

# Revised strategy for combating work-related crime

13 February 2017

## Foreword

Work-related crime is a growing challenge involving serious consequences both for workers and undertakings and for society as a whole.

A sound and responsible working life in Norway is dependent on compliance with the rules governing working life, while preventing and combating work-related crime.

The work on combating work-related crime is to be continued, and there is a need for further strengthening of these efforts. The Government is therefore presenting a revised strategy for combating work-related crime. The strategy has been developed in a dialogue with the social partners.

A broad and concerted effort to combat work-related crime is being maintained through cooperation with the social partners. Increased coordination and strengthened information flow between government agencies is planned to promote a more concerted and coordinated fight against work-related crime. Improved registration and control will make it easier to detect irresponsible actors. Increased knowledge will encourage well informed choices and have a preventive effect. The measures of the revised strategy are planned to strengthen efforts to combat work-related crime and to make these efforts more targeted.

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# 1 Introduction

In January 2015, the Government presented its strategy for combating work-related crime. The strategy was prepared on the basis of a dialogue with the main employer and employee federations. The strategy is based on two main courses of action: (1) broad and sustained cooperation between government agencies and employees' and employers' organisations and (2) improved coordination between government agencies in order to maximise the effect of their joint efforts.

According to information received from government agencies, work-related crime has become more extensive, more serious and more complex. We must therefore both continue and strengthen our efforts. In this revised edition of the strategy, the measures have been brought up to date. Some new areas have been added and some implemented measures have been withdrawn. The purpose of the amendments is to help strengthen efforts to combat work-related crime.

## Main areas of the strategy:

### Cooperation with the social partners

Combating crime and irresponsible working conditions is dependent on broad and sustained cooperation in working life. The Government has put this topic on the agenda of the contact committee between the Government and the social partners, and will follow up the measures of the strategy in cooperation with the social partners.

### Control and follow-up

Work-related crime is complex, and must be combated through joint efforts of the police, the Tax Administration, the Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV) and other government agencies. This cooperation has been strengthened and made more systematic at national, regional and local levels. Efficient follow-up by the public authorities is dependent on improved data sharing. It is important that government agencies make effective use of their collective sanction potential, that reported violations are followed up and that serious cases are brought before the courts as rapidly as possible. Follow-up of bankruptcy crime is to be strengthened by establishing bankruptcy coordinators in all police districts. Improvements are to be made in registration of service providers from foreign countries engaged in work in Norway.

### Procurements

The consequences of work-related crime also have a negative effect on competition in the markets. New procurement rules contain provisions designed to help prevent work-related crime and social dumping. In exposed sectors, improved compliance with the rules is also ensured by the introduction of further measures for information and control.

### Knowledge

The potential for undertakings and consumers to make informed choices must be strengthened. It must be made easier to identify the responsible actors and more difficult for the irresponsible actors to offer their services. The community must have better knowledge concerning the prevalence of work-related crime and tax evasion. Better knowledge will enable more targeted control activities. The Government wishes to make irresponsible behaviour more difficult without placing burdens on the undertakings that operate responsibly and endeavour to comply with legislation.

## Information

Information targeted at foreign workers who seek employment in Norway will increase their awareness of their rights and their knowledge of what they can demand from their employers. The service centres for foreign workers and web-based information from government agencies provide a sound basis for providing information to foreign workers who seek employment in Norway.

## International cooperation

Crime and irresponsible working conditions are transnational challenges. Strengthened cooperation between supervision and control authorities at home and abroad plays an important role in achieving results. Norway participates in the cooperation established in connection with the EU platform against undeclared work. The Labour Inspection Authority has begun strengthening its operational supervisory cooperation with labour inspection authorities in countries that send large numbers of workers to Norway. In conformity with the Norwegian Government's strategy for cooperation with the EU, EEA and Norway Grants may be applied to work of this kind in countries that receive such grants.

## More secure identity and identity management

The government agencies that cooperate on combating work-related crime find that the criminal actors and networks are well organised. They encounter professional actors, who make use of varying and creative methods in violation of current provisions to acquire access to the market and make financial gains. Use of false identity enables, among other things, use of fictitious employment contracts and working conditions. The Government will continue work on combating misuse of identities, and promote secure verification of identities. This has major importance for efforts to combat work-related crime.

## 2 The challenges

*What is work-related crime?*

Work-related crime involves:

Activities – often organised – violating Norwegian legislation concerning wages and working conditions, social security and taxation; exploiting workers or distorting competition and undermining the social structure.

*What forms does work-related crime take?*

Many cases concern crime in employment relationships, e.g. serious violations of provisions concerning working hours, wages and working conditions, employment without work permits and failure to record income. Gross violations also take place under the guise of commercial activity, e.g. by means of fictional invoicing and money laundering of income.

A characteristic feature of work-related crime is the element of multicrime. Work-related crime is characterised by one or more of the following elements:

- Tax crime – violation of the Taxation Act, the Tax Payment Act and the Value Added Tax Act
- Gross breaches of accounting and bookkeeping practices – incorrect and deficient accounting and use of fictional or incorrect documentation
- Corruption
- Breach of trust – unlawful bleeding of companies

- Bankruptcy crime
- Money laundering
- Currency smuggling
- Human trafficking
- Social security fraud – receipt of social security benefits while working undeclared
- Gross fraud – commissioned fraud, invoice fraud, fraud against the financial sector
- Provision of incorrect or false information and documentation to the public authorities, including use of false identity and recording of incorrect data in public registers
- Gross violations of the Working Environment Act
- Exploitation of labour in breach of laws or agreements
- Violation of the Immigration Act – use of illegal workers

#### *The relationship to social dumping*

Work-related crime involves criminal offences, which is not necessarily the case where social dumping is concerned. Social dumping and irresponsible working conditions often coincide with violations of the various laws regulating working life, but this is not always the case. While work-related crime does not always adversely affect employees, efforts to combat social dumping are generally more wide-ranging than measures against work-related crime. Social dumping and work-related crime therefore partially overlap.

#### *The relationship to economic crime*

Work-related crime is a part of economic crime. The measures against work-related crime also have significance for efforts to combat economic crime in general. In 2016, the National Inter-agency Centre for Analysis and Intelligence was set up to strengthen government agencies' efforts to combat economic crime, including work-related crime. The strategy for combating work-related crime constitutes a major element of the Government's overall measures against economic crime.

#### *The extent of the challenges*

There is broad agreement between actors such as the police, the Norwegian Tax Administration, the Norwegian Labour Inspection Authority and the social partners that the challenges concerning work-related crime are on the increase. Experience from the supervisory activities of the

#### **Box 1.1 The agencies' summary of the challenges**

On the basis of their experience of operational cooperation, the Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV), the police and the Tax Administration have summarised the challenges as follows:

- The criminal actors have become more adaptable. Evasion methods are continuously adapted and developed in order to be ahead of developments, reduce the risk of detection and avoid controls and sanctions.
- Criminals are able to operate in several sectors simultaneously, and move their criminal activities where conditions are most favourable. They make use of professional helpers, such as accountants and lawyers.
- Deficiencies in public registers can be exploited by criminals, and reduce their risk of detection.
- One-person enterprises are increasingly used to circumvent the rules.
- Tax crime in the form of fictitious costs and under-reported income, etc. is concealed in legal activities.
- In many cases, criminals operate in networks, which perpetrate more complex forms of fraud.
- Recidivism and bankruptcy crime are major characteristics of work-related crime.
- Criminals make fraudulent use of labour market schemes and benefits provided by the Norwegian Labour and Welfare Administration (NAV).

Norwegian Labour Inspection Authority and other agencies indicates extensive violations of working environment legislation in certain areas of working life. Supervisory authorities find that this increasingly coincides with violations of other legislation. This development has taken place rapidly, giving rise to warnings from a number of actors of the contamination of parts of Norwegian working life by a complex and organised form of crime.

#### *Follow-up of challenges in the consumer market*

The market for consumer services is large. The Federation of Norwegian Construction Industries (BNL) estimates that sales in the alterations and additions (A&A) market for private dwellings amount to approximately NOK 70 billion per year. In other sectors too, the sale of consumer services constitutes a major element of total sales.

The Government will strengthen efforts to combat work-related crime and the black economy in the private market. More new measures will therefore be introduced to enable consumers to ensure that they choose responsible suppliers. Further information on this is given in the descriptions of the various measures.

#### *Challenges regarding wage formation*

Crime and irresponsible conditions undermine the values forming the basis of cooperation between the parties in Norwegian working life. In its report (Official Norwegian Report NOU 2013:13), the Holden Committee, which considered the challenges for wage formation in Norway, stated that arrangements for counteracting social dumping and low-wage competition would be necessary for many years to come. The Cappelen Committee (Official Norwegian Report NOU 2016:15) found the assessments of the Holden Committee to be of continued relevance. The main employer and employee federations were represented on both committees.

### **Box 1.2 Labour immigration – wage formation and challenges for Norwegian economy**

The report of the Holden Committee on wage formation and challenges for Norwegian economy (Official Norwegian Report NOU 2013:13) – item 14 of the Committee's assessments and main conclusions:

*Although the authorities are unable to directly control labour immigration from EEA countries, the available scope for action should be taken advantage of to ensure that this immigration functions as well as possible. Measures for counteracting social dumping and low-wage competition will be necessary for many years to come. The general application mechanism plays an important role in counteracting very low wages in a number of sectors, but may also have problematical aspects. The authorities and the social partners should continuously assess whether the general application arrangement functions satisfactorily. Other important factors are satisfactory control arrangements carried out by the Labour Inspection Authority and other relevant agencies, such as the police and the Tax Administration, and good coordination between these agencies.*

#### *Public service investigations carried out by the Office of the Auditor General*

The Office of the Auditor General has carried out a public service investigation of the efforts of the Norwegian Labour Inspection Authority and the police to combat working environment crime. The investigation concerns the period 2009–2015, with a main emphasis on the years 2014 and 2015. The Office of the Auditor General states in its report that the Norwegian Labour Inspection Authority lacks sufficient competence in this area, does not conduct sufficiently thorough controls and must make greater use of the sanctions available to it. The police are criticised for using unduly long time over their investigations. In the view of the Office of the Auditor General, better

use must be made of the cooperation between government agencies, and police participation must be strengthened.

In another public service investigation, which concerned the authorities' efforts to combat social dumping in connection with public sector procurements, the Office of the Auditor General stated that government agencies pay too little attention to pay and working conditions when making procurements. The Office of the Auditor General recommends that the Ministry of Labour and Social Affairs should further strengthen its efforts to prevent social dumping in connection with public sector procurements.

The investigations of the Office of the Auditor General have been followed up by this revision of the strategy on combating work-related crime. Many of the measures have been implemented in response to the recommendations of the Office of the Auditor General.

### Box 1.3 Survey of interagency cooperation

As a follow-up of the strategy for combating work-related crime, a survey has been implemented of the cooperation between the police, the taxation authorities, the Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV) and other agencies. The investigators have examined the period from 2014 to the present day. The report finds that the emphasis on inter-agency cooperation between state actors in combating work-related crime is mainly promising, and that valuable results have been achieved. However, interagency cooperation involves challenges, and the problems associated with work-related crime are subject to constant change. The investigators find that, in the time ahead, we must strike a balance between maintaining unique local cooperative measures on the one hand and the desire to standardise efforts on the other.

Report: Efforts to combat work-related crime. Uni Research Rokkan Centre, Report 7-2016.

## 3 Implementation status

The measures of the strategy for combating work-related crime are followed up by means of broad cooperation between the Office of the Prime Minister and six ministries. A special committee of state secretaries is responsible for follow-up, and matters are regularly discussed with the social partners. Top-level meetings are chaired by the Prime Minister, and the cooperation with the social partners is followed up within the framework of the Government's Contact Committee with the main social partners. Half-yearly status reports have been prepared describing implementation of the measures. The status after two years shows that most of the measures have been implemented as described in the strategy. Some measures describe the ongoing cooperation with the social partners; other measures are in process of implementation, and will be maintained and further developed in this revised strategy. Further information is given under each individual item.

No.	Measures	Work in progress	Under implementation	Implemented
Cooperation with the social partners				
1	Strategic cooperation on combating work-related crime	X		
2	Further development of tripartite sectoral cooperation in exposed sectors	X		

Control and follow-up				
3	Extending the regional and local cooperation between government agencies			X
4	National Interagency Centre for Analysis and Intelligence			X
5	Strengthened data sharing between control agencies and between control agencies and the police		X	
6	More effective sanctions against economic crime		X	
7	Bankruptcy coordinators in the police		X	
8	Business and industry contacts in the police districts		X	
Procurements				
9	Introduction of a provision in the Public Procurement Regulations enabling limitation of the number of subcontractor levels in particularly challenged sectors			X
10	Introduction of a requirement in the Public Procurement Regulations that undertakings shall have apprentices in areas where there is a particular need			X
11	Establishment of an arrangement facilitating control of suppliers' responsibility		X	
12	Guide to best practice for compliance with the Regulations concerning wages and working conditions in public procurements			X
Knowledge				
13	Recognition of foreign vocational qualifications		X	
14	Further development of the scheme for central approval of enterprises in the construction industry and consideration of potential models for registers or authorisation schemes documenting enterprises' compliance with the rules		X	
15	Improvement of the HSE card scheme in the construction and cleaning services sectors			X
16	Amendment of the Construction Client Regulations to require that lists of persons employed at construction sites shall include personal ID numbers and be kept electronically		X	
17	Evaluation of measures initiated to counteract social dumping and irresponsibility in working life			X
18	Survey of hiring out of labour			X
19	Survey of the extent of the black economy		X	
Information				
20	Extending the provision of information to foreign workers in Norway		X	
International cooperation				

21	Strengthening cooperation with foreign labour inspection agencies – follow-up of EU efforts to counteract undeclared work		X	
22	Implementation of the Posting of Workers Enforcement Directive in Norwegian law		X	

#### **Box 1.4 Assessing measures initiated to counteract social dumping and irresponsibility in working life**

An overall review has been made of the various assessments of measures implemented to counteract social dumping and irresponsibility in working life. This measure is therefore not upheld in the revised strategy. Researchers have reviewed and considered the total effect of the measures and initiatives implemented on the basis of the assessments already carried out. They conclude that there is a need to maintain and strengthen efforts to combat work-related crime and social dumping.

A separate report considers the effects of general application of collective agreements. The investigators conclude that general application has functioned according to intentions by helping to slow down changes and reduce the wage-decreasing effect of increased labour immigration.

Reports: Overall assessment of efforts to combat social dumping and work-related crime. Report No. 54-2016 by *Samfunnsøkonomisk analyse AS*. Effects of general application of collective agreements. Report No. 2-2015 by *Senter for lønnsdannelse* [Centre for Wage Formation].

## **4 Revised strategy for combating work-related crime**

### **Overview of measures**

The following is an overview of the measures included in the revised strategy. A number of the measures included in the strategy submitted in 2015 have been amended. In addition to this, there are a number of new measures and a new main area: More secure identity and identity management.

No.	Measures	Responsible ministry
Cooperation with the social partners		
1	Tripartite cooperation on combating work-related crime	The Office of the Prime Minister coordinates.
2	Further development of tripartite sectoral cooperation in exposed sectors	The Ministry of Labour and Social Affairs
3	Cooperation against the black economy	The Ministry of Finance
4	Business and industry contacts in the police	The Ministry of Justice and Public Security
5	Assessment of various aspects of temporary agency work	The Ministry of Labour and Social Affairs
Control and follow-up		
6	Further development of binding and coordinated cooperation between government agencies	The Ministry of Labour and Social Affairs coordinates.



7	The National Interagency Centre for Analysis and Intelligence	The Ministry of Justice and Public Security and the Ministry of Finance
8	Strengthened data sharing between control agencies and between control agencies and the police	The Ministry of Justice and Public Security coordinates.
9	More effective sanctions against economic crime	The Ministry of Justice and Public Security coordinates.
10	Bankruptcy coordinators in all police districts	The Ministry of Justice and Public Security
11	Better registration and follow-up of service providers and workers in exposed sectors	The Ministry of Labour and Social Affairs
12	Better register quality in public registers	The Ministry of Finance and the Ministry of Trade, Industry and Fisheries
Procurements		
13	Information on and follow-up of the Public Procurement Regulations	The Ministry of Labour and Social Affairs, the Ministry of Trade, Industry and Fisheries, the Ministry of Education and Research
14	Developing an arrangement facilitating control of suppliers' responsibility	The Ministry of Trade, Industry and Fisheries
15	Strengthening the authorisation scheme for cleaning companies	The Ministry of Labour and Social Affairs
Knowledge		
16	Recognition of foreign vocational qualifications	The Ministry of Education and Research
17	Further development of the scheme for central approval of enterprises in the construction industry and implementation of a registration arrangement for responsible enterprises	Ministry of Local Government and Modernisation
18	Survey of forms of affiliation in working life and use of foreign labour	The Ministry of Labour and Social Affairs
19	Strengthened knowledge of tax evasion and the black economy	The Ministry of Finance
Information		
20	Information targeted at foreign workers in Norway	The Ministry of Labour and Social Affairs coordinates.
International cooperation		
21	Strengthening cooperation with foreign labour inspection agencies – follow-up of EU efforts to counteract undeclared work	The Ministry of Labour and Social Affairs coordinates.
22	Implementation of the Posting of Workers Enforcement Directive in Norwegian law	The Ministry of Labour and Social Affairs
More secure identity and identity management		
23	Review of security levels in ID documents	The Ministry of Justice and Public Security coordinates.
24	ID control on issue of D-numbers and overall responsibility for citizens of EEA member states	The Ministry of Justice and Public Security coordinates.
25	Consideration of links between biometric data in the National Population Register, the Passport Register and the Register of Foreign Nationals	The Ministry of Justice and Public Security coordinates.

## Cooperation with the social partners

The fight against work-related crime requires the public authorities and employer and employee organisations to find solutions for the various challenges. The tripartite cooperation helps to facilitate a broad, joint and strategic initiative to combat work-related crime.

### 1. Tripartite cooperation on combating work-related crime

The Government cooperates with the social partners on broad and sustained efforts to combat work-related crime. The strategy follow-up includes top-level meetings attended by affected government agencies and organisations. This type of cooperation will be maintained and followed up by the Government's Contact Committee with the social partners with an additional emphasis on the effects on wage formation and Norwegian economy. A top-level meeting on this topic is to be held during years with revision of the Basic Collective Agreement. Such meetings were held in 2014 and 2016. The next meeting will be in 2018.

The public authorities will maintain and strengthen cooperation with employer and employee organisations in order to promote sound and responsible working conditions and to prevent and counteract the black economy and work-related crime. A number of measures play a part in this. These measures include the newly established arrangement providing business and industry contacts in all police districts, the Norwegian Tax Administration's cooperation with the social partners on efforts to combat the black economy (SMSØ), the Construction Industry's Responsibility Forum, the social partners' own cooperative measures and tripartite sectoral programmes in exposed sectors.

Responsible: The Office of the Prime Minister coordinates.

### 2. Further development of tripartite sectoral cooperation in exposed sectors

In the cleaning services sector, the restaurants, bars and night-clubs sector and parts of the transport sector, tripartite sectoral programmes have been established in cooperation between the authorities and the social partners. The purpose of these programmes is to promote more responsibility and better working conditions in exposed sectors. In the construction industry, the public authorities and the social partners cooperate on the Construction Industry's Responsibility Forum. There is also cooperation on HSE measures aimed at achieving an accident-free industry. By means of this cooperation with the social partners, the public authorities will also consider follow-up of proposals from the social partners for measures to increase the responsibility of the sectors concerned.

Tripartite sectoral programmes for the cleaning services sector were initiated in 2012. At the same time, an authorisation scheme was established for cleaning companies. Evaluation of the authorisation scheme has been followed up by new measures to strengthen the scheme (see measure 15). In 2017, the Norwegian Labour Inspection Authority will conduct a survey of developments in working conditions in the cleaning services sector since 2012. The sectoral programmes in the restaurants, bars and night-clubs sector and transport sector started some years later, and some years should therefore elapse before it would be appropriate to survey developments in these sectors.

Responsible: The Ministry of Labour and Social Affairs

### 3. Cooperation against the black economy

For a number of years, the main employer and employee federations (LO, NHO, KS, Unio, YS) and the Norwegian Tax Administration have cooperated formally against the black economy under the auspices of *Samarbeid mot svart økonomi* [Cooperation Against the Black Economy] (SMSØ). The purpose of the cooperation is preventive work including promotion of attitudes and values. The measures target consumers, the business sector and young people.

The efforts of SMSØ are particularly directed at pupils attending the upper and lower secondary school through the initiative "*Spleiselaget*" [sharing the cost], which is designed to improve knowledge of the relationship between value creation, taxation and welfare. Preventive efforts directed at apprentices and pupils attending vocational courses are to be strengthened. Furthermore, preventive measures have been directed at young business people, for example, in cooperation with the organisation Junior Achievement Norway (Ungt entreprenørskap).

In 2016, SMSØ prepared a ten-point recommendation on how the municipalities can avoid the black economy and work-related crime in their procurements. During 2017, these strategies are to be made known to all Norwegian municipalities and county authorities. Furthermore, in 2017, SMSØ will launch a public awareness campaign against the black economy in the consumer market. The intention of the campaign is to make consumers aware that the purchase of black market goods and services is illegal and entails support of criminal activities.

Responsible: The Ministry of Finance

### 4. Business and industry contacts in the police

The business sector and civil society, e.g. the social partners, are major actors in preventing and reducing crime, particularly work-related crime. During 2016, dedicated business and industry contacts have been established in six police districts. The purpose of the business and industry contacts will be to ensure sound local cooperation between the police, the business sector, security authorities, relevant organisations and other actors in civil society. By means of dialogue and briefings, among other ways, the business and industry contacts will help to make known the threats faced by society, thus increasing the accountability of the business sector and other actors and equipping them to make sound risk assessments and implement proactive and precise measures. The Norwegian Police Directorate has been assigned the task of establishing permanent business and industry contacts in the six remaining police districts during the course of 2017.

Responsible: The Ministry of Justice and Public Security

### 5. Assessment of various aspects of temporary agency work

There is a broad consensus that permanent employment shall be the main rule in Norwegian working life. The use of temporary agency work is particularly prevalent in certain industries, including in the construction industry. There is a need for greater clarity concerning how temporary agency work is used in the most exposed industries, and to assess how the rules are interpreted and whether there is a need for amendments. The Ministry of Labour and Social Affairs has initiated work in cooperation with the social partners, where relevant questions concerning temporary agency work are considered.

Responsible: The Ministry of Labour and Social Affairs

## Control and follow-up

All agencies must give high priority to efforts to combat work-related crime. However, it is just as important that government agencies cooperate closely on the challenges. Coordination between the Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV), the Norwegian Tax Administration and the police has been strengthened at national, regional and local levels. Government agencies are preparing joint action plans for measures against work-related crime. In 2015, co-located joint operation groups were set up for combating work-related crime in Bergen, Stavanger and Oslo. In 2016, such groups were also set up in Kristiansand and Trondheim. In 2017, the resources will be further strengthened by establishment of two new co-located groups. Other agencies and public authorities also participate in this cooperation. Not least, an important role is played by the municipalities. Cooperation between agencies increases their efficacy in the fight against work-related crime.

### 6. Further development of binding and coordinated cooperation between government agencies

The Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV), the Norwegian Tax Administration and the police are to give high priority to preventing and combating work-related crime. The ongoing cooperation between government agencies, among others, the co-located centres for combating work-related crime, are to be further developed and strengthened. All of the government agencies that participate in the centres are to make resources available to enable government agencies to combat work-related crime forcefully and effectively. Other relevant authorities that will participate in this cooperation include the municipalities, the Norwegian Customs Administration, the Norwegian Food Safety Authority, the Norwegian Public Roads Administration and the local electricity supervision. Closer contact must be facilitated between the government agencies participating in the cooperation on combating work-related crime and the social partners at local, regional and national levels.

The aim of cooperation between government agencies is to employ the most effective measures and sanctions available to the government agencies as a whole, thereby preventing criminals from continuing their activities, or making a long-term reduction in their capacity to do so. The cooperation between the Norwegian Labour Inspection Authority, the police and the Public Prosecution Authority is to be further developed. In 2017, the government agencies will hold a joint professional seminar.

By means of their knowledge of the status and risk factors, government agencies must develop appropriate methods for measuring the results of their efforts. Joint parameters for objectives and result-based management are to be applied to the objectives and management of the individual agencies. Each year, the Ministries will prepare joint text in the letters of allocation to the agencies so that identically worded management signals are given regarding the follow-up of efforts to combat work-related crime, including joint objectives for the work.

The Norwegian Public Roads Administration has set up a special unit for traffic and motor vehicle crime, which will coordinate its operations with those of the police, the Norwegian Customs Administration and the Norwegian Labour Inspection Authority. Such coordination will also promote more effective control of work-related crime in the road transport sector.

Responsible: The Ministry of Labour and Social Affairs coordinates.

## 7. The National Interagency Centre for Analysis and Intelligence

In 2016, the National Interagency Centre for Analysis and Intelligence (NTAES) was established to strengthen efforts to combat economic crime, including work-related crime. The centre has been assigned to the National Authority for Investigation and Prosecution of Economic and Environmental Crime (ØKOKRIM). Overall responsibility for the centre is held jointly by the Norwegian Police Directorate and the Norwegian Directorate of Taxes. The police, the Norwegian Tax Administration, the Norwegian Customs Administration, the Norwegian Labour and Welfare Administration (NAV) and the Norwegian Labour Inspection Authority all participate in this cooperation. The purpose of the cooperation is development and implementation of more targeted, forceful, effective and precise crime fighting. The Centre for Analysis and Intelligence is to be responsible for preparing national assessments of threats and risks and for gathering intelligence. This will form a valuable basis for follow-up by government agencies. During the first half of 2017, a new description of the situation regarding work-related crime is to be submitted. This is a further development of the description prepared by the police and control agencies in 2014. This new description is to include an estimate of the extent, development and consequences of various forms of work-related crime, and is to identify characteristics of specific sectors and geographical areas.

Responsible: The Ministry of Justice and Public Security and the Ministry of Finance

## 8. Strengthened data sharing between control agencies and between control agencies and the police

At both strategic and operational levels, data sharing is one of the most important conditions for achievement of effective cooperation between the various control agencies and the police. A national guide has been prepared for the government agencies, providing information on the type of data that can be shared and procedures to be followed by the agencies when determining whether data can be shared.

The measure is to be further followed up through a number of different processes. Firstly, provisions must be made for sharing of data for analysis purposes. An agency-level working group chaired by the National Authority for Investigation and Prosecution of Economic and Environmental Crime (ØKOKRIM) has considered what legislative amendments would be needed in order to allow the National Interagency Analysis and Intelligence Centre to make use of confidential information concerning private persons and business enterprises in its analyses. The proposals are currently under consideration by the Ministry of Justice and Public Security and the Ministry of Finance.

Secondly, there is a need to consider what legislative amendments are necessary in order to facilitate sharing of data in the operational cooperation between control agencies and between control agencies and the police. The Ministry of Justice and Public Security has therefore specifically requested the Public Administration Law Committee to consider the provisions of the Public Administration Act concerning the obligation to observe confidentiality in relation to the need of government agencies for information from other authorities in order to combat crime. The Public Administration Law Committee is to submit its report in November 2018. Other measures will be further considered and followed up by the respective ministries. The Government is aware of the need to provide for strengthened data sharing that may help in facilitating more effective cooperation between government agencies.

Responsible: The Ministry of Justice and Public Security coordinates.

## 9. More effective sanctions against economic crime

Effective and appropriate sanctions against economic crime play an important role. The Government wants a sanctions system where the resources and sanctions available to the individual agencies are viewed collectively and utilised optimally. The National Interagency Centre for Analysis and Intelligence (NTAES) has been requested to prepare a list of all sanctions available to the cooperating control authorities and the immigration authorities, specifying both application and availability. The Director General of Public Prosecutions and ØKOKRIM are to determine the demarcation line between administrative law sanctions and criminal law sanctions. During 2017 a guide to good prosecution practice is to be prepared.

Responsible: The Ministry of Justice and Public Security coordinates.

## 10. Bankruptcy coordinators in all police districts

Bankruptcy crime is a major problem both for society as a whole and for law-abiding business practitioners. The need for interagency cooperation and effective follow-up by the police is paramount for the capacity to deal satisfactorily with serious bankruptcy cases. Dedicated bankruptcy coordinator posts in the police will enable more rapid follow-up of cases involving suspicion of bankruptcy crime. This arrangement has so far been established in four police districts. The Government will continue to strengthen efforts to combat bankruptcy crime and serial bankruptcy filers. During 2017, the Norwegian Police Directorate is to establish bankruptcy coordinators in the remaining eight police districts.

Access to the Bankruptcy Disqualification Register would be a valuable aid in the public authorities' efforts to combat bankruptcy crime and serial bankruptcy filers. An assessment is to be made of whether the Norwegian Tax Administration and the police can be given access to the Bankruptcy Disqualification Register at the Brønnøysund Register Centre and whether section 117B of the Bankruptcy Act should be revoked.

Responsible: The Ministry of Justice and Public Security

## 11. Better registration and follow-up of service providers and workers in exposed sectors

A number of measures have been implemented in order to improve the overall view of the actors in exposed sectors. Workers in the construction and cleaning services sectors must hold HSE cards, and lists are to be kept showing the workers at any given time present on a construction site. Among other things, the HSE card requirement helps to make it easier for supervisory authorities to identify workers and undertakings, thus increasing effectiveness where the need for control is greatest. As a follow-up of the strategy for combating work-related crime, a number of measures have been implemented to counteract misuse and improve control of the use of HSE cards. This is to be followed up when enforcing this arrangement.

A number of measures are to be considered in order to strengthen the potential of the taxation authorities for monitoring the construction sector.

In the consultations concerning implementation of the Enforcement Directive in Norwegian law, the Ministry of Labour and Social Affairs notified its intention to examine more closely the question of introducing a registration obligation for service providers from foreign countries on temporary assignments in Norway. This might be an effective instrument for improving the potential of the supervisory authorities for supervising undertakings that might otherwise be difficult to reach, and which operate in sectors with challenges. There are similar registration arrangements in Denmark and Sweden. Consideration must be given to whether a registration obligation

should be introduced for service providers from foreign countries. The assessment should, among other things, involve a closer examination of how such a measure could be implemented and how this would relate to other arrangements involving obligations to report to the public authorities.

Responsible: The Ministry of Labour and Social Affairs

## 12. Better register quality in public registers

Quality control of the data registered by the public authorities in public registers must be improved. Registration in a public register does not in itself confer any rights on citizens or undertakings, but does confer legitimacy. The data in the registers is used by government agencies, the business sector and the general public. There is a risk that data registered, for example, in the National Population Register (Norwegian Tax Administration), the Central Coordinating Register of Legal Entities (Brønnøysund Register Centre) or the VAT register (Norwegian Tax Administration) are not subjected to sufficient controls. Deficient register quality may result in undertakings or private individuals obtaining undue advantages or evading their obligations. The agencies must therefore continue to pay attention to this area, and implement measures that help to assure the quality of the data in the registers, particularly when registering new data.

Responsible: The Ministry of Finance and the Ministry of Trade, Industry and Fisheries

## Procurements

The consequences of work-related crime are serious for the persons exposed to it. It also has a negative effect on competition in the markets. One way of preventing work-related crime and social dumping is to impose more stringent requirements on orderers and suppliers. In its procurements, the public sector must set a good example in efforts to promote a responsible working life. New procurement rules contain new provisions designed to help prevent work-related crime and social dumping. A continued focus on information and guidance measures also plays an important part in ensuring sound follow-up of contracts entered into.

## 13. Information on and follow-up of the Public Procurement Regulations

In its follow-up of the strategy for combating work-related crime, the Agency for Public Management and eGovernment (Difi) has prepared a guide to best practice for compliance with the Regulations concerning pay and working conditions in public contracts. However, challenges persist regarding the follow-up of contracts entered into, particularly in the municipal sector. In 2017, the Ministry of Labour and Social Affairs is therefore implementing a project in cooperation with the Association of Local and Regional Authorities (KS) on information and competence measures to follow up the Regulations concerning pay and working conditions in public contracts.

From 1 January 2017, two new provisions have been introduced in the Public Procurement Regulations. Firstly, the contracting entity must require that there be a maximum of three subcontractor levels in the supplier chain, i.e. a main contractor with a maximum of two subcontractor levels in contracts for construction works and cleaning services. Secondly, contracting entities must require use of apprentices in contracts over a certain size and duration. It is important that information be provided to contracting entities so that the provisions are followed up in compliance with the purpose. Affected ministries, in cooperation with Difi, have prepared guidance on the provisions. The guidance is available at [www.anskaffelser.no](http://www.anskaffelser.no). The work is followed up by the Ministry of Trade, Industry and Fisheries and the Ministry of Education and Research in cooperation with Difi.

Major amendments have been made in the legislation, and it is therefore natural that central elements of the legislation are eventually subjected to assessment. However, the legislation should be allowed to function for some years before being assessed. The Government will monitor how the legislation functions in practice with a view to the effects of the threshold values among other factors. The Government will also monitor the effect of the legislation on the number of apprenticeships.

Responsible: The Ministry of Labour and Social Affairs, the Ministry of Trade, Industry and Fisheries and the Ministry of Education and Research

#### 14. Developing an arrangement facilitating control of suppliers' responsibility

The Agency for Public Management and eGovernment (Difi) has prepared a proposal for providing public procurers with easier access to necessary information on suppliers. The Ministry of Trade, Industry and Fisheries is to consider establishing a service for Norwegian public contracting entities enabling control of documentary evidence from suppliers in public procurements. The service will provide access to relevant information from certain public registers, for example the Norwegian Tax Administration in connection with tax and VAT paid, the Brønnøysund Register Centre in connection with certificates of registration, bankruptcies and printouts of accounts and the Norwegian Labour and Welfare Administration (NAV) in connection with paid employer's contributions.

Responsible: The Ministry of Trade, Industry and Fisheries

#### 15. Strengthening the authorisation scheme for cleaning companies

The authorisation scheme for cleaning companies was assessed by the Fafo Institute for Labour and Social Research in 2016. The assessment shows that the scheme has made a positive contribution, but that there are still challenges in the cleaning services sector. The authorisation scheme plays an important part in limiting work-related crime in the sector, and should therefore be strengthened. Among other things, the Ministry of Labour and Social Affairs is considering whether authorised cleaning companies should submit documentation every three years to prove that they still meet the conditions for authorisation. Furthermore, the Ministry of Labour and Social Affairs is considering whether the Norwegian Labour Inspection Authority should be authorised to reject repeated applications without substantive consideration.

In 2017, the Norwegian Labour Inspection Authority is to launch a new web page on the central register for authorised cleaning companies. The web page is to make it easier for users to identify the authorised undertakings.

Responsible: The Ministry of Labour and Social Affairs

### **Knowledge**

The possibility of undertakings and consumers to purchase goods and services from law-abiding suppliers must be further strengthened. Work has started on recognition of foreign vocational qualifications so that requirements may be imposed regarding recognised qualifications in connection with contracts and tenders. Better registration arrangements will make irresponsible operations more difficult. Further monitoring of foreign labour and the black economy will provide a better overall view of the situation and play a valuable part in preparing more targeted measures.



## 16. Recognition of foreign vocational qualifications

A new provision of the Education Act, which entered into force on 1 August 2016, authorises the Ministry to recognise foreign vocational qualifications as equal to Norwegian trade or journeyman's certificates. The Norwegian Agency for Quality Assurance in Education (NOKUT) has been assigned the task of administering the recognition scheme. The scheme requires that all foreign trade certificates in every country must be assessed in relation to corresponding Norwegian qualifications. Establishment of a complete recognition scheme is therefore a major task, involving a survey of vocational training systems and institutions in all countries of the world. NOKUT has therefore begun with recognition of a selection of trades in Poland and Germany. The scheme will be continuously extended to include more trades and countries.

Responsible: The Ministry of Education and Research

## 17. Further development of the scheme for central approval of enterprises in the construction industry and implementation of a registration arrangement for responsible enterprises

The scheme for central approval in the Building Application Regulations has been extended with effect from 1 January 2016. Centrally approved enterprises are required to have paid due taxes, and to provide information concerning the number of employees registered in public registers. Enterprises must submit an HSE declaration on applying for central approval. These requirements are additional to qualification requirements. It is also possible for enterprises to document whether they are authorised as apprenticeship training enterprises and whether they have occupational injuries insurance and liability insurance. The data is obtained electronically. A new label is to be introduced for centrally approved enterprises. Responsibility for the scheme lies with the Directorate of Building Quality. A database of authorised enterprises has been established.

In cooperation with the Ministry of Local Government and Modernisation, the Ministry of Children and Equality has requested the Consumer Council of Norway to develop a new market portal for tradesman services on the web. The purpose of the portal will be to assist consumers in making informed choices and selecting good tradesmen. The portal is to become operational during the course of 2017.

The Ministry of Local Government and Modernisation has decided to establish a voluntary responsibility register in connection with the scheme for central approval of enterprises in the construction sector. The register is to be available to enterprises operating as subcontractors or in the alterations and additions (A&A) market. It is to be available for searches by private individuals, enterprises and authorities, and will supply information to the tradesman portal. At first, the register is only to include electronically available and verifiable data. This will be information concerning enterprises, obtained from the Brønnøysund Register Centre, and concerning payment of taxes, obtained from the Norwegian Tax Administration.

Responsible: Ministry of Local Government and Modernisation

## 18. Survey of forms of affiliation in working life and use of foreign labour

A study has been carried out indicating that the introduction of the principle of equal treatment in the Directive on Temporary Agency Work has resulted in an actual increase in equal treatment. Developments in the use of temporary agency work and other forms of affiliation in working life are being surveyed by means of a multi-year research project due to be completed in 2018. A committee that has investigated the sharing economy submitted its report in February 2017.

Work is to be continued on obtaining better statistics and knowledge concerning temporary agency work. In 2017, a survey is to be conducted of foreign workers in relevant sectors of Norwegian working life, including a survey of factors relating to the practice of undertakings regarding cover of expenses in connection with travel, board and lodging.

Responsible: The Ministry of Labour and Social Affairs

## 19. Strengthened knowledge of tax evasion and the black economy

The Tax Administration is continuing work on surveying the extent and development of tax crime in Norway. Improved knowledge about tax evasion may in the long term also result in better adaptation of the public authorities' fight against work-related crime. This must be viewed in connection with adaptation of the Norwegian Tax Administration's overall use of instruments to promote increased compliance with tax legislation, while also developing the agency's control strategies and legislation. The purpose of the work is to facilitate a more knowledge-based adaptation of the agency's overall efforts to combat the black economy and work-related crime. Where appropriate, the information derived from such analyses may however also be used to provide an indication of the size of the tax gap in selected areas.

Responsible: The Ministry of Finance

## Information

Information targeted at foreign workers who seek employment in Norway will increase their awareness of their rights and obligations and their knowledge of what they can demand from their employers. The information to foreign workers is still to be provided by the Service Centres for Foreign Workers and the web page [www.workinnorway.no](http://www.workinnorway.no).

## 20. Information targeted at foreign workers in Norway

Provision of information to foreign workers and employers has been strengthened. New Service Centres for Foreign Workers have been established in Bergen (2015) and Trondheim (2016) in addition to those already established in Oslo, Stavanger and Kirkenes. The service centres deal with over 100 000 enquiries each year, helping to ensure efficient case processing for those who come to Norway to work. At the same time, the service centres play an important role in detecting unlawful working conditions and identity fraud. The service centres are to be further developed as the government agencies' joint meeting place with foreign workers and their employers.

At the request of the Ministry of Labour and Social Affairs, the Norwegian Labour Inspection Authority has made a survey of information provided to foreign workers. The survey found that it was difficult to come into contact with the foreign workers via wide-reaching channels; both to reach them with information and to find relevant channels. Targeted information is to be provided to foreign workers in order to focus on their rights and obligations as workers in Norway. In compliance with follow-up of the Posting of Workers Enforcement Directive, the Norwegian Labour Inspection Authority is to provide information to foreign workers and employers on Norwegian working life, legislation and control activities. The service centres, the social partners, tripartite sectoral programmes in the cleaning services sector, the transport sector and the restaurants, bars and night-clubs sector and the authorities of other countries are important collaborators in this work. The Labour Inspection Authority, the Norwegian Tax Administration, the Norwegian Labour and Welfare Administration (NAV), the Norwegian Directorate of Immigration and the police also provide a broad range of information to foreign workers. The government agencies

cooperate on the website [www.workinnorway.no](http://www.workinnorway.no), which directs users to the respective agencies. The aim of workinnorway.no is to be the preferred information channel for foreign workers and employers. A user survey is to be conducted in order to determine how the website should be further developed.

Responsible: The Ministry of Labour and Social Affairs coordinates.

## **International cooperation**

Crime and irresponsible working conditions are transnational challenges, and therefore necessitate broad international cooperation. Norway participates in the cooperation established in connection with the European platform against undeclared work. The Norwegian Labour Inspection Authority has begun strengthening its operational supervisory cooperation with labour inspection authorities in countries that send large numbers of workers to Norway. The possibilities for information exchange and practical cooperation with foreign labour inspection agencies are strengthened by the implementation of the Posting of Workers Enforcement Directive.

### **21. Strengthening cooperation with foreign labour inspection agencies – follow-up of EU efforts to counteract undeclared work**

The public authorities are to cooperate with other countries through participation in the EU platform against undeclared work and through bilateral agreements with the labour inspection agencies of a number of countries. The cooperation will involve specific supervisory cases and sharing of knowledge concerning good practice. Furthermore, national and international cooperation between the public authorities and the social partners will help prevent irresponsibility, among other ways, by actively providing workers and employers who are to operate in Norway with information about Norwegian working life and legislation. The Norwegian Labour Inspection Authority will establish closer cooperation with labour inspection authorities in a number of Eastern European countries. There is moreover a dialogue with the public authorities of a number of countries on using EEA funds in projects on follow-up of work-related crime. The fight against work-related crime is also an area that can receive support from the Norway Grants fund for the promotion of tripartite dialogue and decent work.

Responsible: The Ministry of Labour and Social Affairs coordinates.

### **22. Implementation of the Posting of Workers Enforcement Directive in Norwegian law**

The Government is currently engaged in implementing the Posting of Workers Enforcement Directive (2014/67/EU) in Norwegian law. The Directive is intended both to ensure that workers posted abroad in the framework of provision of services receive the protection to which they are entitled pursuant to the Posting of Workers Directive, and to provide undertakings with equitable competitive conditions. The Enforcement Directive clearly signals the unacceptability of work-related crime and social dumping.

The Enforcement Directive imposes requirements regarding strengthened information on current provisions to foreign service providers and workers, and strengthened cooperation between authorities across national borders. The Directive also contains a number of effective measures for control and enforcement of compliance with Norwegian wages and working conditions. These are measures that will help in strengthening efforts to combat work-related crime and irresponsible actors.

Responsible: The Ministry of Labour and Social Affairs

## **More secure identity and identity management**

The government agencies that cooperate on combating work-related crime find the criminal actors and networks to be well organised. They encounter professional actors, who make use of varying and creative methods in violation of current provisions to acquire access to the market and make financial gains. Use of false identity enables, among other things, use of fictitious employment contracts and working conditions. The Government will continue work on combating misuse of identities and promote secure verification of identities. Responsibility for identity management is divided between a number of agencies subordinate to the Ministry of Justice and Public Security. Secure and comprehensive identity management requires coordinated operations between affected authorities.

### **23. Review of security levels in ID documents**

Since 2013, work has been carried out on developing more secure ID documents (passports and national ID cards with electronic identification (eID)). These are planned to be launched in 2018. The ID cards have a practical design enabling them easily to be carried. This makes it easier for public and private actors to demand secure proof of identity.

The Ministry of Justice and Public Security is to be assigned the task of establishing an interministerial working group to conduct a review of the physical and electronic proofs of identity that are to be approved in specific situations on the basis of an assessment of the security levels of the various proofs of identity.

Responsible: The Ministry of Justice and Public Security coordinates.

### **24. ID control on issue of D-numbers and overall responsibility for citizens of EEA member states**

The Ministry of Justice and Public Security, in cooperation with the Ministry of Finance and the Ministry of Labour and Social Affairs, has been assigned the task of considering whether a single agency should have overall responsibility for ID management for EEA citizens. The Ministry of Justice and Public Security and the Ministry of Finance are also to consider whether the police should take over ID control in connection with requisition of D-numbers (ID numbers assigned to all foreign nationals who reside in Norway for a period less than six months). This is to be viewed, inter alia, in connection with the police registration arrangement for citizens of EEA member states and the database for lost and stolen foreign ID documents.

Responsible: The Ministry of Justice and Public Security coordinates.

### **25. Consideration of links between biometric data in the National Population Register, the Passport Register and the Register of Foreign Nationals**

It is important that users of the National Population Register can obtain confirmation of the ID number used in a passport or ID card or registered in the Register of Foreign Nationals. The Norwegian Police Directorate, the Norwegian Directorate of Immigration and the Norwegian Directorate of Taxes have been assigned the task of considering whether it is possible to establish a link between biometrics registers in the justice sector and the National Population Register in order to increase the quality of the data in the National Population Register.

Responsible: The Ministry of Justice and Public Security coordinates.