
COVID-19 and Labour Law: Norway

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Abstract

The Norwegian Government has in March announced immediate measures to avoid unnecessary layoffs and bankruptcies in viable companies from the shock of corona virus and Covid-19 pandemic. It has therefor responded to the situation with different measures, from closing down schools to financially support businesses and employees.

Keywords: Covid-19; Labour Law; Unemployment benefit; Parental leave; Sick leave.

1. General framework.

The Norwegian Government and authorities have introduced significant measures to mitigate effects of the corona virus pandemic on the economy to strengthen health services and to support jobs, help businesses and individuals.

The first corona infected person in Norway was detected at the end of February 2020. The Government and the Ministry of Health and Care Services therefore decided to delegate¹ to the Norwegian Directorate of Health (Helsedirektoratet²) and the Norwegian Institute of Public Health (Folkehelseinstituttet³) the task to coordinate actions to prevent and delay the further spread of the corona virus. In addition, the Government asked the citizens to follow the health authorities' recommendations on how to act in the incurred situation. The Government announced that urgent action should be taken with proposals to the parliament (Stortinget) to respond to the economic shock of the corona virus pandemic. There is a broad cooperation between the Government and the other parties in Stortinget.

Consequently, the Norwegian Directorate of Health 13 March 2020 issued a decision⁴ to close schools, universities and other educational institutions. Furthermore, the Directorate issued decisions on banning or closing cultural and sports events, gyms and swimming pools, establishments in the hospitality industry, including restaurants, bars, pubs and nightclubs. Exceptions are made for eating places where food is distributed. They must

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¹ <https://www.regjeringen.no/no/aktuelt/delegert-myndighet/id2692686/>.

² <https://www.helsedirektoratet.no/english>.

³ <https://www.fhi.no/en/>.

⁴ <https://www.helsedirektoratet.no/nyheter/the-norwegian-directorate-of-health-has-issued-a-decision-to-close-schools-and-other-educational-institutions#measures-to-safeguard-healthcare-personnel-in-norway>.

ensure visitors to keep at least one (1) metre distance from each other. Companies providing hairdressing services, skin care, massage and body care, tattooing, piercing, etc. are also obliged to close down. Also, with effect from 13 March 2020, the Government have taken steps⁵ to mitigate economic effects of the corona virus pandemic, prioritizing immediate measures to avoid unnecessary layoffs and bankruptcies in viable companies facing an abrupt fall in income. Recommendations⁶ on how to behave have been also given, restricting individuals daily life: for instance keeping a social distance, staying at home if one has covid-19 symptoms, travel advice, quarantine and isolation. Besides, there are provisions⁷ on prohibition for persons against staying in holiday properties (hytteforbud) in a municipally other than where the person in question is registered as residing.

The Government has adopted rules on quarantine for persons entering Norway after traveling outside the Nordic countries⁸. Anyone entering Norway has a quarantine obligation for fourteen days, risking six months imprisonment breaching the legislation. However, persons who are at work crossing the border between Sweden and Norway or Finland and Norway traveling between residence and workplace are exempted from the quarantine obligation.

On 7 April 2020 the Government notified⁹ prolongation of the taken measures, but loosening up with start 20 April 2020 for restrictions for lower grades schools and the prohibition for persons against staying in holiday properties outside the municipally were they are registered.

2. Special measures.

One of the first measures taken by the Government was to strengthen the employees' daily unemployment benefits in the event of being temporary laid off (permittering). The system of temporarily lay off is two-tired. There are no statutes admitting access to temporary layoff but several statutes granting financial support implies such access. Instead, the institute of access to temporarily layoffs has grown through practice in work life, collective agreements and case law. The extension of the unemployment benefit schemes entail granting benefits from the first day and increasing the daily allowance. Persons who are temporary laid off are guaranteed 100 per cent compensation until a salary of nearly 600,000 NOK (about 53,600 EUR, 10 April 2020). Besides, the schemes for temporary laid off and unemployed are also adjusted to include more people.

⁵ https://www.regjeringen.no/no/aktuelt/the-government-acts-to-mitigate-effects-of-the-covid-19-pandemic-on-the-economy/id2693471/?utm_source=www.regjeringen.no&utm_medium=epost&utm_campaign=nyhetsvarsel%2013.03.2020&utm_content=Norsk%20%20konomi.

⁶ <https://helsenorge.no/other-languages/english>.

⁷ <https://lovdata.no/dokument/SFE/forskrift/2020-03-15-294>.

⁸ <https://lovdata.no/dokument/LTI/forskrift/2020-03-15-295>.

⁹ https://www.regjeringen.no/no/aktuelt/gradvis-apning-av-barnehager-skoler-fagskoler-hoyskoler-og-universiteter/id2697077/?utm_source=www.regjeringen.no&utm_medium=epost&utm_campaign=nyhetsvarsel%2008.04.2020&utm_content=Hoyere%20utdanning.

In addition, temporary schemes have been adopted to secure self-employed and freelancers who are not included in the unemployment benefit schemes and to give them sickness benefit from day four. These schemes will cover 80 per cent for incomes up to about 600,000 NOK (about 53,600 EUR, 10 April 2020).

The number of days parents can stay home with sick children are doubled for 2020 out. An employee has right to stay at home for 20 days a year, 30 when having more than three children; for single parents it is 40 and 60 days, respective. Self-employed and freelancers are also entitled to the same number of sick-kids days as employees, less a three-day waiting period.

The employer is obligated to pay the first 15 days for an employee's sick leave. There has been a reduction in these employer-paid days to two days for temporary lay-offs, from ten to three days for care-related leave and from sixteen to three for corona-related sick leave.

Corona infection and covid-19 are nowadays declared as a decease that can be accepted as an occupational injury. This means that health personnel employed within the health care who is infected with corona virus are covered by strengthened statutory financial rights. Persons staying at home working are still covered by work insurance on the same conditions as if they were working on their ordinary workplace.

3. The role of Social Partners in the design of the measures.

The pandemic did coincide with the nationwide wage settling negotiations that are held in spring every two year. The Norwegian wage negotiation system, similar to the other Scandinavian countries' (Denmark and Sweden) system is built on that the industry exposed to international completion sets the level for the wage raise (frontfaget in Norway, market in Sweden and spydspissaftalen in Denmark). Due to the pandemic, the social partners decided to postpone the negotiations until the autumn, as they did in Sweden, but not in Denmark where they decided to and actually did carry out the negotiations in March.

On an overall level, the social partners seem to approve the measures taken by the Government.