

Annual report - Aetat

2003





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For more information about Aetat and what we do, go to [www.aetat.no](http://www.aetat.no), where you will also find additional key figures for 2003.

# About Aetat

## Aetat's main tasks

Aetat, the Norwegian Public Employment Service, follows developments in the labour market and implements the labour-market policy laid down by the political authorities.

In 2003 Aetat focused on strengthening its role as a service provider vis-à-vis job seekers with a view to getting them back to work more quickly.

Our priority areas were:

- closer follow-up, increased skills training and the arrangement of work placements
- providing facilities for active job seeking
- having satisfied users
- providing useful information about the labour market
- fast and accurate payment of benefits
- cooperating with other players
- developing Aetat as an organisation.

## Key figures

Aetat spent approximately NOK 26.4 billion in 2003:

- approximately NOK 4.4 billion on labour-market measures, NOK 1.7 billion of which on regular labour-market measures and NOK 2.6 billion on labour-market measures for the occupationally handicapped;
- approximately NOK 8.9 billion on rehabilitation benefits;
- approximately NOK 11.1 billion on unemployment benefits;
- approximately NOK 2 billion on Aetat's administration.

Aetat had 3,177 person-years at its disposal in 2003.



## Aetat's local employment offices

The local employment offices are Aetat's front-line service. They perform a service for job seekers by supplying information on vacancies, providing guidance on issues relating to occupations and training, offering and implementing relevant measures and administering the unemployment benefit scheme. The local employment offices work closely with employers in the district in order to provide labour. There are a total of 175 local employment offices around Norway. Aetat Helpline Centre provides a telephone service for job and training seekers and employers, processes employment status forms and registers vacancies at [www.aetat.no](http://www.aetat.no). The centre also provides user support for [www.aetat.no](http://www.aetat.no).

## Special services

Aetat Intro offers additional assistance for job seekers from immigrant backgrounds in Oslo, Bergen, Trondheim and Kristiansand, as well

as helping Aetat with skills dissemination in other respects. Aetat Complaints and Appeals Unit handles complaints about decisions relating to unemployment benefits, rehabilitation and other benefits. Aetat Employment Counselling is represented in every county and provides Aetat's local employment offices with specialist expertise in helping job seekers who experience particular obstacles and restrictions in relation to work and training. Aetat Centre for Vocational Rehabilitation provides a service to job seekers with reduced working capacity, for example difficulties in concentrating, or visual or hearing problems. Aetat Severance Pay Unit administers the scheme for making redundancy payments to civil servants who are made redundant.

## At central level

Aetat Directorate of Labour is responsible for managing Aetat's activities, following developments in the labour market, and providing

information and advice to the Ministry of Labour and Government Administration.

## At county level

Aetat's main offices are responsible for administration at county level, and follow developments in the labour market in their region.

## Internal units

The Pay Office is responsible for the payroll for all Aetat's employees. The Control Unit for Unemployment Benefits uncovers and prevents misuse of unemployment benefits. The Operations and User Support Centre is responsible for internal systems such as IT infrastructure, standard applications and Aetat's case-registration system.

# More users – more satisfied users



The objective is for the unemployed to find new jobs more quickly as a result of closer follow-up by Aetat and more active job seeking

**A marked increase in unemployment and fewer job vacancies meant that Aetat served a far higher number of users in 2003 than in 2002. Nevertheless, we still managed to strengthen follow-up of both job seekers and the occupationally handicapped, cut waiting times and help more people to find work. It is also extremely pleasing to be able to report that users were more satisfied with Aetat in 2003.**

Unemployment rose by 23 per cent over the last year, with an average of 92,600 people being completely unemployed. But many more people than this experienced unemployment at some point in 2003: over the year 335,000 people were registered unemployed at Aetat. Taking into account the occupationally handicapped and people who were partially employed, the figure is even higher: around 447,000 job seekers.

A very high proportion of these quickly found other work. Despite the difficult situation in the labour market, there was a high throughput among job seekers. This shows that focused work, both on the part of the job seekers themselves and Aetat, pays off.

The increasing level of unemployment led to an escalation in the use of labour-market measures, with 56,200 people participating in such measures over the year. The number of job seekers who were helped by Aetat to find suitable positions to apply for doubled, and the number of employers notifying vacancies directly to Aetat and being allocated job seekers was significantly higher than in 2002. At the same time, Aetat has increased personal follow-up of each individual job seeker. Last year saw the service strengthened by an additional 420 person-years, and a conscious effort was made to rationalise organisation, train employees, increase contact with employers and strengthen placement activities. The objective is for the unemployed to find jobs more quickly as a result of closer follow-up by Aetat and more active job seeking.

Aetat also achieved good results over the last year with regard to the payment of unemployment and rehabilitation benefits. More than 90 per cent of all applications for unemployment and rehabilitation benefits are now processed within 14 days.

Aetat has also worked consciously to improve

the working environment, and this has already led to lower sick leave in the service. Measures have included strengthening competence in HSE and clarifying managerial responsibilities.

All this has produced results. User surveys conducted in 2003 show that around 70 per cent of job seekers are satisfied with the service they receive from Aetat, an increase of five percentage points from 2002. Even more positive is the feedback received from employers, almost 80 per cent of whom described themselves as satisfied.

These are positive results to carry into 2004, when Aetat's services will continue to be developed. During the year the service will assume greater responsibility for vocational rehabilitation, and new services for job seekers and employers will be launched at [www.aetat.no](http://www.aetat.no). Efforts to follow up job seekers will continue and be stepped up. At the same time, we wish to improve our contact with employers and build up our employees' knowledge of the local labour market. Aetat will also actively follow-up the work of coordinating Aetat, the National Insurance Service and municipal social services in order to get more people into work and have fewer on benefits.

In 2004 Aetat will become an even better tool for job seekers!

Inger-Johanne Stokke  
Director General

# A future-oriented service

**Aetat has made several organisational changes in recent years. The number of management levels has been reduced, and responsibility and authority have been delegated from a central to a local level. The service's core activities have been defined, staff and support functions professionalised, and board meetings, networks and project work have become part of everyday procedure. All this means that the service is well-equipped to face a future full of changes.**

The programme to modernise the service is all about user orientation, rationalisation and simplification. These, together with our own objectives and strategies, are the yardsticks for the modernisation measures Aetat has implemented. The service's objectives for 2004 focus on labour-market policy, user orientation and service, as well as developing Aetat as an organisation.

## Holistic management

As a result of changes to the Employment Act adopted on 14 June 2002, Aetat was given the authority to decide for itself how the service should be organised. The intention was to place responsibility and authority as close as possible to those with the specialist qualifications to find the best solutions. Aetat has made active use of this authority, and now has an organisation characterised by local responsibility and proximity to the users.

Aetat Directorate of Labour is responsible for managing the service's activities, supporting the operational units in following up job seekers and employers, and providing advice and input to the Ministry of Labour and Government Administration. This work is carried out in close conjunction with Aetat at county level. Local freedom of action is an important principle in a user-oriented service. A structure with an expanded management group and dedicated boards for centralised units ensures a holistic approach to management of the service.

Aetat has fewer management levels than many other public services. In 2002 the County Employment Offices were closed down in favour of a model where one local employment office in each county serves as the main office for that county. Removing one management level has given a more operational focus to management of the service, and resulted in shorter paths between users and decision-makers. The Directors of Aetat's Regional Services, who manage the main offices, are included in the Directorate of Labour's expanded management group and are central to the development of Aetat's objectives and strategies. They are close to what is actually happening in the labour market, and can therefore make an active contribution to Aetat being managed in a way that makes sense for job seekers and employers alike.

The counties use their local freedom of action to consider the design and functioning of their own organisations. Importance is attached to factors such as the size of the county and the local labour-market situation.

## Core activities

The model incorporating greater local freedom of action for the counties has increased the need for active strategic consultancy and provision of services at a central level. Aetat Directorate of Labour is therefore organised in three service areas, which reflect Aetat's core activities.

The Labour Market Services Office enables job seekers and employers to find each other, and attaches particular importance to developing strategies for groups which need extra help to find work. The department draws up guidelines and frameworks for local discretion, and develops and improves tools that support Aetat's provision of services.

The Income Protection Unit facilitates effective and regular payment of unemployment and rehabilitation benefits. This frees up time to focus on job seeking.

The Analysis Unit produces analyses, statistics and reports on developments in the labour market and the implementation of labour-

market policy. The information provides a sound basis for management of activities, and for predicting and preventing unemployment.

The Directorate's management monitors the counties' results overall and ensures that the available resources are used where there is greatest need. The service areas monitor the results within their own specialist areas across the service. Their responsibility for monitoring provides a close link between Aetat's performance and the development of labour-market policy and specific services for users. The counties have nominated their own contact people for each of the service areas, and together these form a network which contributes to the development of Aetat's range of services.

Aetat's ICT systems are integrated into the core activities, which ensures that further development of the systems is steered by the needs of the users.

## Office of the Director General and support units

The Directorate's other departments comprise strategic staff and operational support functions with the objective of steering and advising, or supporting core activities. An increasing number of Aetat's services are being developed with a technological interface to make them more accessible to users. ICT is responsible for ensuring stable, flexible and cost-effective information and communications solutions. Communications provides information on Aetat's operations, and works to enhance the service's reputation. Aetat wishes to communicate in such a way that the service is perceived as friendly, competent and accessible by users, authorities, the media and society. HR (Human Resources) focuses on Aetat's organisational and personnel efficiency, management and skills, and is a priority area for 2004. Finance and Planning facilitates and coordinates the service's financial control and management. Effective procedures for performance monitoring ensure that the service has good access to important control data, both centrally and at county level. Aetat Directorate of Labour also has units for internal audit, legal advice, security, and emergency planning, and internal operations.



### Managed by boards

2003 saw, for the first time, the establishment of internal boards for centralised common support functions. The aim is to ensure that the units are run on the basis of the priorities that generate the greatest benefit overall – in both the short and long term. Units such as Aetat Helpline Centre and Aetat complaints and appeals office now report to a board chaired by the Deputy Director General, or the manager who is the primary user of the function. The other board members are managers of units with ownership of the services, including the Director of one of Aetat's Regional Services. This form of management is ideal for units that need to take account of the interests of several stakeholders, and the participation of the Directors of Aetat's Regional Services provides diversity and knowledge of local needs. Aetat will further develop board work in 2004. This will include setting up a board for user-oriented ICT systems in connection with the caseregistry system being made available to job seekers and employers at [www.aetat.no](http://www.aetat.no).

### New ways of working

Several of Aetat's new priority areas are organised as projects. The service has developed its own methodology for project management and can set up groups at short notice to deal with new challenges which the service encounters or is required to address. New services at [www.aetat.no](http://www.aetat.no) have been developed in a project involving representatives from several specialist environments and a large number of local

## Local freedom of action is an important principle in a user-oriented service

employment offices around the country. Preliminary work started as soon as it was decided that Aetat would assume greater responsibility for vocational rehabilitation from the National Insurance Service, and a cross-service project was quickly set up. Work to

coordinate the employment and welfare services is also organised as projects and networks internally within Aetat. The projects give managers and employees experience in handling several reporting channels at the same time. In 2004 the Directorate will concentrate on strengthening teamwork and team spirit, in order to ensure a good culture for developing Aetat's services.

Aetat is a modern public service with a management style characterised by a holistic approach, strategy development through networks, differentiation between core activities and staff/support functions, local freedom of action and the use of internal boards. Coordination of the employment and welfare services will entail big changes for Aetat in the future. The service's long tradition of adapting the organisation to a changing labour market, combined with the future-oriented measures taken in recent years, mean that Aetat is well-equipped to handle these changes.



## Job-seeker course led to work for Grace

Grace Reyes took part in a job-seeker course for immigrants and got a job in a florist's shop.

Grace Reyes came to Norway from the Philippines in 1989. After a few years as an au pair, she started working as a maid and waitress at the Japanese embassy. But the job involved a lot of evening work and Grace started looking for work which could better be combined with two small children and home commitments. Following a language test at Aetat Intro (Aetat's special unit for immigrants needing extra assistance), she was offered a place on a job-seeker course. These courses are designed for immigrants who have got over the first hurdle of living in a different country but are not so self-sufficient that they can manage without assistance from Aetat. Aetat Intro in Oslo runs seven of these courses a year, with up to 32 participants per group. The theoretical component lasts eight weeks, and those who don't find a job on ordinary terms or via a wage-subsidy scheme during this period are transferred to practice positions.

Steinar Danielsen, manager of Aetat Intro in Oslo, says that the courses can point to good results despite rising unemployment. 75 per cent of the participants on one of the courses in the spring were either found work or jobs with wage subsidies. "This shows that systematic work pays off. There are still jobs out there, and the method of close follow-up, where Aetat acts as manager or coach, is producing results. When employers know they have Aetat behind them, they are more likely to take chances," he says.

In Grace's words:

"Aetat helped, but you have to be interested and actually do the job yourself."

# Close follow-up – yields work mo

## Job seeker-oriented assistance and closer follow-up will lead to job seekers finding work more quickly.

2003 saw the development of a new strategy for dealing with high unemployment. The state budget for 2003 provided for a moderate level of measures, combined with an increased emphasis on active job seeking and close follow-up of job seekers by Aetat. The measures were to be oriented to a greater degree than before towards job seekers who had problems finding work on their own. In order to cope with the increased level of ambition linked to follow-up, Aetat was granted an extra 420 person-years in 2003 (220 person-years from 1 January and a further 200 from 1 April).

Efforts to follow up job seekers systematically will continue and be stepped up in 2004. Aetat will place greater emphasis on job seeker-oriented assistance. The service will allocate the largest share of its resources to those job seekers with the greatest need for assistance, and the use of labour-market measures will target the priority groups: the long-term unemployed, immigrants, young people and the occupationally handicapped. Overall, this should lead to job seekers finding work more quickly.

### Employer contact

Aetat's task is to get job seekers and the occupationally handicapped into work as quickly as possible. One precondition for the service managing to meet these expectations is that the employees must have a thorough knowledge of the labour market and close contact with local employers. This is necessary in order for Aetat to be able to provide accurate information to job seekers and for the service to receive notification of vacancies. Close cooperation with local businesses is also required for Aetat to be able to establish good placements. One of Aetat's top priorities for 2004 is to improve both knowledge of the labour market and contact with employers.

### Main principles

Aetat will closely follow up all job seekers who do not manage to find work on their own. Recipients of both unemployment and rehabilitation benefits are expected to seek work actively. If a period of individual initiative does not lead to a job, Aetat will step up the effort. The longer a job seeker has been unemployed, the more assistance they will be given. Aetat is particularly concerned with preventing long-term unemployment, i.e. unemployment lasting more than six months (continues on page 10).



# re quickly



## Needed help to get back into work

"People in my situation can get work if they get the help they need," says Morten Helgesen, a participant in the "Supported employment" scheme, which is one of Aetat's most important tools for helping job seekers with serious occupational handicaps to find ordinary jobs.

Morten Helgesen has problems with anxiety, which are at their worst when he is with other people. For several years he had problems with his nerves and alcohol, and eventually he lost his job at Dyno Industrier. For three years he was in and out of psychiatric care. Now he is working as a driver for Norsk Gjenvinning, where he is responsible for repairing and replacing damaged rubbish bins in seven municipalities in Buskerud. The big rubbish trucks often demolish a lawn or dislodge guttering, and then it's down to Morten to repair the damage.

What makes Morten Helgesen different from other employees is that he has a support network behind him. The support network is called Tor Kristensen; he is the facilitator in the "Supported employment" unit at Eiker Employment Cooperative. Tor negotiated with the employer to enable Morten to take meal breaks by himself and not to have to go to meetings where there are a lot of people present. It is Tor who steps in when the employer pushes the limits and gives Morten more work to do than can be fitted into a working day from 08:00 to 14:30.

To start with, Morten Helgesen had daily contact with his facilitator. It wasn't the job itself he needed help with; what he needed was someone to talk to. Now the contact is less frequent.

Tor Kristensen is generous with his praise.

"Morten has the ability to make a contribution, and his employer is extremely pleased with the job he's doing. The fact that it has gone so well is down to the interaction between Morten, the employer and myself. We were all working towards the same goal but without Morten's perseverance, it wouldn't have worked out."

Morten sums it up as follows:

"I wouldn't have managed without the "Supported employment" scheme."

"Supported employment" is a labour-market measure intended to help the occupationally handicapped find stable and permanent jobs in the regular labour market. The measure is reserved for people with occupational handicaps so severe that they have a particular need for close and in-depth follow-up in order to find or hold down a job. The ideology behind the measure is to place the participants in a job first and train them in the tasks afterwards. Aetat arranges "Supported employment" via external organisers. The vast majority of the organisers are labour-market companies or employment cooperatives, and applications are made via Aetat's local employment offices. In 2003 there were 129 "Supported employment" units, 410 facilitators and 2,460 placements in "Supported employment".



## Helping immigrants into the labour market

"With the small exception of those currently at school, immigrants in Norway don't find work without labour-market measures," says Reidun Haugen of Aetat Furuset.

Reidun Haugen is manager of the Market Department at Aetat Furuset in Oslo. Immigrants make up more than one third of the district's population, and the vast majority have little education. 60 per cent of those registered as completely unemployed at Aetat Furuset are immigrants from non-western countries. Haugen estimates that job seekers from minority backgrounds make up between 80 and 90 per cent of participants in measures at Aetat Furuset.

Haugen has ten years' experience in working with immigrants, and she has a definite opinion on how measures should be designed to produce the maximum effect.

"The most important thing is that we steer people towards an occupation for which there is a need in the labour market. Employers must be involved in selecting relevant candidates. Ideally the measures should involve work placements hand in hand with language training."

This was the formula followed in the Labour Market Training course "High Five", which finished in the spring of 2004. The course was a collaboration between the employer Radisson SAS Plaza Hotel, the organiser Berlitz, and Aetat. Thirteen of the most highly motivated participants in the municipal measures run on behalf of the Furuset district were selected, specifically women with a very poor level of spoken Norwegian.

Three days a week were devoted to language training, with the participants working in their placements at the hotel on the other two days. Six of the participants got their foot in the door as part-time employees at the hotel. Reidun Haugen is extremely satisfied.

"It's great that the women on the course realised that there is work they can do even in these times of rising unemployment," she says.

(continued from page 8).

Aetat's follow-up of job seekers is based on the following main principles:

- During the initial period of unemployment, job seekers shall seek work on their own, with Aetat providing assistance and guidance as required.  
At the initial interview, Aetat provides information on the job seeker's rights and obligations, and a search is carried out in Aetat's jobs database for suitable vacancies. The job seeker is given tips and advice on job seeking, and an agreement is made as to the job-seeking activities to be carried out in the period up to the next interview.
- The job seeker will be called in for a follow-up interview no later than three months after the initial interview. The subject of this meeting is jobs, and the focus is on the job seeker's opportunities in the labour market. The job seeker is encouraged to be occupationally and geographically mobile. Any additional need for guidance and training is clarified, and job seekers requiring more intensive follow-up are provided with this in the form of job clubs or other skills training measures.
- If it becomes apparent that none of guidance, skills training or further job seeking are working, labour-market measures will enter into the picture. The most commonly used measures are Labour Marketing Training (AMO), practice positions and wage subsidies to employers. Immigrants, young people, the long-term unemployed and the occupationally handicapped have first priority for places on the schemes. The measures are adapted to the individual job seeker's needs and requirements, based on the principle of the right measure for the right person.

### Job clubs

The aim of job clubs is to provide the participants with sufficient knowledge and self-confidence to become active job seekers. Among other things, job seekers are given an introduction to job analysis, writing applications and CVs, using personal networks, contacting employers by telephone, interview practice and computer aided job seeking. The job club method, which was developed in the USA in the 1970s, was introduced in Norway in 1983. During the decline in economic activity in the early 1990s, virtually every Aetat local employment office was running its own job club, but the level of activity fell during the period which followed. Last year the level of activity increased dramatically, and this will continue in 2004.

Most job clubs are run by external organisers, and are now much more geared to different target groups than was previously the case. In 2003 job clubs were organised for job seekers with higher education, the long-term unemployed and people who have undergone rehabilitation. Job clubs for job seekers with reading and writing difficulties have also been trialled, and this year three counties will be trialling job clubs for the occupationally handicapped. Eight counties have trialled schemes that pay a bonus when a participant is placed in a job.

### **www.aetat.no**

Aetat's website [www.aetat.no](http://www.aetat.no) is an important tool when it comes to looking for work. Every vacancy advertised in Norway is entered into the jobs database, and employers can also register vacancies themselves directly in the database free of charge. [www.aetat.no](http://www.aetat.no) also contains an overview of jobs in the European Economic Area (EEA). In addition, job seekers will find information on different subjects which are relevant to them, including several different guidance programmes for users who are uncertain about their choice of occupation or training. The most recent addition to the family is the careers-guidance programme Akademia. This was launched in 2003 and is aimed at people with higher education.

A number of improvements were made to [www.aetat.no](http://www.aetat.no) in 2003. The web-site was given a new look and new information structure, and is now, even more so than before, Norway's leading Internet portal for everything to do with jobs and training. At the same time [www.aetat.no](http://www.aetat.no) was moved to a new, future-oriented platform, which allows additional Internet-based self-service solutions. In 2003 [www.aetat.no](http://www.aetat.no) received 142 million hits, over 19 million more than in 2002. The number of hits increased by 25 per cent in the last four months of the year.

### **More satisfied**

The follow-up work carried out in 2003 was particularly demanding because Aetat had a large number of registered job seekers who had not been in contact with the service for a long time. Last year's user survey of job seekers also provides clear indications that job seekers have become more satisfied with Aetat. 69 per cent of users are satisfied with the service; an increasing number of users (74 per cent) feel that they are treated with respect when they contact Aetat, while 79 per cent feel that they are treated in a friendly and courteous manner. This is Aetat's best result ever, and is probably linked to the fact that Aetat has more staff and is therefore better able to serve its users.

In the year under review, Aetat consciously worked to improve its level of service, with all new employees participating in a three-day introductory course that placed great emphasis on the service aspect. Work to draw up local service declarations also started in 2003. Efforts to raise the quality of Aetat's services will continue in 2004. The aim is for the users to perceive Aetat as an accessible and flexible organisation with competent employees and a good range of services.



## **Labour-Market Training course leads to jobs at Snøhvit**

Almost one in three of the people for whom Aetat has arranged work in connection with the development of the Snøhvit gas field were occupationally handicapped or long-term unemployed.

Labour-Market Training courses tailored to Aetat's target groups are one of the measures for meeting the contractor's need for labour during development of the Snøhvit gas field at Melkøya off Hammerfest.

In February 2002 Aetat established its own Snøhvit project in Finnmark. The project's mandate is to provide contractors with skilled labour as needs arise, and one of the measures comprises short, specific Labour-Market Training courses specially tailored to the needs of employers.

Six Labour-Market Training courses were conducted in 2003, for catering and cleaning staff, fire watchers/security guards and scaffolders. Of the 115 people who completed the courses, 71 have found a job.

A further eleven courses are planned up to 30 September 2004, comprising courses in scaffolding, surface treatment, insulation, logistics, clerical work and administration, plus catering and cleaning. The long-term unemployed, immigrants and the occupationally handicapped have first priority for places.

# Working to combat poverty

**The focus on labour-market measures gives long-term recipients of social assistance extra help to find work. In this way Aetat is helping to achieve the targets set in the Government's Plan of action for combating poverty, proposed in Report to the Storting no. 6 (2002-2003) in October 2002.**

The aim of the effort is to get long-term recipients of social assistance into work, and to halt the growth in the number of new recipients. One specific goal is to prevent young people being unemployed for a long time before having a chance to prove themselves in a working situation. And the results have been pleasing. In 2003, 5,074 people in the target group received help from Aetat. Of these, 3,406 people or 67 per cent participated in labour-market measures. As of November 2003, 600 people had completed the measures.

A questionnaire survey among the participants shows that approximately 60 per cent have subsequently started work or training.

## **Tailored measures**

A total of 31 municipalities are participating in this programme, which is based on close collaboration between Aetat and municipal social services, as well as other bodies. Close follow-up and a consistent attitude to the user are

One specific goal is to prevent young people being unemployed for a long time before having a chance to prove themselves in a working situation

important to the success of the scheme. Aetat is responsible for ensuring that appropriate and tailored labour-market measures are carried out. Approximately 1,000 placements

are now specifically targeted at long-term recipients of social assistance who are under 25, single parents or immigrants. A further 300 placements are earmarked for immigrants. In 2003 Aetat was granted NOK 175 million for the implementation of its part of the effort. NOK 150 million of this was used for placements and NOK 25 million for staff to follow up recipients of social assistance.

## **Notified by social services**

Social services notifies Aetat of recipients of social assistance who may benefit from labour-market measures. Based on the individual's education, experience, interests and needs, Aetat decides what would be an appropriate measure. Aetat's main responsibility is to ensure that the individual receives assistance with skills training or courses, vocational training and job seeking. Social services are mainly responsible for follow up participants in terms of housing, financial counselling and coordination with the rest of the support network. Labour-market training and work placements are the most-used measures.





# Kvinnebasen - strengthening Aetat's range of services and facilities

**Kvinnebasen [the Women's Database] is a useful recruitment tool for employers and principals seeking highly qualified candidates for board and management positions. Aetat took over the running of Kvinnebasen from the Centre for Gender Equality on 1 July 2003.**

Candidates who register themselves in Kvinnebasen make their qualifications visible and make themselves available for enquiries regarding management positions. The database also serves as a portal for the topic "women in management". At the end of 2003, more than 2,700 women were registered in Kvinnebasen, an increase of 500 candidates

since Aetat assumed responsibility. Those registering have a high level of competence: 80 per cent have management experience, 63 per cent have experience as board members and 56 per cent have both.

#### **Improved functionality**

Aetat has revived Kvinnebasen and made it more effective, thanks to improved functionality and a new design. Improved functionality means that candidates can update their information themselves in their own skills profile. Faster searching makes it easier for employers and principals to find suitable candidates.

Kvinnebasen strengthens Aetat's range of services and facilities vis-à-vis employers. The database is also a useful tool for all publicly owned enterprises and privately owned

limited companies looking for candidates in order to meet the Government's requirement that boards shall have at least 40 per cent representation of both genders by 2005.

#### **Working to increase use**

In future Aetat will work in particular to increase use of the database among employers and principals. At the same time, Aetat will ensure that Kvinnebasen continues to serve as a portal providing news and information on women in management.

Kvinnebasen is easily accessible. There is a link from Aetat's home page at [www.aetat.no](http://www.aetat.no), and it also has a dedicated web address: [www.kvinnebasen.no](http://www.kvinnebasen.no).

# Unemployment rose sharply in 2003

**2003 saw a sharp increase in unemployment. The average for the year was 92,600 completely unemployed people; an increase of 17,400 or 23 per cent compared with 2002. Most of the increase in unemployment came in the first six months of the year, while the increase in the second six months was modest. The number of registered unemployed job seekers made up 3.9 per cent of the workforce in 2003. The equivalent figure for 2002 was 3.2 per cent.**

The increase in unemployment in 2003 was highest among people in the 20-24 age group with up to four years' higher education after upper secondary school. Scientific occupations saw the highest rise in unemployment, while other occupations with large increases included industry, building and construction, and administrative and humanistic work. The average number of people registered as completely unemployed was 54,000 men and 38,600 women. Unemployment among men and women was 4.3 and 3.5 per cent of the workforce respectively.

## **Developments in the Norwegian economy**

The world economy has long been characterised by low levels of economic activity, but activity increased slightly in the autumn of 2003. Norges Bank [the Central Bank of Norway] lowered interest rates several times during the year. This contributed to growth in consumer spending, which has helped to pull Norway out of a cyclical trough. Alongside the fall in interest rates, last year's pay settlement also helped to increase consumer spending. The fall in interest rates also led to a fall in the Norwegian krone, which resulted in improved conditions for industries exposed to international competition. The fall in interest rates and the strong growth in oil investments throughout 2003 were the most important driving forces behind the turnaround in the Norwegian economy.

Difficult local government finances in 2003 led to poor development in public sector

employment, particularly within health and care services, and teaching. There was a relatively large drop in employment within industry. The weak situation for industry must be seen in the context of the repercussions of a high krone exchange rate and severely weakened cost competitiveness. For several years wage costs in Norwegian industry have increased more than has been the case for Norway's trading partners. The negative international economic situation has also hampered Norway's export industry.

## **High throughput**

Most job seekers quickly found new jobs. This is why the average level of unemployment is much lower than the total number of people who lost their jobs. The average of 92,600 completely unemployed job seekers for the year conceals 335,000 individuals who lost

## Most job seekers quickly found new jobs

their jobs at some point. This shows that the turnover among unemployed people was high. Despite a high level of throughput of unemployed people, many of those registered with Aetat have been unemployed for relatively long periods. There was a 27 per cent increase in the number of long-term unemployed compared with 2002, to 26,300 people.

## **Biggest increase in the first six months**

Unemployment passed the 100,000 mark in August 2003; this was also the peak level for unemployment during the year. August is usually a month characterised by high unemployment, partly as a result of low demand for labour over the summer months. In addition, many young people register with Aetat when they complete their schooling. The increase in unemployment was higher in the first six months of 2003 than in the second. On average there were 20,300 more job seekers

in the first six months of the year, compared with the same period of 2002. In the second six months, there were 14,600 people more than in 2002.

## **Rose throughout Norway**

Measured as a percentage of the workforce, Finnmark and Oslo had the highest levels of unemployment, while Sogn og Fjordane, Oppland and Akershus had the lowest levels. During 2003, unemployment increased most in Akershus (39 per cent) and Møre og Romsdal (38 per cent). Unemployment increased least in Nord-Trøndelag (10 per cent).

## **Increase in unemployment in various occupations**

Measured as a percentage change from 2002, unemployment within scientific occupations increased most in 2003. Within this group, architects, engineers and equivalent occupations saw the highest growth in unemployment. Seen in relation to the workforce, unemployment is still low for these groups. Other occupations which saw a large increase in unemployment are industry, building and construction, and administrative and humanistic work. Within industry, electricians, electrical engineers and similar occupations saw the largest increase in unemployment, while within building and construction, building technicians experienced the largest increase. Occupations such as heads of interest organisations, curators, university librarians and religious occupations accounted for the largest increase within administrative and humanistic work.

Occupations within sales had the highest level of unemployment as a percentage of the workforce in 2003. Many occupations within industry also had high levels of unemployment. Most occupations within the health sector maintained low levels of unemployment in 2003.

## **Four out of five unemployed people do not have a higher education**

In 2003 unemployment increased most among people with up to four years' higher education after upper secondary school, with an increase of 38 per cent. There was also a large increase (26%) on the 2002 figure among people who had completed upper secondary education. Although unemployment increased most

among people with up to four years' education after upper secondary school, only around 20 per cent of all unemployed people have a higher education.

**Biggest increase among 20-24 year olds**

From 2002 to 2003, registered unemployment among people in the 20-24 age group increased by 28 per cent. For people in the 40-49 age group, unemployment increased by 26 per cent.

20-24 year olds made up 15 per cent of completely unemployed job seekers, while 40-49 year olds made up 18 per cent.

In 2003 the 30-39 age group made up the largest group of unemployed people; accounting for 30 per cent of completely unemployed job seekers. The increase in unemployment for this group was 24 per cent. Measured as a percentage of the workforce, the 20-24 age group had the highest level of unemployment at 7 per cent. The 50-59 year olds had the lowest level of unemployment at 2.4 per cent.

**Immigrants**

On average, 17,300 completely unemployed job seekers from an immigrant background were registered with Aetat in 2003. Immigrants made up 39 per cent of completely unemployed job seekers in Oslo in 2003. At a national level, the proportion of completely unemployed immigrants was 19 per cent. There is a clear distinction here between Oslo and the rest of Norway. The counties with the highest proportion of completely unemployed people from an immigrant background after Oslo are Akershus, Østfold and Buskerud.

**Increased level of measures**

The large increase in unemployment in 2003 led to an escalation in labour-market measures for ordinary job seekers. There were an average of 14,300 participants in labour-market measures in 2003. This is 5,000 or 54 per cent more than in 2002.

**Fewer vacancies**

In 2003 Aetat registered 235,900 vacancies.

This is 65,300 or 21 per cent fewer than in 2002. The last few months of 2003 saw a halt to the decline in the number of vacancies, indicating that demand for labour was in the process of picking up.

**More occupationally handicapped people**

Over the last four years there has been a significant increase in the number of occupationally handicapped job seekers. This is due in particular to the fact that more stringent requirements are now in place to the effect that vocational rehabilitation must be tried before a disability pension is granted. In 2003 an average of 77,600 occupationally handicapped people were registered with Aetat. This is 23,000 more than in 1999 and 5,200 more than in 2002.



# Job seekers and employers can self-register

**From the spring of 2004 job seekers needing to register with Aetat can do so themselves, without being dependent on the service's opening hours. Employers can register vacancies and search for candidates among all job seekers, not just among those who have chosen to place their CV on the net. New services at [www.aetat.no](http://www.aetat.no) save time, time which will benefit job seekers.**

The launch of the new services at [www.aetat.no](http://www.aetat.no) is a historic milestone for a government service. Aetat is the first public-service to offer users the opportunity of self-registering and changing their information in a public register containing personal data. This is done by linking the services at [www.aetat.no](http://www.aetat.no) with the service's caseregistry system. The aim is to get more people into work.

## **More time to talk jobs**

The new services will result in better use of time – both for users and case-workers. Instead of the job seeker looking on while the case-worker registers information during the initial interview at Aetat, the job seeker can have done this before the meeting, at a time that suits him or her. This means more time to talk jobs. The case-worker retrieves the information the job seeker has pre-registered at [www.aetat.no](http://www.aetat.no). Based on these details, the first interview can be used to provide guidance on the job seeker's opportunities in the labour market and the need for unemployment benefit, if applicable. The time saved by job seekers self-registering can therefore be used to provide advice and help the job seekers to find work more quickly. Those with the greatest need will receive the most help.

## **New services for job seekers**

Job seekers register their own qualifications and can therefore influence how they appear to employers. They can choose to keep their personal data anonymous, but all qualifications registered with Aetat will remain visible to employers. Registered job seekers have their

own page – "My page" – at [www.aetat.no](http://www.aetat.no). Those who were registered in the case-registry system before the new services were launched can log on at [www.aetat.no](http://www.aetat.no) and gain access to their qualifications summary.

These services also make it easier for job seekers to structure their job seeking. The new services feature better search options. By storing current vacancies, creating search profiles that carry out automatic searches in the vacancies database, and adding more job requirements, job seekers can more easily get to grips with job seeking, which in turn makes it easier to find work.

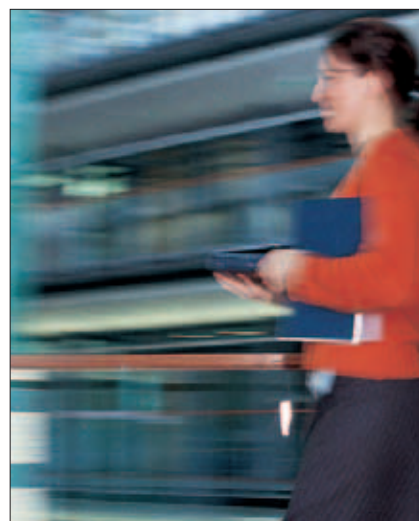
## **New services for employers**

More opportunities are also opening up for employers. The CV database at [www.aetat.no](http://www.aetat.no) used to only contain people who had chosen to put their CVs online, but who were not necessarily out of work. From the spring of 2004, the database will also feature job seekers who are registered with Aetat. This makes [www.aetat.no](http://www.aetat.no) Norway's most promising website for employers needing staff. Employers can make contact by sending messages to candidates whose qualifications are of interest. The message is sent to the candidate's "My page", by e-mail, or to the Aetat branch with which the employer is registered.

Opening up Aetat's case-registry system demands more stringent control of employers with access to the CV database. Individual authorisation is required in order to search in the job seeker database. This assures job seekers that only genuine employers can use the database.

## **An open system means challenges**

The new solution involves data from job seekers and employers being registered directly in the case-registry system. This is unique, and has necessitated major changes both in IT systems and working methods. The fact that Aetat no longer has sole access to data on vacancies and job seekers entails a mental adjustment, and makes mutual trust between the service and the users even more important. Nevertheless, it is clear that the service has been looking forward to launching the new services, which are user-friendly and will



rationalise the service's day-to-day work. All managers and case-workers have been given training in what the new Internet services involve.

## **Large number of visits expected at [www.aetat.no](http://www.aetat.no)**

Many job seekers find jobs on their own, for example by using the services at [www.aetat.no](http://www.aetat.no). Other job seekers need closer follow-up by Aetat. By giving those who can manage on their own the tools they need, Aetat can devote more time to helping those with bigger problems in the labour market.

In January 2004, [www.aetat.no](http://www.aetat.no) came in at no. 15 on Norsk Gallup's list of Norway's most-visited websites. Aetat believes that the new services will further increase traffic.

If that is the case, user-friendly services on the Internet that make day-to-day life simpler for both users and case-workers will have become a reality.



# A labour market without borders

**Cathrine Holter started working as the EURES [EUROpean Employment Services] consultant for the county of Telemark in 2000. Her work is varied, with few routines and a lot of responsibility.**

Cathrine Holter receives assignments from local employers, collaborates with other EURES consultants in Norway and abroad, gives lectures and participates in job fairs abroad with colleagues from other countries. Every day she checks the Telemark pages at [www.aetat.no](http://www.aetat.no) to see which employers have not managed to find staff. She asks whether they would consider recruiting from abroad and, if the answer is yes, enters the vacancies in the EURES database. They are then accessible to all job seekers throughout the EEA. She also makes sure that the vacancies are registered in the job database in the country from which the employer is interested in recruiting. A lot of her time is spent recruiting labour for the travel industry in Vest-Telemark.

Before we had a EURES consultant in the county, these vacancies often remained in the system for a long time both locally and nationally

## Six municipalities

Kurt Wrålid has worked at Aetat Dalen since 1989. The office covers six municipalities with a large number of travel industry related companies, such as the venerable Dalen Hotel, Quality Straand Hotel in Vrådal and Rauland Høyfjellshotel. Demand for labour is particu-

larly high during the winter season, and the companies generally advertise in the local press in the first instance. If this doesn't generate sufficient applicants, they contact Kurt, who puts them in contact with the EURES consultant in Porsgrunn.

"Before we had a EURES consultant in the county, these vacancies often remained in the system for a long time both locally and nationally. And although we had forged our own contacts with the employment services in Denmark and Sweden, we spent a lot of time recruiting seasonal workers for the hotels in the district. Without Cathrine, we would still be working in the same way."

Cathrine Holter always tries to motivate employers to recruit from countries other than Denmark and Sweden, but she admits that it isn't easy. Many employers balk at having to speak English or German.

## From many countries

Mattias Grapenfelt, one of Cathrine Holter's most loyal customers, has no such qualms. Haukeliseter Fjellstove is a typical seasonal business which takes on workers twice a year: 17 in the winter and 30 in the summer season. The first year he just advertised for labour nationally. The response was poor, so he started to cast his net further afield and now the philosophy at Haukeliseter is that it should be a workplace for employees from many different countries.

"This is how we want it to be," says Grapenfelt, who has six different nationalities represented in his staff this winter. The last time he advertised for staff, he received 210 applications, only twelve of them from Norwegians.

Cathrine Holter explains that there is a general shortage of chefs throughout Europe, but this winter Grapenfelt has been lucky and has two Swedes, one Norwegian, one African and one Chinese working in the kitchen. He needs another five for the summer and has already started looking but knows it will be difficult.

"It's a real challenge for Cathrine," he says.

## Facts

### EURES

By virtue of the EEA Agreement, Norway is part of the common European labour market. The 16 EURES consultants are Aetat's link to the labour markets of 28 European countries.

The task of EURES (EUROpean Employment Services) is to promote the free movement of labour within the EU/EEA area. From 1 May 2004, EURES will function as a collaborative network among the 28 Member Countries of the EU/EEA, and comprise 1,000 specially trained consultants with firsthand knowledge of the labour market in Europe. Their task is to inform, guide and advise job seekers about job opportunities and working and living conditions in the EEA. They also assist employers wishing to recruit labour from EEA countries. Cooperation within EURES includes common databases with information on vacancies in the various countries. Job seekers can register their qualifications in the CV database, while employers can search for labour.

Aetat's 16 EURES consultants are employed in the counties. Aust-Agder and Troms joined the network on 1 January 2004 and now only Finnmark, Oppland, Vest-Agder and Østfold do not have their own EURES service. The consultants serve job seekers and employers in their respective counties, and work closely with colleagues in Norway and abroad.

Berit Alfsen, EURES manager at Aetat Directorate of Labour, heads up national EURES activities in Norway. She explains that, until 2003, EURES was largely a tool for recruiting labour to sections of the Norwegian business community. But when unemployment began to rise, the national effort was focused on job seekers. In 2003 activities at a national level were primarily directed at helping the unemployed to find work in another EEA country, and several different job fairs were arranged: German days in Trondheim, French days in Stavanger and British/Irish days in Oslo and Bergen.

# Aetat assumes overall responsibility for vocational rehabilitation



**In July 2004 Aetat takes over responsibility for handling Section 11-5 of the National Insurance Act from the National Insurance Service. The change means that Aetat will assess whether an applicant requires vocational rehabilitation, as well as deciding what form the rehabilitation should take. Consistent implementation of the regulations will get more people back into work.**

When Aetat takes over its new tasks in the rehabilitation area in 2004, it will mean a more distinct role for the service. It will also reinforce the policy of getting people off welfare and into work, with rehabilitation increasingly becoming a labour-market policy implemented via Aetat.

Transferring responsibility to Aetat has the following main objectives:

- a quicker transition to work as a result of reduced waiting periods
- focus on work-oriented measures at an early stage in the rehabilitation process
- quicker decisions as to whether vocational rehabilitation is appropriate.

#### **Overall responsibility**

Prior to 1994 Aetat was simply an advisory body in rehabilitation cases. As part of a reform implemented in that year, the service assumed responsibility for administering Section 11-6 of the National Insurance Act, which authorises the use of measures which are "necessary and appropriate" in order to enable a person to "procure or hold down suitable work", for example measures such as vocational or other training. The question of whether the applicant fulfils the medical conditions for vocational rehabilitation is, however, decided in accordance with Section 11-5. With responsibility for this provision now being transferred from the National Insurance Service to Aetat, full responsibility for vocational rehabilitation will now rest with a single government body.

# ity for vocational

## See opportunities

The background to the reform is that experience shows that people who are passive recipients of sickness or rehabilitation benefits over a long period often have reduced opportunities for getting back into work. An unbalanced focus on medical conditions could lead to passive receipt of welfare payments. Shifting the responsibility for Section 11-5 to Aetat means that people on long-term sick leave come into contact with the service at an early stage, enabling more attention to be paid to the opportunities open to the individual. The aim is to get as many people as possible who would otherwise end up on disability pensions back into work.

The two subsections in the relevant section will continue to form the basis for individual decisions. Combining responsibility in one service enables the planning of concrete measures in accordance with Section 11-6 to be carried out in conjunction with an assessment of the actual rehabilitation requirement in accordance with Section 11-5. Both decisions can therefore be taken on the basis of Aetat's knowledge of the labour market, which is a crucial consideration vis-à-vis fulfilling the intention behind the reform. Users for their part will have their cases dealt with more quickly and with a higher level of predictability,

The aim is to get as many people as possible who would otherwise end up on disability pensions back into work

while society can save large amounts of money by rationalising rehabilitation work.

## As early as possible

1 January 2004 also saw the introduction of a statutory obligation for the National Insurance Service to assess whether vocational rehabilitation is appropriate. This assessment is to be made at an early stage, possibly with a new assessment being made after six months' pay-

ment of rehabilitation benefits if in-house means have not yet succeeded in getting the person on long-term sick leave back to work. The person in question will then be referred to Aetat for further follow-up. Aetat has a number of means at its disposal which are considered in each individual case, such as courses, measures and vocational rehabilitation. In cases where the latter is appropriate, Aetat shall assist the applicant in setting out their requirements, and then make a decision in accordance with Section 11-5.

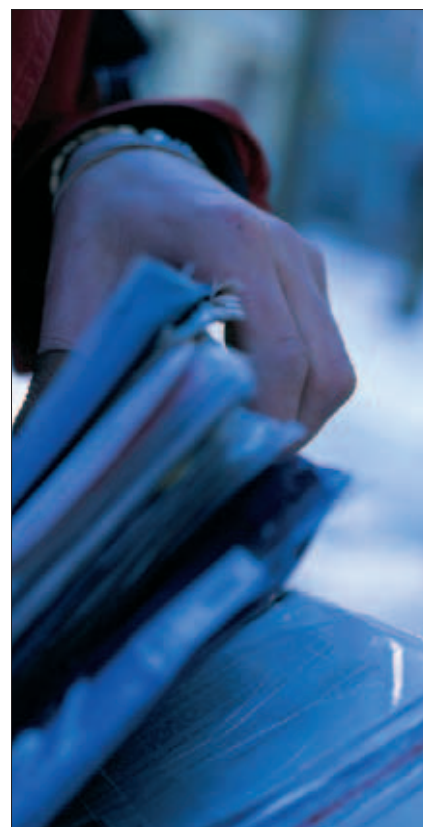
The change in the assignment of responsibilities means that Aetat, the National Insurance Service and the person on long-term sick leave will now work together from an earlier stage, and in a more meaningful and effective manner. The general principles for cooperation between the services are laid down at directorate level, while the practical aspects are worked out locally.

## More rehabilitation cases

A significant increase in the number of rehabilitation cases is expected in 2004. Earlier follow-up of people on long-term sick leave, changes in the legislation governing rehabilitation benefits, and the transfer of responsibility for Section 11-5 to Aetat mean in total that a far greater number of people will undergo vocational rehabilitation. The introduction of time-limited disability benefits with effect from 1 January 2004 will channel even more people into vocational rehabilitation measures.

## Training needs

Aetat possesses the necessary expertise to administer Section 11-6, and solid experience in assessing an individual's working capacity and opportunities in the labour market. The service therefore has a good starting point. However, responsibility for Section 11-5 brings with it a need for additional expertise. Decisions in accordance with this provision require skilled use of discretion and systematic dialogue with doctors responsible for treatment, and 800 case-workers and managers will therefore be trained in use of discretion and understanding medical assessments. Aetat also faces a practical challenge in that the caseregistry system needs to be developed in order to cope with the new tasks assigned to it as from 1 July 2004.



## Facts

### About Section 11-5 Illness, injury or disability – reduced earning ability

This provision covers the initial medical conditions for vocational rehabilitation; in the first instance the consequences of the state of health vis-à-vis work capacity. A person may be entitled to benefits if their earning ability or opportunities to choose an occupation or job are permanently reduced as a result of illness, disability or injury.

### About Section 11-6 Necessary and appropriate measures

If a person fulfils the criteria for vocational rehabilitation in Section 11-5, consideration shall be given to work opportunities and relevant measures. While Section 11-5 addresses the current situation, Section 11-6 deals with how the future situation can be improved, i.e. how vocational training, other training or other measures can be used to enable someone to "procure or hold down suitable work".

# More people in work, fewer on welfare

**The government has appointed a committee to look into new ways of administering employment and welfare. Aetat welcomes the government's objective of having more people in work and fewer on welfare. The committee will complete its work in 2004.**

In response to the Government's Report to the Storting no. 14 (2002-2003) on coordinating Aetat, the National Insurance Service and social services, the Storting requested further clarification of various organisational models. The reporting committee is due to submit its report in the summer of 2004. The main coordination project rests with the Ministry of Health and Social Affairs, with a broad spectrum of other bodies represented. Aetat is actively participating in the project, and will use its knowledge of what is needed to get people into work in a constructive and aggressive manner.

**Efficient and user-oriented administration**  
By coordinating the work of Aetat, the National Insurance Service and social services and co-locating them, the Government wishes, among other things, to achieve a more effective and user-oriented system of welfare administration. The services will be easier to access and more user-friendly. Users receiving services and benefits from several of the current bodies, either at the same time or over a period of time, will notice a particular difference.

The idea is that the encounter between the individual user and the employment and welfare services, and further follow-up of the user, should be coordinated. It will be simpler for the services to offer tailored action plans for each individual. Users for their part will experience a holistic assessment and fast decision as to the types of services available to them.

The Government's objectives of good service for users and the efficient use of resources correspond with Aetat's goals. Aetat works continuously to increase the users' level of satisfaction, both in terms of the way they are

dealt with and the services offered by Aetat. Coordinating the services will mean better services and measures for groups with more serious problems in the labour market, such as the long-term unemployed and the occupationally handicapped.

## Work and welfare

The Government's main aim with the coordination is to have more people in work and active occupation and fewer on welfare and social assistance. This is in line with Aetat's objectives and strategies. During work to coordinate the services work, Aetat will emphasise a direction and design that focus on work, together with a focus on work in all its services and benefit schemes.

With many of the most vulnerable job seekers using services from Aetat, the National Insurance Service and social services, coordination will make it easier to guide users from benefits to work, as well as reaching more of those on the fringes of the labour market.

Aetat will continue to offer its current range of services to ordinary job seekers. The service will work to ensure that the coming reforms

Aetat will work to ensure that the reform helps more people to find work quickly

help more people to get into work quickly, and that none of Aetat's target groups find that the changes result in a poorer range of services. Unemployment diminishes the welfare of the individual, and a system of public administration that manages to get more people into work will pay for itself and contribute to a better-functioning labour market.

## Facts

### Coordinating Aetat, the National Insurance Service and municipal social services

- will affect more than 15,000 employees,
- will have a bearing on every Norwegian citizen,
- will cover public services with a total budget of NOK 200 billion.

## Trials

Coordinating the employment and welfare services will require extensive reorganisation. The committee is looking into various organisational solutions that will achieve the set objectives. A reference group linked to the committee has also been established, with a broad range of participants e.g. from user and employee organisations.

The reforms will, however, require concrete experience from coordination trials on a smaller scale. Several trials and pilot projects have already been initiated involving shared premises and various forms of coordination between Aetat, the National Insurance Service and municipal social services. Through these trials the reporting committee, the Government and not least the services involved will gain experience which can be used both in the selection of a future model and implementation of the reforms.

Aetat is participating in a number of coordination pilots, and is pushing to underpin the policy of getting people off welfare and into work. Aetat is particularly active in pilots in Skien and Kristiansand. The aim of the reform in Skien is to shorten the path to self-sufficiency. The youth service in Kristiansand offers young people services relating to job seeking, skills enhancement or establishing residual working capacity or welfare in one and the same place. Aetat is also playing a central role in Verdal. A new service office here, with the services

sharing the same premises and cooperating in their work, is intended to guide users effectively from passive benefits to active work.

### Challenges

A new system of administering employment and welfare will entail many challenges. Services, regulations and means must be reviewed to ensure common goals throughout

the system. An inter-ministerial working group will identify any need to change the regulations governing benefits and services. Another project is investigating issues linked to safeguarding the duty of confidentiality and personal security. Aetat is actively involved in all the subprojects, which include coordination of ICT systems, enhancing employee skills and developing a common culture in the services.

Services with different attitudes and perspectives will be coordinated to create something new. During the reorganisation, Aetat will work to develop a common understanding of social functions, tasks and means – always keeping the primary objective in mind: more people in work and fewer on passive benefits.





# Easier to find work in 2004

**According to Aetat's forecasts, unemployment will change very little on average from 2003 to 2004, i.e. an average unemployment figure of 90,000 is expected in 2004. However, it is anticipated that unemployment will fall slightly over the year.**

Development trends suggest that it will be easier to find a job in 2004 than in 2003. Low interest rates and low inflation have improved household finances and improved the competitiveness of Norwegian companies compared with our trading partners. Difficult financial circumstances in healthcare companies and in the local government sector will continue to limit growth in public sector employment.

The first six months of 2003 saw a relatively severe deterioration in the labour market. Unemployment stopped rising towards the end of the year. Aetat expects unemployment to fall slightly during the year, such that the average unemployment figure will be approximately the same in 2004 as in 2003.

#### More resources for Aetat

Aetat has been granted more resources in the last two years. This has made it possible for the service to focus on active guidance and follow-up interviews with job seekers. This will enable the unemployed to find jobs more quickly when the likely turnaround in the labour market takes place in 2004. An increase in the number of placements in the first six months of 2004 means that more people will be offered skills training to improve their opportunities in the labour market.

An expanded range of services for job seekers combined with increased demand for labour will help to achieve a reduction in the number of long-term unemployed during 2004.

**Aetat focuses on active guidance and follow-up interviews with job seekers. This will enable the unemployed to find jobs more quickly when the likely turnaround in the labour market takes place in 2004**

#### Increased activity in service occupations

Norges Bank has cut interest rates several times over the last year, partly as a result of low inflation. Lower interest rates and low inflation have improved the financial circumstances of many households, giving many people more spending power. This contributes to increased demand for labour within sales and other service occupations in the private sector.

#### Looking better for ICT and building/-construction

Aetat expects the improved economic situation to lead to increased activity within ICT and building/construction.

For a long time unemployment in the ICT sector rose rapidly, but the second six months of 2003 showed signs of improvement. The growth in unemployment was linked to a

number of bankruptcies, as well as a general need for downsizing in large parts of the ICT sector.

Most staff cuts in the ICT sector were within consultancy services. There is reason to believe that this area of employment is particularly sensitive to companies' internal investments. Better earnings for the companies and better outlooks will have a positive impact on ICT-related investments. Aetat expects demand for ICT services to increase rapidly as the economy recovers.

New house building developed slowly in 2003 but picked up towards the end of the year. Aetat expects low interest rates to contribute to a moderate increase in house prices, which in time will also stimulate increased house building and employment.

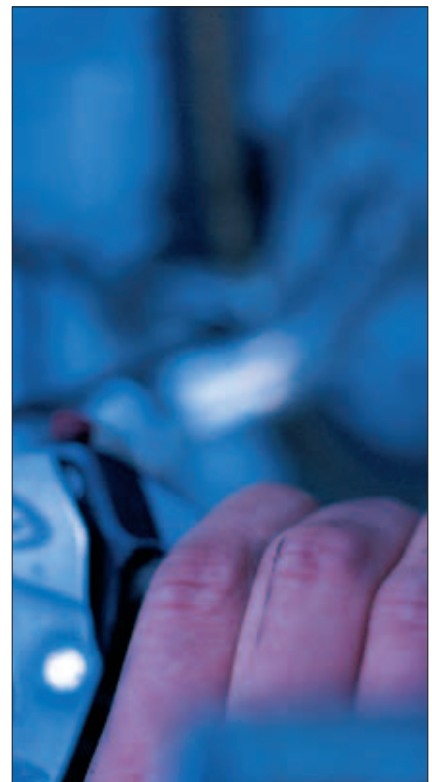
#### Better general conditions for industry

Low interest rates have also contributed to a fall in the Norwegian kroner, i.e. Norwegian goods and services have become more reasonable compared with prices among our trading partners. An upturn in the world economy will also stimulate Norway's export industry. A high level of oil investments is helping to shore up activity in oil-related industries. We therefore expect the fall in employment in industry to be lower in 2004 than has been the case in recent years. Unemployment will also gradually stabilise.

Norway's export industry will, however, continue to struggle with the repercussions of several years of wage inflation at levels higher than those among our trading partners.

#### Difficult local government finances

2003 saw a fall in public sector employment, and many occupations within healthcare and teaching experienced an increase in unemployment. Local government revenues will probably be slightly better this year, but many municipalities and healthcare companies will continue to struggle with difficult financial situations. Growth in the public sector will therefore remain modest, with the increase in employment significantly lower than has been the case for the last 20 years.





# Working env recruitment

**Aetat has worked to increase competence within health, safety and the working environment. New guideline HSE documents have been drawn up and the occupational health service has been reviewed. The results have already been seen in the form of lower sick leave in 2003. The service's recruitment policy is reflected in a diverse group of employees in terms of gender, age and ethnic background.**

Aetat has set the following overall objectives for its long-term work in the area of HSE:

- The working environment at Aetat shall be characterised by wellbeing and development of the workplace.
- Sick leave shall be reduced.
- The service's HSE documents shall be explicit and easy to understand.
- Responsibility for development of the working environment rests with managers in all parts of the organisation.
- A better working environment will help to increase Aetat's productivity and improve the service it provides to its users.

In 2003, working groups comprising representatives of the various organisational levels and the safety division within Aetat made efforts to strengthen work on HSE in several different ways. Specialist HSE related guidelines and strategies have been built up throughout the management chain, and work has been carried out to simplify HSE documents and procedures to make them easier to use for both managers and employees.

Over the last year Aetat has also reviewed the services it buys in relating to its occupational health service.

Where sick leave is concerned, Aetat has set a target of reducing the level to 7.5 per cent.



# Environment, gender equality and policy

## HSE results in 2003

The results of work on HSE in Aetat in 2003 can be summarised as follows:

- Creation of HSE coordinator positions means that resources have been allocated to specialist HSE strategy and consultancy in all the operating units.
- New guideline HSE documents have been drawn up, and user-friendly versions have been put on Aetat's intranet.
- Specialist meetings have been held for HSE coordinators and the chief safety representative in order to increase specialist HSE competence at Aetat. Information has also been provided at meetings in the operating units.
- Following the review of Aetat's occupational health service, a proposal has been drawn up for new purchasing requirements for the relevant services.
- Sick leave in Aetat decreased for both women and men in 2003.

## Recruitment policy

Using a targeted recruitment policy, Aetat shall recruit managers and employees who will contribute to the realisation of Aetat's objectives and values. This includes recruitment of employees who contribute to a balan-

ced workforce composition in terms of age and gender, together with recruitment of more people from immigrant backgrounds and the occupationally handicapped. As an organisation affiliated to the project "A more inclusive working life" (IA), Aetat is actively working to adapt the working conditions for occupationally and physically handicapped people recruited to work in the service.

Sick leave in Aetat is reduced – from 9,56 per cent in 2002, to 8,36 per cent last year

A review of steering information describing, among other things, the demographic composition of Aetat's workforce has been initiated and will be finished at the earliest in 2004.

## Gender equality

Women make up the majority of Aetat's employees at 63 per cent, while 37 per cent are men. 28 per cent of the senior management group are women.

Women make up 39 per cent of middle-management group 1 (which includes heads of Aetat District Employment Services etc.), and 46 per cent of middle-management group 2 (departmental managers and heads of specialist sections).

Overall, this means that Aetat has a high proportion of management positions occupied by women, but the service would like to have a higher proportion of women at senior management level. The short-term target here is for 40 per cent of senior managers to be women.

There is little difference in terms of salary between women and men in the various job categories. There is no difference for the management groups, while on average men earn 1.5 salary scale points more than women in the caseworker/adviser category. Aetat has been focusing on this category for several years, and there are indications that the gap is closing.

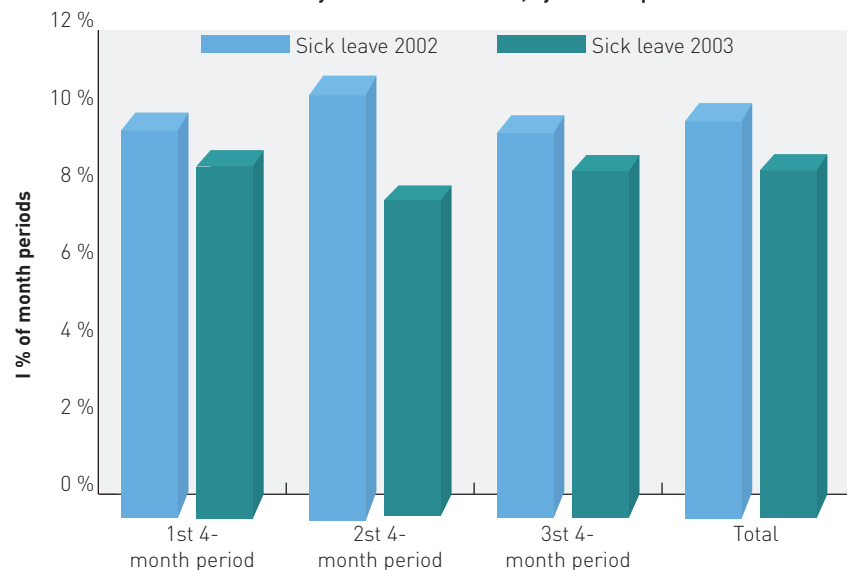
At Aetat, 83 per cent of women and 97 per cent of men work full-time. 10 per cent of women work less than 80 per cent, while this applies to only 1 per cent of men. Significantly more women than men at Aetat take a leave of absence for educational purposes. Where parental leave is concerned, the picture is much the same as for society as a whole, with most women taking 10.5 months and men 1.5 months. This means that men are taking more than the basic father's quota, something which Aetat as an employer is keen to encourage.

In 2003, Aetat's work in the area of gender equality focused on equal pay and the recruitment of managers. Among other things the service participated in the equal pay project "Equal pay for women – a project for Norwegian working life". In the year under review, the service also worked on a broad front to procure a situational understanding of the challenges Aetat is facing in terms of recruiting women managers, particular at senior management level.

For 2003 and 2004 Aetat requires all the operating units to report on gender equality with respect to pay, the recruitment of managers, and activities to promote gender equality in individual units. The service is also working to include gender equality factors in its guidelines and agreements.

## Sick leave trends in Aetat

Summary of sick leave in Aetat, by 4-month periods



**Job seekers by labour-market classification. Average for the year.**

Labour-market classification	2002	2003	Absolute	Percentage
			change	change
			2002-2003	2002-2003
Completely unemployed	75 201	92 631	17 430	23 %
Of whom: completely laid off	6 488	9 968	3 480	54 %
In regular measures	9 285	14 309	5 024	54 %
Partially employed	35 590	41 409	5 819	16 %
Of whom: partially laid off	4 963	6 349	1 386	28 %
Other ordinary job seekers 1)	1 818	2 752	934	51 %
Total ordinary job seekers	121 893	151 100	29 207	24 %
Occupationally handicapped	72 444	77 645	5 201	7 %
<b>Total job seekers</b>	<b>194 337</b>	<b>228 745</b>	<b>34 408</b>	<b>18 %</b>

1) Comprises people seeking to change jobs, job seekers in education/training, temporary job seekers and people receiving unemployment benefit while establishing their own businesses.

**Number of people registered as completely unemployed by gender. Average for the year.**

Gender	2002	2003	Percentage	Absolute	Percentage
			of the	change	change
			workforce	2002-2003	2002-2003
Men	42 579	54 045	4,30 %	11 466	27 %
Women	32 622	38 586	3,50 %	5 964	18 %
<b>Total number of people registered as completely unemployed</b>	<b>75 201</b>	<b>92 631</b>	<b>3,90 %</b>	<b>17 430</b>	<b>23 %</b>

**Number of people registered as completely unemployed by age. Average for the year.**

Age	2002	2003	Percentage	Absolute	Percentage
			of the	change	change
			workforce	2002-2003	2002-2003
Under 20	2 795	3 116	2,80 %	321	11 %
20-24	11 023	14 133	7,00 %	3 110	28 %
25-29	12 864	15 399	6,10 %	2 535	20 %
30-39	22 178	27 442	4,50 %	5 264	24 %
40-49	12 934	16 361	2,90 %	3 427	26 %
50-59	9 258	11 435	2,40 %	2 177	24 %
60 and over	4 149	4 744	3,10 %	595	14 %
<b>Total number of people registered as completely unemployed</b>	<b>75 201</b>	<b>92 631</b>	<b>3,90 %</b>	<b>17 430</b>	<b>23 %</b>

**Number of people registered as completely unemployed by occupational background. Average for the year.**

<b>Occupational background</b>	<b>2002</b>	<b>2003</b>	<b>Percentage of the workforce</b>	<b>Absolute change 2002-2003</b>	<b>Percentage change 2002-2003</b>
Scientific work	3 654	5 030	2,50 %	1 376	38 %
Nursing and health care	6 412	7 963	2,20 %	1 551	24 %
Teaching	2 097	2 712	1,70 %	615	29 %
Administrative and humanistic work	6 474	8 471	2,70 %	1 997	31 %
Clerical/commercial work	10 419	12 739	3,80 %	2 320	22 %
Sales	6 738	7 966	4,40 %	1 228	18 %
Agriculture, forestry and fisheries	1 669	1 863	2,10 %	194	12 %
Transport	2 317	2 816	4,20 %	499	22 %
Building and construction	5 640	7 386	5,20 %	1 746	31 %
Manufacturing	11 936	15 664	6,30 %	3 728	31 %
Other services	10 110	12 630	5,10 %	2 520	25 %
Other occupations	1 419	2 014		595	42 %
Unspecified/no occupational background	6 316	5 377		-939	-15 %
<b>Total number of people registered as completely unemployed</b>	<b>75 201</b>	<b>92 631</b>	<b>3,90 %</b>	<b>17 430</b>	<b>23 %</b>

**Number of people registered as completely unemployed by duration of unemployment. Average for the year.**

<b>Duration</b>	<b>2002</b>	<b>2003</b>	<b>Percentage share 2003</b>	<b>Absolute change 2002-2003</b>	<b>Percentage change 2002-2003</b>
Less than 4 weeks	21 554	25 139	27 %	3 585	17 %
4-7 weeks	10 805	13 195	14 %	2 390	22 %
8-12 weeks	8 723	11 357	12 %	2 634	30 %
13-25 weeks	13 463	16 678	18 %	3 215	24 %
26-39 weeks	7 349	9 263	10 %	1 914	26 %
40-52 weeks	4 143	5 080	5 %	937	23 %
53-80 weeks	4 577	6 061	7 %	1 484	32 %
81 weeks and over	4 581	5 858	6 %	1 277	28 %
<b>Total number of people registered as completely unemployed</b>	<b>75 201</b>	<b>92 631</b>	<b>100 %</b>	<b>17 430</b>	<b>23 %</b>
<b>Long-term unemployed (26 weeks and over)</b>	<b>20 650</b>	<b>26 262</b>	<b>28 %</b>	<b>5 612</b>	<b>27 %</b>

**Total number of people who have been job seekers jobs during the year by labour-market classification.**

<b>Labour-market classification</b>	<b>2002</b>	<b>2003</b>	<b>Percentage of population 16-66 years</b>	<b>Absolute change 2002-2003</b>	<b>Percentage change 2002-2003</b>
Completely unemployed	296 925	334 828	11,20 %	37 903	13 %
Partially employed	146 420	168 882	5,70 %	22 462	15 %
In regular measures	37 706	56 207	1,90 %	18 501	49 %
Occupationally handicapped	102 745	113 854	3,80 %	11 109	11 %
<b>Total registered job seekers 1)</b>	<b>399 991</b>	<b>446 669</b>	<b>15,00 %</b>	<b>46 678</b>	<b>12 %</b>

1) The total number of registered job seekers is lower than the total of people in the various classifications. This is because some people may have had different classifications in the same year.

**Number of people in regular labour-market measures by type of measure. Average for the year.**

Type of measure	2002	2003	Percentage	Absolute	Percentage
			share	change	change
			2003	2002-2003	2002-2003
Work placements	3 166	5 256	37 %	2 090	66 %
Wage subsidies to employers	1 547	2 665	19 %	1 118	72 %
Temporary employment measures	23	69	0 %	46	-
Training	4 520	6 042	42 %	1 522	34 %
Trial schemes and other measures	28	277	2 %	249	-
<b>Total number of people in regular measures</b>	<b>9 285</b>	<b>14 309</b>	<b>100 %</b>	<b>5 024</b>	<b>54 %</b>

**Ordinary job seekers who have stopped registering with Aetat by reason.**

Reason	Percentage	Percentage
	share	share
	2002	2003
Full-time work	57 %	57 %
Part-time work	13 %	13 %
Education/training/courses	9 %	9 %
Long-term sick leave/medical rehabilitation	6 %	6 %
Disability/retirement pension	1 %	1 %
Unemployed	8 %	7 %
Other	6 %	6 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

**Number of people registered as occupationally handicapped in vocational rehabilitation by reason for rehabilitation and diagnosis. Average for the year.**

Reason and diagnosis	2002	2003	Percentage
			share
			2003
Blind/ visually impaired	581	538	1 %
Deaf/ hearing impaired	879	868	1 %
Cardiovascular diseases	923	1 044	1 %
Skin diseases	1 683	1 750	2 %
Pulmonary and respiratory diseases	1 498	1 507	2 %
Musculoskeletal conditions	28 169	28 817	37 %
Neurological diseases and head injuries	4 051	4 177	5 %
Learning difficulties	4 428	4 753	6 %
Psychiatric problems	14 711	16 511	21 %
Substance abuse	2 155	2 388	3 %
Metabolic disorders	533	737	1 %
Social maladjustment	3 675	4 659	6 %
Other illnesses	3 583	4 106	5 %
Unknown illnesses	5 576	5 789	7 %
<b>Total</b>	<b>72 444</b>	<b>77 645</b>	<b>100 %</b>

**Number of occupationally handicapped job seekers in vocational rehabilitation who have stopped registering with Aetat by reason.**

Reason	Percentage	Percentage
	share	share
	2002	2003
Full-time employment	32 %	28 %
Part-time employment	12 %	12 %
Education/training/course	6 %	3 %
Long-term sick leave/medical rehabilitation	23 %	26 %
Disability/retirement pension	12 %	17 %
Unemployed	6 %	5 %
Other	8 %	8 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

**Inflow of vacancies by source. Total for the year.**

Source	2002	2003	Absolute	Percentage
			change	change
			2002-2003	2002-2003
Advertised in the media	192 573	130 611	-61 962	-32 %
Notified to Aetat's local employment offices	74 236	75 758	1 522	2 %
Registered by employer at www.aetat.no	34 354	29 523	-4 831	-14 %
<b>Total inflow of vacancies</b>	<b>301 163</b>	<b>235 892</b>	<b>-65 271</b>	<b>-22 %</b>

**Inflow of vacancies by occupation. Average for the year.**

Occupation	2002	2003	Percentage	Absolute	Percentage
			share	change	change
			2003	2002-2003	2002-2003
Scientific work	9 772	8 362	4 %	-1 410	-14 %
Nursing and health care	90 755	84 803	36 %	-5 952	-7 %
Teaching	18 479	16 681	7 %	-1 798	-10 %
Administrative and humanistic work	22 581	20 764	9 %	-1 817	-8 %
Clerical/commercial work	20 672	15 800	7 %	-4 872	-24 %
Sales	31 654	29 755	13 %	-1 899	-6 %
Agriculture, forestry and fisheries	1 831	1 727	1 %	-104	-6 %
Transport	4 990	4 376	2 %	-614	-12 %
Building and construction	11 049	10 616	5 %	-433	-4 %
Manufacturing	18 709	14 085	6 %	-4 624	-25 %
Other services	34 158	27 564	12 %	-6 594	-19 %
Unspecified	36 524	1 359	1 %	-35 165	-96 %
<b>Total inflow of vacancies</b>	<b>301 174</b>	<b>235 892</b>	<b>100 %</b>	<b>-65 282</b>	<b>-22 %</b>

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