice period or a later stage as determined by the court.

If an employee is dismissed, the employment terminates without a notice period. Upon application from the employee and despite the dismissal, the court may order the employment to continue until the final adjudication of the dispute.

**B. Discrimination Claims**

The [Equality and Anti-Discrimination Act](#) stated in Section I.B above include special provisions regarding damages due to discrimination from an employer. If a court finds an employer guilty of discrimination against an individual, the employer may be liable for damages towards the employee, including economic and non-economic loss. Any discriminatory provisions in collective agreements, employment agreements, regulations, statutes etc. are invalid. A claim of discrimination can be brought before the Equality and Anti-discrimination ombudsman, and their decision may be subject to a complaint to the Equality and Anti-discrimination Tribunal.

**C. Severance Pay**

There are no statutory provisions in Norway regarding severance pay. Despite the lack of legal obligation to pay severance payment, a certain practice of such exists within some businesses. Severance payment according to this type of agreement is generally based on one to 24 months of salary, taking seniority, age, social factors, and other factors into account.

**V. Layoffs/Work Force Reductions/Redundancies**

**A. Advance Notice**

Unless otherwise agreed, the general period of notice is one month. However, it is common practice to agree upon a three month period of notice.

The length of employment and the age of the employee results in an extended period of notice. The [Working Environment Act](#) stipulates a longer period of notice for employees older than 50 years of age. These extended periods apply in cases where the employee is discharged, and they include:

<table>
<thead>
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<th>Length of Service</th>
<th>Age</th>
<th>Notice by Employer</th>
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</thead>
<tbody>
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<td>N/A</td>
<td>1 month</td>
</tr>
<tr>
<td>5 years</td>
<td>N/A</td>
<td>2 months</td>
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<tr>
<td>Tenure</td>
<td>Age</td>
<td>Notice Period</td>
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<tr>
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<td>3 months</td>
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<tr>
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<td>5 months</td>
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<tr>
<td>10 years</td>
<td>60 years</td>
<td>6 months</td>
</tr>
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**B. Severance Pay**

The chief executive of an enterprise may waive his or her legal rights in regards to termination in exchange for an agreement of severance pay. Such agreement must be entered into in advance to the termination, i.e. at the time of employment. In such cases, he or she has to leave the company if and/or when he or she is no longer wanted for the position by the board of directors. Such agreement cannot be lawfully established for other employees.

**C. Benefits**

All employees residing and/or working in Norway are members of and insured under the National Insurance Scheme (Social Security). The rules in this regard are to be found in the National Insurance Act of 28. February 1997.

Members of the National Insurance Scheme are entitled to old-age pension, survivors' pension, disability pension, basic benefit and attendance benefit in case of disablement, rehabilitation benefits, occupational injury benefits, benefits to single parents, cash benefits in case of sickness, maternity and adoption benefits, unemployment benefits, medical benefits in case of sickness, and maternity and funeral grant.

**D. Redundancies**

In the case of redundancies, the employer must base the selection of redundant employees on objective criteria. The relevant criteria are not stated in any act, but are developed through case law. In addition, some collective agreements also contain regulations on redundancies.

There is no obligation to dismiss on a "last in-first out" basis, but the period of employment will always be considered as relevant criteria, especially if the undertaking is bound by a collective agreement.

Other relevant criteria include:

- Qualifications, in relation to the needs of the employer;
- Social conditions, e.g., family situation, economic burden, etc.;
- Personal suitability

**E. Transfer/Take-over of a Business**
The EU Directive 2001/23/EC relating to the transfer of undertakings has been implemented in Norwegian law by adding a chapter in the Working Environment Act.

When an enterprise or part of such, is transferred to another owner on the basis of transfer of ownership, the rights of the employees pursuant to the contracts of employment are transferred to the new owner. The transfer of rights includes the transfer of pension rights, but the transferee may decide to make existing collective occupational pension schemes applicable to the transferred employees.

The transfer of ownership does not constitute grounds for dismissal of employees by neither the previous nor the new owner. If the transfer of ownership entails significant changes in working conditions to the detriment of the employee, the contract of employment may be terminated. In such cases, the termination is to be deemed the results of circumstances related to the employer.

There are detailed rules concerning discussions with employee representatives and information in the process of transfer of business.

VI. Unfair Competition/Covenants Not to Compete

A. Competition and Non-Solicitation Clauses

An obligation for the employee not to compete may be provided by an agreement. Non-competition clauses are generally valid under Norwegian law, but there are strict restrictions with regards to their applicability. A non-compete clause may only be invoked as far as is necessary in order to safeguard the employer's particular need for protection against competition. The clause may not in any event be invoked for longer than one year from termination of the employment.

Further, a non-compete clause becomes void if the employer fails to present a statement pursuant to statutory provisions in the Working Environment Act: On a written enquiry from the employee, the employer shall within four weeks provide a written statement regarding whether and to what extent a non-compete clause will be invoked. In such case, the employer's particular need for protection against competition shall be stated in the statement. If the employee resigns and no binding statement exists, the resignation shall have the same effect as a written enquiry. If the employer gives the employee notice of dismissal and no binding statement exists, a statement shall be provided at the same time as the dismissal. Such statement shall be binding for the employer for three months.

If a non-compete clause is invoked, the employer shall pay the employee compensation equivalent to 100 per cent of the employee's salary up to eight times the National Insurance basic amount (approximately NOK 750 000 per April 2018), and thereafter a minimum of 70 per cent of the employee's salary in excess of eight times the National Insurance basic amount. The compensation shall be calculated on the basis of salary earned during the twelve months immediately prior to the date of notice or summary dismissal. The compensation may be limited to twelve times the National Insurance basic amount (NOK 1 123 608 per April 2018). Deductions equal to a maximum of half the compensation may be made in respect of salary or income received or earned by the employee during the period the non-compete clause is in effect.
The provisions concerning non-compete clauses in the Working Environment Act shall not apply to the undertaking's chief executive if he or she renounces such rights before resigning in return for severance pay. Still, if such non-compete clause is to be considered valid, the clause must not act as ban on the employee's possibility to obtain work, if this is contrary to the Norwegian Act relating to the conclusion of agreements, etc. from 1918, section 38. This section states a prohibition against contract clauses that exclude the employee from the labour market. To determine whether the non-competition clause is acceptable, one must take into consideration factors such as the reason for introducing the non-compete clause, the period of time of the obligation, whether the employee is financially compensated, the effects of the clause on the employee's possibilities to obtain income.

In general non-competition and non-solicitation clauses of one to two years are acceptable as long as the employee is financially compensated for the entire period. Compensation will normally be equal to the employee's salary.

VII. Personnel Administration

A. Required training

The employer must ensure that the employees receive the necessary training, practice, and instruction to maintain safety at the workplace. Furthermore, the employer must appoint safety representatives and ensure that they receive the necessary training to enable them to perform their duties in a proper manner.

B. Personnel Records

The Norwegian Personal Data Act applies to personnel records. This Act is based on an EU Directive and is similar to the corresponding regulations in other European Countries.

The Personal Data Act grants an employee the right of access the most "personal data" about him or her that the employer holds. This includes the right to control the kind of information the employer can collect, hold, or disclose, and to restrict the processing of such information. The employer can process the information if the employee gives his or hers consent, if it is stated in the law, or if the processing is necessary due to legitimate interests of the employer and does not cause the employee unwarranted harm.

The employer's right to control the employees through surveillance cameras, monitoring of e-mails, and other means are regulated in the Personal Data Act and in the Working Environment Act.

C. Meal and Rest Periods

According to the Working Environment Act, employees under 18 years of age are entitled to a break of at least 30 minutes if they work more than four and one-half hours per day. If possible, the break should be uninterrupted.

If the employee is older than 18 years old, he or she has the right to at least one break if the working hours amount to more than five and one-half hours in a day. If the total of daily working hours is at least eight hours, the breaks shall amount to at least 30 minutes. A break is regarded as working hours if the employee is not free to leave the workplace during the break or if a satisfactory break room is absent.
**D. Payment Upon Discharge or Resignation**

In principle, any outstanding salary and/or holiday pay shall be paid the employee on the last pay settlement between the employer and the employee. However, the parties may agree to a different procedure.

**E. Giving Employment References**

The Working Environment Act states that an employee who leaves after a lawful dismissal is entitled to a written reference from the employer. The reference must at least state the employee's name, date of birth, the nature of the work, and the length of employment.

Even if the employee is dismissed (without a notice period), he or she is entitled to a reference. Nevertheless, the employer may include that the employee was dismissed without informing the reason(s) for the dismissal.

**VIII. Employee Injuries/Workers' Compensation**

According to the Act Relating to Industrial Injury Insurance, the employer is legally obligated to purchase industrial injury insurance, which, on an objective liability basis, covers an employee's claim for damages in relation to permanent injuries (e.g., compensation for permanent injury and damages for loss of ability to work), as well as reimbursement of certain expenses covering medicine, retraining, appliances, etc.

The level of damages is partly standardized in Regulation of 21.12.1990, no 1027.

**IX. Unemployment**

As the main rule, all persons suffering involuntary unemployment are entitled to unemployment cash benefits through the National Insurance Scheme.

**X. Health & Safety and Unions - Industrial Relations**

**A. Health & Safety**

In order to safeguard the employees' health, environment and safety, the employer shall ensure the execution of systematic work relating to health, environment and safety at all levels of the undertaking. This duty is drawn up in the Working Environment Act chapter 3.

In order to maintain safety at the workplace, the provisions demands the employer to ensure that employees are informed of the relevant risks of accidents and their health if these risks may be connected with the work performed. In addition, the employer must ensure that the workers receive the necessary training, practice, and instruction, and that employees who direct or supervise other employees have the necessary competence to ensure that the work is performed in a proper manner with regard to health and safety. Finally, the employer must ensure that expert assistance is available when needed in order to fulfill the conditions of the law.

The employer is also obligated to provide occupational health services for the undertaking if the risks of the undertaking indicate such. The occupational health service shall assist the employer, the employees, the working environment committee and the safety representatives in creating safe and sound working conditions.
B. Unions

1. Co-Determination at Work Act

The Labour Disputes Act 2012 incorporates a large number of basic provisions concerning collective agreements and the resolving of disputes, including provisions relating to the central Labour Court in Oslo. For example, it states that a collective agreement has to be in writing, and that the interpretation of collective agreements is under the jurisdiction of the central Labour Court. It also has provisions regarding the State Mediator.

2. Right of Association

The individual employee and the employer are granted the right to join and become members of associations, and to engage in activities through these associations. This right, the Right of Association, is protected from the other side's interference or obstacle.

Norway has incorporated the European Convention on Human Rights and several other conventions for the UN and ILO. These conventions provide social and political rights, including the freedom to establish and/or enter into unions, as well as the performance of collective bargaining.

3. Collective Agreements

The Working Environment Act also contains rather strong elements of collective employment law. Despite this, only about half the employees are members of a union. Many agreements are entered into by large organizations on both the employees' and employers' side.

The most important employer's organizations are:

NHO (Confederation of Norwegian Business and Industry), Virke (the Enterprise Federation) and Spekter (Public owned enterprise's association).

The most important unions are: LO (The Norwegian Confederation of Trade Unions), YS (Confederation of Vocational Unions) and Akademikerne (Federation of Norwegian Professional Associations).

The collective agreements regulate, among others, the levels of salaries and working conditions, including the working time. The collective agreements often concern statutory rights, providing the members with improved rights.

4. Board Representation

According to the Company Act 1997 section 6-4, employees in companies with more than 30 employees can demand that one director and one observer on the board of directors to be chosen from the employees. If the company employs more than 50 people, the employees may demand that one third of the board of directors to be chosen from the employees.

C. Pension

All employees receive retirement pension from the National Insurance. Since 2006, employers have been obligated to establish a pension plan for their employees, and it is in addition of the retirement pension from the National Insurance. The Compulsory Occupational Pension scheme draws up a minimum deduction of 2 per cent
of the employees’ salary to the scheme. However, several employers, i.e. in bigger companies and in the public service, offer more advantageous schemes for their employees than the minimum of the Act. There are currently three different pension schemes that the employer in private sectors can choose to have for its employees; a defined benefit scheme, a defined contribution scheme and a mix of the defined contribution and defined benefit scheme.

**XI. Business Immigration Law**

*What is the general policy of your jurisdiction toward business immigration?*

Norway has been part of a common Nordic labour market for many years and is also part of a common European labour market through the EEA Agreement and the EFTA Convention. On 1 January 2013, the Immigration Act and Regulation, including regulations on labour immigration, entered into force. The requirement for a work permit for EU/EEA/EFTA nationals was replaced by a requirement to register with the police if the person involved wants to live in Norway for more than 3 months. To live in Norway you must have either a Norwegian personal identification number or a D number. A D number is a temporary identification number which can be assigned to foreign persons who'll generally be resident in Norway for less than six months. Further, the regulations concerning immigration from countries outside the EEA/EFTA-area (so-called third countries) was simplified and made easier to follow. This provides good opportunities for Norwegian employers to recruit the foreign labour they require in their businesses. The act also introduced a possibility for skilled workers to start working before they acquired a permit.

*How do business visitors obtain temporary entry for non-employment purposes, such as to attend meetings, conferences, and so forth?*

As a main rule, all foreign citizens from countries outside the EU/EEA must apply for a visitor's visa when the purpose of the visit is tourism, family visit, official assignment, business or study visit (Schengen-visa type C). Such a visa can be valid for a maximum of 90 days in the course of a period of 180 days. Application for this visa shall normally be submitted at a Norwegian embassy or consulate, and the application should be registered online. Estimated time for visa issuance is approximately two weeks, but it may vary from place to place.

Certain groups of people are exempted from the visa requirements and may stay inside the Schengen area (which Norway is part of) for up to 90 days during any six-month period. Such persons must have the finances to be able to cover their stay in Norway and must be able to return to his/her home country, or to the country in which he/she has a residence permit.

The groups of nationals exempted from the visa requirements are:

- Nationals from Schengen-countries
- Nationals of countries that have a visa exemption agreements with Norway
- Persons with diplomatic, service, and special passports
- Other more limited groups

*What visa options are available for the temporary employment of foreign nationals in professional/management level occupations?*
A residence permit is normally required for persons who are going to work in Norway, and must normally be obtained before entering Norway. There are different types of residence permits, depending on the person's background. Applications can be submitted at a Norwegian embassy or consulate or in Norway if the person has held another type of permit for the past nine months. The application may be registered online. Estimated time of processing the application is approximately three months, but may vary. The person holding the permit must report to the police within one week after entering Norway.

The most common residence permits for work are:

- **Residence permit as a skilled worker.** Such residence permit requires specialist training corresponding to upper secondary education level, craft certificate, university college or university education or special qualifications, and approval/authorization of regulated professions (e.g., health personnel). The expertise must be relevant for the position offered, and the person must, among other things, document a concrete offer of employment from an employer in Norway. Residence permit as a skilled worker also applies for skilled workers receiving payment from a Norwegian company that is part of an international group. The employer may apply on behalf of the employee, provided a written authorization is presented. If the requirements under the "early employment scheme" are met, the worker may start working before the application has been processed.

- **Skilled workers who are employed by a foreign enterprise and will provide services in Norway, or are employed in an international company abroad and will perform services for a Norwegian branch of the international company.** There are qualification requirements the same as for skilled workers, and, among other requirements, the expertise must be relevant to complete the assignment. The employee, or the client in Norway, may apply for the permit. A written authorization is required for the latter. If the requirements under the "early employment scheme" are met, the worker may start working before the application has been processed.

Certain groups are exempted from the requirement of residence permit to perform work. The most common ones are:

- **Nordic nationals**
- **Skilled workers who are not subject to a visa requirement and who seek employment.** A person subject to visa requirements may not get a visa to seek employment in Norway.
- **Certain three-month employment relationships when the employer is not in Norway, e.g., commercial and business travelers.** A Schengen-visa type C may be required, cfr. above
- **Diplomats**

Nationals from EU/EEA/EFTA countries are subject to a registration scheme, which allows EEA nationals to live in Norway and work without applying for a residence permit provided they register with the police. Registration is done online with a following duty to meet in person at the nearest police station to provide identification and present the documents that are relevant for the basis for residence. If the conditions for registration are met, a registration certificate is issued free of charge and valid indefinitely.

*What visa options are available for the temporary employment of non-professional employees?*
If the position does not require the employee to be a skilled worker, a residence permit for unskilled workers may be applied for. This includes seasonal workers and persons employed on a ship registered abroad that carries cargo or passengers between Norwegian ports.

What visas are available for foreign entrepreneurs and/or business investors?

Residence permit as a service provider, self-employed contractor. Applies to a self-employed person with a business established abroad, who has qualifications as a skilled worker and who will provide services as a self-employed contractor. The qualification requirements are the same as for skilled workers, cf. above, and, among other requirements, the expertise must be relevant to complete the assignment. Applications can be submitted at a Norwegian embassy or consulate, or in Norway if the person fulfills the requirements. The application may be registered online. Only a self-employed person can apply for the residence permit.

Service providers and business starters who are not EEA nationals, but are affiliated with an enterprise established in an EEA country, may have a right of residence in Norway pursuant to the EEA regulations (registration scheme). Application can be done through a Norwegian Foreign Service Mission, the police in Norway, or at the Service Centre for Foreign Workers. Provided the requirements for being a service provider or business starter are met, the person may work in Norway while the application is being processed, which is approximately three months, but may vary. If granted, a residence card will be issued with the same duration as the documented period of the assignment in Norway, or for the period of time it will take to establish the business in Norway. Application for a residence card is not required if the person is going to spend less than three months in Norway to work, but he/she may need a visa, cf. above.

What is the process for obtaining permanent residency based on employment?

A person must stay in Norway for a continuous three-year period while holding a residence permit, which in turn forms the basis for a permanent residence permit. The most common residence permit that form the relevant basis for a permanent residence permit based on employment are residence permit as a skilled.

The person must have completed classes in the Norwegian language, and must also fulfill certain conditions relating to conduct. The authorities, for example, may deny an application if the person is guilty of a criminal act that can lead to deportation.

The application should be registered online, and an appointment must be booked in order to hand in the relevant documents. The application should be submitted to the nearest police station, which processes most of the applications. If the police are in doubt, the application is sent to the Norwegian Directorate of Immigration to be concluded. If the application is granted, a residence card must be obtained from the police and renewed every second year. The residence permit gives the person a general right to stay, work, or run a business in Norway indefinitely, provided he/she has a valid residence card. However, the permit may be lost if the person does not stay in Norway.

The estimated time of processing the application will vary, but is estimated to take approximately 10 months, depending on whether it is processed by the police or the Norwegian Directorate of Immigration, and assuming that all relevant documents have been presented etc.
EEA nationals have can obtain a permanent right of residence if they have had a residence or work permit or right of residence in Norway for a continuous period of five years, either as an employee, a self-employed person, service provider, person with sufficient funds, student, family member, or a combination of the above. The document certifying permanent legal residence is issued upon application and is valid indefinitely. Application can be made online, with a subsequent duty to meet in person at a police station or the service center for foreign workers to submit the relevant documents. The time of processing an application may vary, but is estimated to be approximately nine months.

**How may a foreign national pursue citizenship?**

A person applying for citizenship in Norway must fulfill certain conditions. The application can be registered online and the applicant must pay a fee and book an appointment at the police station to present the relevant and necessary documents for the application. The police will review the application to ensure that it has been completed correctly and hold all the necessary documentation etc. before sending it to the Norwegian Directorate of Immigration for conclusion. Each applicant will be informed of the estimated time of processing once the Directorate of Immigration has received the application. It may vary, but is estimated to be approximately 12 months.

**What immigration-related compliance concerns face employers of foreign nationals?**

The police conduct border control as persons enter and leave Norway, and may refuse admittance if the foreigner, among other things, is unable to provide a valid passport or visa (if such is required), lacks the necessary permit, financial means, etc. The police also enforce the rules regulating a foreigner’s entry into Norway, as well as permits by conducting identity checks and ensuring that foreigners hold the necessary permits.

The Norwegian Labour Inspection Authority (governmental agency under the Ministry of Labour) is responsible for oversight and compliance monitoring of foreign employees holding the necessary permits and ensures the relevant conditions for working in Norway are met. Foreigners seeking a temporary residence permit must also fulfill certain conditions relating to, among other items, finance and conduct/criminal checks.

Unlawful entry or stay in Norway is punishable with prison and fines. In addition, the person may be deported from Norway and prohibited from entering again for a certain period of time.

**Are there any regional or state-specific immigration or compliance issues?**

The place for submitting the application for visa, residence permits, etc. varies from country to country. In most countries, the application for visa and temporary resident permit for work (e.g., residence permit as a skilled worker) can be submitted at the Norwegian embassy. For residence permits, applicants can contact the nearest police station to find the relevant place.
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