

English summary  
of Fafo-rapport 2020:28

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Participation in state sector  
– the role of  
the Basic Agreement

## Participation in state sector – the role of the Basic Agreement

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The Basic Agreement, which has been signed by the government represented by the Ministry of Local Government and Modernisation and the main trade union federations (public-sector unions in the Norwegian Confederation of Trade Unions (LO), the Confederation of Vocational Unions (YS), the Confederation of Unions for Professionals (Unio) and the Federation of Norwegian Professional Associations (Akademikerne)), forms an important basis for collaboration between the social partners in the public sector. The Basic Agreement, along with local adaptations made in each enterprise, is intended to facilitate mutually beneficial cooperation between the employers and employees. The cooperation is also aimed at providing high quality services to the public. The Basic Agreement stipulates the rights and obligations of each party and specifies the number of members required for the union/federation to obtain the rights that the agreement grants to trade union representatives.

The Basic Agreement is renegotiated at regular intervals. It is important to have information on how the agreement is applied in the nearly 200 government enterprises. The ambition for this report is to provide exactly this kind of information. The underlying data consist of a survey undertaken among trade union representatives, top managers and senior HR executives. The trade union federations provided Fafo with email addresses of all their elected representatives, and the ambition was to reach all trade union representatives within the area covered by the collective agreement for the public sector. In addition, we interviewed managers and trade union representatives at various levels in seven state enterprises.

The keyword is ‘variation’. State enterprises vary in size and organisation, and also in how the social partners interact. In some enterprises, the managers and trade union representatives organise their collaboration from top level down to small units at low levels in the organisation, while others have chosen to meet at top level only. Some enterprises make a distinction between various forms of participation (e.g. among the universities). Some enterprises distinguish between collaboration based on the i) Basic Agree and ii) HES work pursuant to the Working Environment Act, while others address these matters in the same meetings.

With some exceptions, the social partners in the enterprises come together in the ‘IDN meetings’. This term refers to provisions in the Basic Agreement on information (Section 17), discussions (Section 18) and negotiations (Section 19).

Such meetings are commonly held on a monthly basis and may last from two hours to several days. It is also common practice for all unions/federations represented in the enterprise to participate in the same meeting. These meetings are generally scheduled in a yearly plan, and are summoned by the employers. Trade union representatives rarely request meetings.

The IDN meetings can take place at three different levels in the enterprises, and the combination of information, discussion and negotiation will vary according to the management's area of authority: i) at the enterprise level – the enterprise management and the top trade union representatives meet to address matters concerning the enterprise as such, ii) operational units (such as a region in the Office for Children, Youth and Family Affairs, a division of the Norwegian Tax Administration or a faculty in a university) – and accordingly the management of the operational unit and the trade union representatives responsible for the same unit meet, and iii) work units – the local management and the local trade union representatives meet. Negotiations tend to take place only with regard to specific matters and are rarely held at the lowest level.

Managers and trade union representatives have a shared interest in providing high-quality services to the population and smooth operation of the enterprise, but their relationship is also characterised by the conflicting interests associated with the parties whom they represent: the owner of the enterprise, e.g. the government, and the trade union members. Many of the findings in this report reflect such opposing interests. Moreover, while it is inherent in the role of trade union representatives to seek for more influence on behalf of the union members, the management is obligated to comply with the legal framework and the collective agreements. Thus, different opinions come as no surprise when the social partners are asked questions about various aspects of the practical application of the Basic Agreement. However, the result may also raise concern; is the divergence between managers and trade union representatives too large to benefit the collaboration?

When asked about the cooperation between the partners, the majority answer 'very good' or 'good'. However, far more managers than trade union representatives give the answer 'very good'. This is also reflected in the results from the interviews, where the trade union representatives expressed concern about the cooperation, while the managers took a far more positive view. There are also some indications that trade union representatives further down in the enterprise hierarchy are less satisfied than their fellow representatives at the enterprise level. A majority of them also think that the collaborative relationship has remained stable. However, among the trade union representatives who believe that the relationship has changed, the majority are of the opinion that it has deteriorated. There are also significant differences between the partners when asked about the practical application of the Basic Agreement. Here, far more managers than trade union representatives believe that the partnership is in accordance with

the provisions in the Basic Agreement, and this applies equally to information, discussions and negotiations.

We also find differences of opinion between the partners when asking the respondents to assess the influence of the trade union representatives on matters that are important for the employees. Here, more than twice as many managers as trade union representatives answer that the elected union representatives have a very great or a great deal of influence. Here too, we find that the majority think that this influence has remained stable, but among trade union representatives who find that their influence has changed, more answer 'less' than 'more' influence.

Influence on restructuring processes is an especially important issue. The restructuring of the public sector continues at a rapid pace, and the role of the trade union representatives in these processes was a topic of special concern for our interviewees. The union representatives maintain that they are included too late in the processes, they have too little time to work with the issues, and their participation entails little real co-determination. And here as well, the survey shows that the managers tend to disagree with this; more than half of them answer that the trade union representatives had real co-determination in accordance with the provisions in the Basic Agreement 'to a great extent', and another 30 per cent answer 'to some extent'. Only a minority of the trade union representatives answer 'to a great extent', but a large proportion or approximately one in four chose to answer 'to some extent'.

The answers to the questions on participation must be considered in light of the partners' expectations: how much influence should the union representatives reasonably have? The report seeks to elucidate these expectations by looking at the partners' understanding of the Basic Agreement. To what extent is it perceived as suitable for achieving various objectives, and to what extent is there a shared interpretation of the implications of the various sections of the agreement?

Disagreement between the partners as to whether the Basic Agreement is a suitable instrument for ensuring that the employees and the trade union representatives have influence follows naturally from the results that we have referred to above: trade union representatives seek to expand their influence. But the difference between the responses – approximately eight of ten managers and a little more than four of ten trade union representatives – could raise the question of whether the Basic Agreement is sufficiently able to achieve compromises that satisfy both partners at the enterprise level. As regards other objectives of the Basic Agreement, the partners are more aligned; this applies both to whether the provisions in the agreement are suited to ensuring appropriate restructuring processes, and to the various objectives for ensuring good operational conditions. However, consensus between the partners does not necessarily equate with an opinion that the agreement is a suitable instrument: for example, only three in

every ten answer that the provisions in the Basic Agreement are very well or well suited for ensuring appropriate service provision to the public, and a little more than one-half answer that the provisions are suited to establishing good decision-making processes.

The degree to which the provisions are thought suitable will obviously depend on how they are interpreted. Having a shared understanding of the intentions of the Basic Agreement is therefore a key issue. A little more than one-half of the trade union representatives answer that the partners 'always' or 'nearly always' agree in this respect, or in other words, many union representatives may feel that there is no shared understanding of the intentions. This impression was confirmed by the interviews, where union representatives told us how they felt that information, discussion and negotiation were simply items to be 'ticked off' on the management's agenda, rather than instruments for participation, appropriate decision-making and sound operations.

As regards the understanding of 'information, discussion and negotiation', managers somewhat more frequently than union representatives respond that there is 'always' or 'nearly always' a shared understanding. It is interesting to note, however, that only approximately one-half of the union representatives respond that they 'always' or 'nearly always' agree; the corresponding proportion among the managers varies between 75 and 63 per cent. In other words, the responses indicate that there are many managers and union representatives who feel that the understanding of core provisions varies between the partners. Findings in the survey about skills and training may help explain this, as only very few have participated in shared training on the Basic Agreement, meaning training sessions attended by both partners.

Differences of opinion between the partners can be a result of different sets of expectations, but obviously also stem from conflicting interests. Results from both the survey and the interviews indicate that the timing of the involvement of the trade union representatives often leads to disagreement. Furthermore, we find considerable differences between the partners regarding various types of conflicts; the union representatives report a far higher frequency of conflict than the managers. Eight of every ten managers answer that they take the input from the union representatives into account to a 'very great' or 'great' extent, including when there is disagreement between the partners; the corresponding proportion among the union representatives is a little more than three in every ten. The responses can be linked to different sets of expectations and conflicts of interest, but our findings about disagreement may perhaps prompt the question of why the partners appear to have such different perceptions of the situation.

A good way to find out whether the actors are satisfied with their partnership is to ask whether they would wish any changes to be made to the various provisions in the Basic Agreement. The loudest calls for change came from the union

representatives, of whom approximately one-third would like to expand the provisions on information, approximately four in every ten would like to expand the provisions on discussion, and approximately the same proportion want to amend the provisions on negotiations. None of the union representatives wished for any restrictions on rights, but among the representatives at the lower level there was a relatively large group that chose to answer 'don't know'.

Among the managers, a rather different picture emerges. There is widespread endorsement of the current provisions on information; only one in every ten would like to see an expansion of the rights, and none want to restrict them. As regards the provisions on discussion, a majority – approximately 60 per cent – want to retain the current rights, one in every five would like to expand them, and the same proportion want to restrict them. The managers are most willing to change when it comes to the right to negotiations. One-half of the enterprise managers want to retain the current arrangements and four in every ten want to restrict these rights, while virtually none wish to extend them. Among the HR managers there are more who would like to amend the provisions. Approximately one in every three wishes to retain the current provisions, while one-half want to restrict the right to negotiations. One in every ten chose to answer that the rights should be extended.