

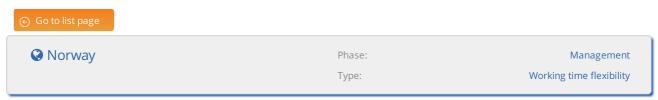
related policies

agency providing knowledge to assist in the development of better socitမ်း employment and work-

## **EMCC**

European Monitoring Centre on Change

# Norway: Working time flexibility



🛗 Last modified: 10 February, 2021

Native name: Lov om lønnsplikt under permittering (permitteringslønnsloven);

Folketrygdloven

English name: Act on the obligation to pay wages during temporary redundancies; National

**Insurance Act** 

### Article

3, 3a (Act on the obligation to pay wages during temporary redundancies); 4-3, 4-7 (National Insurance Act)

### Description

Conditions for temporary lay-offs are established in basic agreements between the social partners and in case law. Access to unemployment benefits during temporary layoffs is regulated in the National insurance act (4-7) and accompanying regulations, while the obligation to pay wages is regulated in a separate act. Public sector employees are generally not qualified and temporary layoffs are not to be used in the public sector (with certain exceptions).

An employer can temporarily lay-off employees if there is a justifiable basis for this and provided that the enterprise has made reasonable efforts to avoid layoffs and that permanent dismissal is not indicated. Justifiable reasons may be a low influx of orders, financial problems, the need to repair machinery and so on.

The employer has to pay the temporarily laid-off employees for 15 days (from 2019). If the need to reduce the workforce is due to fire, accidents or nature, the duty to pay wages for 15 days does not apply. After the 15 days, the employer is exempt from paying salary in the period of temporary lay-off. This period can last up to 52 weeks (normally 26 weeks) during a period of 18 months. After this period, the employer must resume paying the employees' salaries or dismiss the employee.

Employees who are temporarily laid-off are entitled to unemployment benefits in accordance with the National Insurance Act. This implies that employees also partly cover the costs of the temporary lay-off, as the unemployment benefits do not equal their usual salary. Employees shall be given in writing 14 days' notice of temporary lay-offs.

Before temporary lay-off is decided, the employer should notify the public employment authorities.

There is also the opportunity to use part-time layoffs, for instance by reducing working hours. The conditions for doing so are the same as for full-time temporary redundancy and there is not any limitation on the number of hours it can be reduced to. However, if working hours are reduced by less than 50%, the employee will not be entitled to unemployment benefits.

### Comments

Conditions for temporary lay-offs are established in the basic agreements (collective agreements at the cross-sectoral level) between the social partners and in case law. Temporarily laying-off is permitted if valid reasons make this necessary for the enterprise, but do not take place for more than 6 months unless the parties agree that a valid reason exists for this. The selection of employees is based on the seniority principle, but this principle can be departed from if there is due reason. Before giving notice of temporary lay-offs, the shop stewards shall be consulted. Before putting into effect temporary lay-offs for a longer duration, the enterprise should alternatively assess occupational skill upgrading measures according to the needs of the enterprise which may strengthen the competitive situation of the enterprise. Minutes of the consultations shall be taken and signed by the parties. Employees shall be given 14 days' notice of temporary lay-offs. The notice shall be given in writing. The maximum period of temporary lay-offs as well as the period during which the employer is obliged to pay the employees are frequently altered, for instance related to economical prospects.

Employee Employer National government

### Involved actors other than national government

Public employment service Trade union

### **Thresholds**

No, applicable in all circumstances

### Sources

- Permitteringslønnsloven
- Folketrygdloven
- Basic agreement 2018-2021 LO-NHO
- ERM database on restructuring support instruments: Temporary layoffs
- Svalund, J. & Oldervoll, J. (2018) Fullt og helt, ikke stykkevis og delt?
- NHO permittering
- Clauwaert, S. and Schömann, I. (2013), The crisis and national labour law reforms: A mapping exercise. Country report: Norway, ETUI Working Paper, European Trade Union Institute, Brussels.
- Olberg, D. (2013), Bruk av permitteringer 2012 omfang og reguleringer, Fafo-report 2013:08.
- Svalund, J. (2013), The impact of institutions on mobility, labour adjustments and cooperation in the Nordic countries, Phd-dissertation, Fafo-report 2013:56.
- Nergaard, K. (2010), Temporary layoffs saving jobs or delaying readjustments?, Peer Review on 'Employment measures to tackle the economic downturn: Short time working arrangements / partial activity schemes', France, 27 28 September 2010.
- Eurofound (2009), Tackling the recession: Employment-related public initiatives in the EU Member States and Norway, Dublin.

# Useful? Interesting? Tell us what you think. Eurofound welcomes feedback and updates on this regulation Your name \* E-mail \* More information? Homepage Subject Comment \* Save Preview

# **About EMCC European Restructuring Monitor** > About the European Restructuring Monitor Restructuring events database Restructuring support instruments > Restructuring related legislation > Restructuring case studies > ERM publications **European Jobs Monitor** Labour market research Case studies Future of Manufacturing in Europe (FOME) European Observatory on Quality of Life - EurLIFE European Observatory of Working Life - EurWORK

### Quick links

- Legal information
- Data protection
- Environmental policy
- Subscriptions
- Multilingualism
- Templates for Eurofound reports
- Eurofound style guide
- Management Board extranet
- Map how to get to Eurofound
- Sitemap











### Contact us

 $\hbox{E-Mail: information@eurofound.europa.eu}\\$ 

Press: media@eurofound.europa.eu



MEMBER OF THE NETWORK OF EU AGENCIES



EUROFOUND ACHIEVES EMAS REGISTRATION





Access to internal documents | Financial information | Archives | Information centre | RSS feeds

