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Work and Life Quality  
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# WP5: Sector report Norway: Cleaning - Between professionalism and junk enterprises

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# 1 INTRODUCTION

## Some features of the Norwegian labour market

Before we start the description of the construction sector in Norway we will provide some important background information on the Norwegian labour market in general.

Norway is a well regulated labour market. The Work Environment Act from 1977 (revised in 2005) offers protection and regulation on most aspects of work, from sexual harassment to working time arrangement. The social partners are relatively strong, and in general cooperate well, but there are large differences between industries. Somewhat simplified we could say that compared to Europe wages are high and working conditions good. Usually Norway does well on all comparisons between European countries on working conditions and labour relations. However, it should be noted that Norwegian productivity is considered high. It needs to be, because in addition to high taxes an enterprise in Norway also must pay VAT at 25 percent (including on service), social security on 9 percent, put aside money for pension and pay taxes. An estimate would be that if an enterprise pays a worker 20 Euro per hour it needs to earn 40 Euro per hour to make a reasonable profit. Thus, the purchaser would see the 40 Euro price, and the temptation to reduce this price by paying “black”<sup>1</sup> certainly exists.

Norway also has a “hot” labour market. Since 2000 there has been created a total of approximately 300 thousand new jobs (all over), bringing the total workforce up to 2.5 million in a population of 5 million. The job creation has gone on the whole decade and the financial crisis did not stop it. Since the nineties Norway has also enjoyed almost no unemployment (less than 4 per cent the whole decade, frequently below 3) and three quarters of the population between 16 and 67 has had jobs. For those between 25 and 55 the participation rate is around 90 percent.

In order to meet the demand for new workers Norway has a need for migrant workers. They have been forthcoming. Since the de-regulation of the EU labour market in 2004 a steady stream of East-and middle European workers have gone to Norway. Exact

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<sup>1</sup> Black economy means illegal, outside of control of any authorities.

statistics does not exist, but the largest migrant worker group these days is the Poles, today estimated at 100 thousand<sup>2</sup>. No wonder that the web pages of many public services and trade unions now offer information in polish. The Poles are of course only one migrant group, there are numerous other nationalities in Norway, both European and others. Included among the others are refugees, not all of whom who are legally entitled to stay in the country. While the migrant workers are not all especially vulnerable there are also large groups of migrant workers with low knowledge of the Norwegian work life, its rules and regulations, collective agreements and wage level and who also are in need for additional income. When this is combined with the high wage level, high level of tax and other charges the profits for all kinds of exploitation of this group is good.

In this report, as well as the cleaning report, we will employ the term “junk enterprise” as a short hand description of enterprises that do this exploitation and operate on the wrong side of laws and regulations. Sometimes actors talk about “black” or “criminal” enterprises instead of junk enterprises. The term “junk enterprise” is an attempt to translate the Norwegian common term “useriøs”, literally “not-serious” or “not professional”. But the terms “not serious or not professional” would imply something like “not very clever”, and does not convey all the negative associations connected to the word “useriøs”, an “useriøs” enterprise is condemned by the social partners, government and researchers alike. A definition of an “useriøs” enterprise goes like this: *“Enterprises and employers that systematically and repeatedly operate on the borders of the laws and regulations, breaking laws and regulations and not complying with good business practice.”* (Dølvik, Eldring et al. 2005) Please note that one single transgression is not enough, it is the systematic and repeated practice that make an enterprise a junk enterprise. And this practice is profitable. In a price based competition a junk enterprise will easily underbid a more regular enterprise. As long as its practice is not exposed it will thrive and grow and outperform the regulars. In the last years they have began to create serious problems for Norwegian work life.

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<sup>2</sup> Depending on how many of those here on a 3 month tourist visa works.

## The cleaning sector in Norway

In his speech to the tri-partite conference “From dirty cleaning to perfect idyll<sup>3</sup>” on the 28<sup>th</sup> of January 2011 the leader of the Norwegian Trade Union council described the cleaning sector in Norway as follows:

1. Female dominated (approximately 90 per cent)
2. Low degree of unionization<sup>4</sup> (very approximately 25 per cent)
3. Part time work
4. Low wage
5. Frequently night work
6. A large black economy within the sector
7. High percentage of immigrant workers
8. Use of tenders creates stress and strain
9. Focus on productivity

His description was supported, not contested by the business confederation and the minister of labour who were present. If we add to this physically demanding, low skill, low status, invisibility and no barriers to entry for start ups we have many of the most important features of cleaning in Norway. Thus, the Norwegian cleaning sector meets most of the expectations for this kind of work, and would seem to fit an international picture of cleaning as described by (Enehaug 2008). There is however, one possible important feature of cleaning where Norway might differ from other nations, and that is use of new cleaning technology and cleaning methods. Over the last two decades there has been introduced new machinery and other equipment, new methods, new standards and new methods for measuring quality of cleaning. To what degree this has changed the cleaning industry is disputed, but these innovations offer an opportunity for positive development.

It should be noted that this is the description of work is for those who work within the registered/ the legal parts of cleaning. As mentioned there is a large black economy. Those within the black market are much more at risk for all kinds of exploitation, although it should be pointed out that there is a significant proportion of the black market that deliberately chooses this situation because it offers better economic opportunities for the enterprising individual establishing her own business. FAFO found in a study of Polish workers in Norway that 40 per cent of the cleaners did not pay tax

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<sup>3</sup> The title of conference is a play on words in Norwegian that does not translate well into English. The translation here is almost literal.

<sup>4</sup> The low degree of unionization was met by a correspondingly low degree of employer association membership.

and social services (Friberg and Tyldum 2007; Eldring and Friberg 2010), and while their motivation for this of course varies it was acknowledged that this opened a market for them (private home cleaning mainly).

## The key stakeholders and social partners in cleaning

The key stakeholders in cleaning would be the classic Norwegian tri-partite organizations: Trade Unions, Employer organizations and the state. In cleaning that is means the two trade unions Union of General Workers in private sector and Norwegian Union of Municipal and General Employees in public sector. Both are members of the Trade Union Council. The employer organizations would be the Business Confederation of Service in private sector and Kommunenes Sentralforbund (KS), organizing all municipalities and various other intra/intermunicipal entities in public sector.

The tripartite cooperation in Norway is strong in general, and this is true also very true in cleaning. But the major drivers are the Union of General Workers and the Business Confederation of Service, both within the private sector. The state is usually represented through the ministry of labour, but an additional important actor is the Labour Inspectorate.

In an industry with black economy and social dumping the tax authorities might also be considered an important actor, because their ability to investigate and uncover tax fraud is of course of great importance in fighting black market cleaning. A last important stakeholder group is what we could call the competence and technical experts who develop new cleaning methods and techniques, new standards, calculate the area a cleaner should be able to clean in an hour and so on. This group consists both of individual experts and consultants, vendors of equipment as well as organizations like Norsk Renholds Institutt (Norwegian Cleaning Institute)<sup>5</sup> an organization devoted to development of cleaning, which offers training and advice for its members. Norwegian Institute of Cleaning is a member organization for cleaning enterprises, but it is not an employer organization and does not organize collective agreements, negotiation and so on.<sup>6</sup> Such organizations and experts also participate in the public debate and offer their views on the sector on various occasions, for instance when new laws and regulations are being proposed.

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<sup>5</sup> See <http://www.nri.no/site/> (only Norwegian)

<sup>6</sup> In their campaign to recruit new members this year NHO Service target this group especially.

## 2 Economic and employment development in the sector

The cleaning sector in Norway can be divided into two major groups: Homes cleaning and work place cleaning<sup>7</sup>. Almost all homes cleaning in Norway is in the informal sector, payment in cash directly from the owners of the house to the cleaner. Tax, VAT, social services and so on are not paid. The cleaner may be paid at collective agreement level, but the client only pays half of what he/she would have had to pay if the cleaner had been working in a legal enterprise. However, the cleaner is not registered as an employee and does not earn any rights to welfare support if he/she for some reason can not work<sup>8</sup>. It is also illegal, but is generally accepted practice and the chances of being caught are miniscule.<sup>9</sup> According to estimates by the Confederation of Businesses there is around 7500 person years in that “sector”. The Confederation of Businesses suggests tax deduction for home cleaning as a way of whitening this sector, building on experiences from Sweden.

For the rest of this report cleaners in Norway will mean cleaners of work premises. Although the informal home cleaning sector represents a problem and some opportunities for exploitation it is simply too informal to analyse and suggest changes for. If a combination of tax deduction and tax authorities manage to crack down on this practice a formal group of cleaners who cleans private homes might come into being, but currently the formal enterprises here are too few to merit study. They operate on the market that deliberately wants to avoid the black economy, and this market is not big.<sup>10</sup>

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<sup>7</sup> Including public premises, institutions, facades and windows and so on.

<sup>8</sup> Also, if the cleaner is a migrant from the EU area he or she needs to be registered as working in order to stay legally in Norway for more than 3 months.

<sup>9</sup> Although a poor PhD-student in ethics who was caught hiring black home cleaning some years ago was also considered a laughing stock.

<sup>10</sup> Also it might be difficult to know exactly who you are dealing with, even if you opt for those enterprises, due to the widespread use of temporary workers.

## Size of the work force, structure of the industry

### Size of the work force

According to Statistics Norway there are a little above 50 thousand cleaners in Norway, roughly 2 per cent of the total work force<sup>11</sup>. Their number has been reduced the last three years according to the official statistics:

**Table 1** Number of cleaners in Norway, four digit code, source Statistics Norway

	2008	2009	2010
Men	10	9	9
Women	46	45	43
<b>All</b>	<b>56</b>	<b>54</b>	<b>52</b>

The reduction (7 per cent from 2008 to 2010) is surprising, since the economy has been good. It is certainly possible that this is only a fluke, with the numbers going up next years. Another possibility is that all those enterprising men and woman who starts new businesses are not registered as cleaners, but either unaccounted for or registered as something else. This is certainly possible. The Business Confederation points out that the reduction may be due to the increased level of privatization of cleaning, which according to them brings about an increase in productivity as well a reduction in cleaning conducted (and thus reduce the need for cleaners). Concentration of work (more full time, less part time) might also account for it, as well as reduced need for cleaners due to increased use of technology.

If we look the distribution between the various public/private sectors we get the following picture:

**Table 2** Distribution of cleaners by sector in 2010, source: the various enterprise organizations

Sector	Numbers of cleaners	Work years
Private sector	33000	25000
Spekter –state owned enterprises (unskilled) <sup>12</sup>	2300	Not known

<sup>11</sup> Occupational code on 4 digit level

<sup>12</sup> The largest group here would be cleaners in the hospitals.

State (unskilled) <sup>13</sup>	3-4000	Not known
Municipal sector	13100	9000
<b>Total</b>	<b>51-52000</b>	<b>41400</b>

The figure here is slightly larger than the one from Statistics Norway, but within magnitude. Broadly the two tables tell the same story, there are approximately 50 000 cleaners in Norway, of these 70-75 per cent work in the private sector, 20 per cent in the municipal sector and 5-10 per cent in the state/state-owned enterprise sector. The total number of cleaners in the state sector is unknown, and difficult to establish. In the work force approximately 10 per cent of the workforce is in the state sector, the combined number of cleaners in Spekter and State should then be approximately 5000.

Neither is the total number of work years in not known. The Confederation of Business claims that it is 41000<sup>14</sup>. However, if their own figures and those of KS are correct that would imply that the 6000 cleaners in the state/state owned sector worked 7000 work years, which is rather unlikely. Alternatively the figures for the state are wrong, underestimating the number of cleaners. Still even if we do not know the exact number of cleaners in the state sector the total number is around 50000, and the majority works in the private and municipal sector.

Even if we do not know exactly the numbers of work years in cleaning the estimates from both private and municipal sectors show that on average a cleaner works around 70 per cent of full time. This is slightly higher than expected high for a female dominated occupation, but the difference is not that large. In Norwegian work life one out of ten men works part time, while four out of ten work women work part time.

### Structure of the industry

The private cleaning industry is dominated by a small set of large enterprises employing a large proportion of the cleaners, and a vast number of small and very small enterprises employing only the owner, or one or two persons. In NHO Service they had 56 cleaning enterprises as members in

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<sup>13</sup> The target group here would be cleaners at state owned universities and colleges. An exact number here is difficult to obtain, because we would then need to contact all universities and colleges directly and ask,

<sup>14</sup> This is the total estimate by NHO Service, arrived at through several different calculations, among them the number of square meters that needs to be cleaned. Source: telephone conversation with Head of analysis, NHO Service.

the summer 2010<sup>15</sup>. Of these 56 the largest 34 enterprises had 8400 employees. The 22 remaining had 371 employees. The 38 percent of cleaners in the private sector working within NHO Service enterprises are paid according to collective agreement level<sup>16</sup>, the remaining 62 percent may or may not be. Among the small enterprises the situation is very volatile; there is a very high turnover of enterprises in the industry. According to the Business Confederation in the periode 1<sup>st</sup> of January to 1<sup>st</sup> of May 2011 a total of 316 sole propriorety enterprises/ Norwegian subsidiary enterprises<sup>17</sup> were created (this is a frequency of 2,16 per day, 7 days a week). That would imply that the sector was growing at a fast rate, but obviously a lot of the new enterprises goes out of existence rather quickly too. However, cleaning is a business that “everybody” can do, and to a certain degree “everybody” does. But not necessarily by collective agreement standards. This however, is about to change.

## Work hours and work time arrangements

Standard working hours for a full time job in Norway is 37,5 hours per week, normal working hours (day) is between 0600-1800. A person who works during evening, night and or Saturday/Sunday is not working standard hours. Approximately a third of the Norwegian work force works non-standard hours, this has been very stable according to Statistics Norway the percentage has varied between 33 and 36 per cent the last decade<sup>18</sup>. Among those who work non-standard hours 20 percent of the total or 70 per cent of those working non-standar hours operates on some shift system. Less than 1 per cent have only nightwork. For the cleaners the figures are as follows:

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<sup>15</sup> NHO Service has started a campaing to increase membership of cleaning enterprises to 220 in 2011. The campaign leader believes it is a reachable target.

<sup>16</sup> The enterprise might not have collective agreement, but follows wage level

<sup>17</sup> The Norwegian technical term is „enkeltmannsforetak“ and Norsk Utenlandskregistrert Foretak (NUF). The non-Norwegian part of the NUF frequently ends up as a post box.

<sup>18</sup> Source: <http://www.ssb.no/emner/06/01/akutidord/>

Table 3 Work time arrangement for cleaners, source Statistics Norway

Work time arrangement <sup>19</sup>	2007 (N = 57000)	2008 (N=57000)	2009 (N=53000)	2010 (N=50000)
Day-time only (Mon-Fri, 06-18)	71	71	70	70
Outside day-time	29	29	30	30
All combinations/shiftwork	3	4	4	2
Saturday, Sunday and evening	6	6	6	5
Saturday, evening and night	1	1	1	0
Saturday and evening	2	2	2	1
Evening and night	1	0	0	1
Saturday and Sunday	6	6	8	10
Other combinations including night and or Saturday/Sunday/ evening	3	3	4	4
Other combinations Saturday/Sunday	7	6	5	6
Not specified	2	1	1	1

Regarding the overall level on non-standard working hours we can see that it is stable, and very comparable to the general Norwegian work life. Today's cleaners mostly are working day-time, not weekend, night or evening. Regarding those who do work non-standard working hours this is mostly combinations of evening and weekend work. Night work and shift work are rarer. While night work is the rarest form of non-standard work the leader of the Trade Union council is not supported in his claim that night work is common. Compared to an average of 1 per cent in the total work force the figures in Table 3 are much higher. However, if we take into account that those who work on some shift arrangement frequently has night work then the cleaners are not much different in the percentage working night. Overall the conclusion must be that the Norwegian cleaner work day-time Monday to Friday, night time is rare and there has been no changes in this the last four years.

<sup>19</sup> A person may have several of these work arrangement at the same time

## Wage level

There is no minimum wage so far in the cleaning sector in Norway, see however section 6.

According to Statistics Norway the wage level for different occupations in Norway in fall 2010 was as follows:

Table 4 Monthly average wage for Norwegian occupations, not including bonus, provisions etc., October 2010, in Euro (1 euro= 8 kr) Source: Statistics Norway

Occupation	Average wage, all	Average wage, men	Average wage, women
Managers	6450	11000	5563
Academic (above BsC)	5200	5800	4950
Professional	4613	5088	4188
Office work	3700	3713	3688
Sale	3250	3388	3188
Craftsmen	3800	3813	3575
Operator, drivers	3625	3688	3263
Unskilled	3175	3250	3113
<b>All occupations</b>	<b>4325</b>	<b>4600</b>	<b>3988</b>

Unsurprisingly the unskilled workers have the lowest wages, and woman earn less than men. The difference between sale and unskilled is not very large (75 Euro per month), but otherwise the unskilled workers, including cleaners, are clearly at the bottom. For instance craftsmen and office workers earn several hundred euros more per month. Experience is of course important in the pay level. The average figures hide lot of differences. Since those who answer the questionnaires from Statistics Norway have tenure of 9 years in avareage the wage level is representative for those with this tenure. This is not entry wage level.

## Accidents, occupational diseases, sickness absenteeism and early retirement

Cleaning is not a very injury or accidental prone industry. In the Labour Inspectorates statistics<sup>20</sup> the cleaners are included in the industry "Property Management", this group is 5 times as big as cleaners alone. Within "property management" the absolute numbers of fatal injuries in the years 2005-2010 were: 5, 3, 2, 9 and 2 respectively. Looking at the accident rates in the same periode the Labour Inspectorates calculates a rate of 1 accident per 1000 employee in 2008, 3 in 2007, 3 in 2006. Figures for 2009 and 2010 are not published yet. Again this includes the whole industry "property management", so the figure is not for cleaning, but the overall picture is clear, cleaning is not injury or accidental prone. For Norwegian work life as a whole the rates were 10, 9 and 8 respectively. Regarding occupational diseases the situation is the same. The Labour Inspectorate registered in the period 2006-2010 a total of 16-25-7-9-17 persons with occupational diseases in the industry "property management". Even allowing for a large underreporting the number can not be said to be very high. The reason is simple, the kinds of illnesses a cleaner gets (musculo-skeletal problems) are not classified as occupational diseases.

This is not to say that cleaning is without occupational health problems. Quite the opposite, in Norway as well as other countries, cleaning is a physically demanding occupation with a high degree of sickness absenteeism, high turnover and early retirement and many musculo-skeletal problems (Enehaug 2008). If we look at the absenteeism figures for cleaners this becomes very clear. In Norway sickness absenteeism in 2009 and 2010 fluctuates about 7 percent for the whole work force, for cleaners sickness absenteeism fluctuates about 11 per cent<sup>21</sup>. While the sickness absenteeism in Norway do fluctuate over time and across industries cleaners have always belonged to the group with the highest absenteeism level. The reasons for the high sickness absenteeism in cleaning are open to interpretation, but few deny that this is a demanding occupation with lots of physically heavy tasks, and also often considered to have a poor psychosocial work environment as well.

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<sup>20</sup> Source: <http://www.arbeidstilsynet.no/seksjon.html?tid=206843/>

<sup>21</sup> Source: <http://www.ssb.no/emner/06/02/sykefratot/tab-2011-03-22-06.html>

### 3 General background on the organisations and the interviewees

#### Structure of the social partners

In Norway both the various unions and the employers associations have organized themselves into various confederations. These confederations are a combination of various trade unions or the national associations who share the same political and professional views and values. On the worker side there are four such confederations: Trade Unions in Norway (LO), Confederation of vocational workers (YS), Academicians (Akademikerne) and "The main organization for university and college graduates (UNIO)". The tasks of the social partners are the same as everywhere else, ensure that their members interests are taken care of, negotiate with their opposite on wage and work conditions, and cooperate with them on all kinds of issues relevant to the industry/occupational groups. Norway has a long tradition of cooperation, and cooperation takes place from the board rooms to the safety meetings, and covers questions on productivity, innovation, inclusive work life, training and education, new laws and regulations as well as other issues. As one of the trade union representatives put it: "*We cooperate in 11 months and quarrel in May*", May being the traditional month for negotiations on collective agreements.

#### Trade unions for cleaners

The trade union confederations for academicians and for university and college graduates does not organize cleaners, thus we focus on Trade Unions Norway (LO) and Confederation of vocational workers (YS). Trade Unions Norway is by far the biggest with more than 860 thousand members in 21 trade unions, while "The confederation of vocational workers" has 215 thousand members in 22 trade unions. However, the major difference between the two confederations is that the Trade Unions (LO) has formal ties to the Norwegian Social Democratic party (Arbeiderpartiet), while "The Confederation of vocational workers" is neutral when it comes to political parties.

Regarding cleaners the Trade Unions Norway is by far the strongest, and to some extent the only trade union. Repeated phone calls and emails to the Confederation of vocational workers resulted in relatively little information. However, the relevant trade union within YS for the private sector told us that they had less than 20 cleaners as members so far, and had no collective agreements for

them<sup>22</sup>. The trade union for the public sector supposedly had more, but did not manage to find anybody that could be an expert on cleaning. For all practical purposes this means that it is the Trade Union Norway (LO) that represents cleaners and of course their views that represent the worker side in this report.

Which trade union within LO that represents cleaners mostly on which sector the cleaner works in; private; municipal, state. For the LO members there are two possible trade unions: Fagforbundet – Norwegian Union of Municipal and General Employees (NUMGE) or Norsk Arbeidsmannsforbund- Norwegian Union of General Workers (UGW). The similarities in their English names notwithstanding<sup>23</sup>, the two trade unions have rather different profiles. UGW is the oldest, dating back to 1895. It originally covered a very wide set of occupations (“General worker”), was the biggest in the whole Trade Union council, but it was too diverse and its history is a list of fissions and splits. Today it covers 19 occupations<sup>24</sup>, among the cleaners, security guards and some occupations in the construction industry and has approximately 23 000 active members<sup>25</sup>. However, according to the head of the trade union “*cleaning takes more than half of our time*”. Its members are mostly in the unskilled category, some has vocational training. While it has members in both the public and the private sector the UGW is primarily a private sector trade union.

The NUMGE is primarily organizing public workers; various health care professionals are its main organizational basis. Its members are mostly unskilled, vocational trained or with low university degrees. It was established in 2003, following a merger of two large unions. Today the NUMGE is the largest union within the Trade union system, with more than 310 000 members<sup>26</sup>, and claims to serve more than 100 different occupations. Cleaners are among 8 specifically mentioned groups in their promotional material. While NUMGE has members in both the public and the private sector the UGW is primarily a public sector trade union (municipal). Since both have cleaners as members and both operate in public and private sector there might be a clash of interest between regarding recruitment. While the problem exists it is not so big as to cause a large conflict. In practice a cleaner who wants to organize joins the UGW in the private sector and the NUMGE in

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<sup>22</sup> Telephone conversation may 2011.

<sup>23</sup> Their names are rather different in Norwegian. Also note that the UGW uses the word „worker“, while the NUMGE uses the term employee.

<sup>24</sup> Some of these are occupations at geographically distinct locations, like Svalbard.

<sup>25</sup> And another 8000 pensioners.

<sup>26</sup> Total LO membership is 860 000, thus NUGME alone has more than a third of the members.

the public sector. Of course outsourcing/privatizing might create problems.

## Employer organizations

On the employer side the only confederation is the Confederation of Norwegian enterprises (NHO). This confederation consists of 21 national associations in the private sector. National associations are the company's main connection to the NHO. National associations gives advice and assistance on issues concerning the industry, and they also negotiate with their various counterparts in LO and YS. For Cleaning this is NHO Service, which has been established through a set of mergers. In the public sector there is the State, Spekter and KS (Municipality association for all Norwegian municipalities<sup>27</sup>) which negotitates with various parts of YS and LO. The state itself (through the ministry of work) negotiates directly with the trade unions representing employers in the state, universities and colleges being important examples. Spekter is an employer association for state owned enterprises, a rather heterogeneous group ranging from theaters and museums to the Post and its affiliates and most importantly the various hospitals.

## Sources of information

For this report we carried out 5 interviews with experts: 2 with Union of General workers (3 respondents), 1 with NHO Service, 1 with KS (group interview with 3 respondents), 1 with a researcher who was an expert on standardisation and cleaning procedures. In addition we obtained some information through short telephone calls with some other organizations. Thus, apart from the expert on standardization, we interviewed the social partners responsible for organizing the cleaners and the enterprises. The position of the interviewees varied, but they were all picked by their respective organizations as knowledgeable and/or responsible for cleaners/enterprises in their organization.

The interviews lasted from 1 to 1,5 hours, and were either taped and transcribed or notes taken during the interviews. We also obtained information from the organizations respective web-pages and follow up information on email from some of these, and they also provided us with additional information from their own statistics. We also checked out some information with the Spekter employee organization, regarding the numbers of cleaners and their wages and social partnership for their members. Here we did not carry out a formal interview.

We also had access to and used information from the speeches and plenary discussions on the conference "From Dirty Cleaning to clean Idyll" on the 28<sup>th</sup> of January this year. The tri-partite conference on cleaning was streamed and can be accessed at

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<sup>27</sup> In Norway the regional bodies and intermunicipal cooperative organizations are organized in KS along with the municipalities.

<http://www.nhoservice.no/article.php?articleID=2551&categoryID=140>. These included opening speeches by the head of the Trade Union, the head of the Confederation of Businesses, The minister of labour, closing speech by the head of the NHO Service and panel discussions between the abovementioned and the vice president of the Union of General Workers. There were also press releases and other information available for this conference.

There was not very much literature on cleaning as an occupation, but we have read and made use of two reports on the cleaning sector especially: (titles translated)

- Enehaug et.al (2008): Work environment and health in cleaning. Oslo, AFI
- Berge and Sønsterudsbråten (2011): Tenders and workers right- an investigation of the industries cleaning, security and construction. Oslo, FAFO.

As the titles indicate the reports are right within the Walqing core questions and were highly relevant. Finally we have gotten additional information from web-pages, emails<sup>28</sup> and not to forget newspapers.

## 4 The representation – looking back

### History of the representation

The outline of history of the social partners in cleaning is provided in section 1. On both sides there has been various restructuring, generally a fusion process, reducing the number of organizations.

The key partners in private sector (LO and NHO) have however remained relatively stable. Whether or not they are able to represent cleaners/cleaning enterprises better today than twenty years ago is an open question. The challenge for both sides is the rise of the black/junk market. The most vulnerable groups of cleaners are found here; various migrant workers of different legal status, ethnic Norwegians that for various reasons have trouble entering work (returning from long term sickness, alcohol/drug problems and all the various disabilities and disadvantages that keeps an individual away from the regular job market). To give support to these groups, who often are not members in the trade union, is a big challenge. For the employer association the challenge of today is not so much labour force conflicts within enterprises, wage issues and the traditional questions, the challenge is rather to enable those who want to work within the general framework of laws, regulations and agreements to do so. This has led to a shift in strategy for both set of organizations, and a definition of a (new) and joint enemy: purchasers of cleaning (especially in the public sector).

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<sup>28</sup> A manager within NHO Service sends emails once a week to interested people on his and his organizations activities.

## History of bi-partite and tri-partite cooperation

As some features of cleaning have been part of the picture a long time so has bi and tri-partite cooperation been. The first attempts to organize a public certificate for cleaning companies dates back to 1990, however that broke down and the social partners organized a voluntarily system. In the private sector that would be Norsk Arbeidsmannsforbund (Norwegian Union of General Workers), member of the Trade Union Council (LO) and Servicebedriftenes Landsforening (member of the Business Confederation). In public sector there is less history of this, but while it is difficult to find examples of cooperation at central level there we know that the municipalities work very much in tandem with the local unions, and we know that also within the municipal sector there has been the same organizational, technological and methodological development. The trade unions have, if not actively participated at central level, certainly supported at local level.

For the private sector the trade union representatives reflecting on the experiences of the nineties summarized them as follows: *“We established a voluntary public certificate to promote quality of work and decent standards for workers. However the purchasing agents were not interested in the system and preferred the black market, and voluntarily schemes broke down several times.”*

The social partners has however continued their cooperative effort and worked together to create information, statistics, raise consciousness about the sector. So far they seem to be losing the battle to “criminal organizations”<sup>29</sup>. The black market/junk organizations do not pay taxes, social security, collective agreement wages and are not members of any employers association. The fight against the junk/black market enterprises and those purchasing from them has become the major cooperation activity of the social partners. Although they do differ in their outlook on several topics on how the fight should be carried out the agreement far outweighs the disagreements. Instead of focusing solely on bi-partite cooperation within the companies the social partners over the years ended up in jointly working to regulate the market. Now the government has joined forces in a tri-partite cooperation, but the problems with the black market is far from solved.

## 5 Current developments and estimates

Employment trends and restructuring have been discussed in section 2. In this section we will start with identifying the major important characteristic of the cleaning sector in 2011, having identified these we will move on to a more detailed description of each of them, before we discuss to what is

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<sup>29</sup> Words used by the leader of the Confederation of Business when describing the sectors challenges on the tripartite conference january 2011.

positive and negative in today's situation.

## Important characteristics of the cleaning sector in 2011

In the introduction the head of the Trade union council listed nine points that characterised cleaning today. Our investigation of work time arrangement, in Table 3 however shows that night work is not a prominent feature of the cleaners. We have added four more features to which everybody seems to agree on: physically demanding, no barriers to entry, invisibility and low status. Regarding *physically demanding* cleaning is an occupation where the cleaner has to do a lot of physical work, and often under unfavourable ergonomical conditions. Introduction of new work methods and technology has changed this, but to what degree is an open question. Regarding “*no barriers to entry*” there are no formal qualifications/certificate needed to establish a cleaning firm. Neither is there any much need for capital, marketing or other skills, to some degree not even language, to get going, as demonstrated by the average start up number of 2 per day. To stay in business seems harder, but the fact that so many try creates a very competitive situation. Regarding *invisibility*, both cleaning and cleaners are to a large degree invisible to others. Cleaning has often been done outside of normal business hours. However, it should be noted that today most cleaning takes place during work time (see Table 3). Cleaning during office hours of course increases the visibility of cleaners. Still the results of cleaning are mostly seen when it is not done, and invisibility remains in that respect. Further, according to common understanding it requires no skill. Requirements for cleaning seem to be a bucket of warm water, a rag and some soap. *Low status* is to some degree a function of being invisible work everybody (female) can do, low skilled, low paid and so on.

All of this is not new. At least the first four items of the list, as well as low status, invisibility and no barriers to entry would have been on the list 30 years ago. Regarding work time arrangement (night work) that was item number five on the LO heads list it is no longer a problem relative to the rest of the work life, and has been stable for some year<sup>30</sup>. However, when cleaning became day-time work is more difficult to say.

The influx of immigrant workers was clearly lower some decades ago<sup>31</sup>, tenders were not part of the picture and the focus on productivity was not necessarily that high. Neither was there much

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<sup>30</sup> Do remember that this discussion centers around the legal work force, we know almost nothing about the black market.

<sup>31</sup> Opening the borders inside the European Economic Zone (EU, Norway, Iceland and Lichtenstein) for work migration in 2004 accelerated the migration.

pressure on productivity these days. The effects of the “black economy” is however rather different today. While there was a black economy thirty years ago the problems arising from that black economy were not necessarily large, because of the lack of tenders, lower number of work migrants available and low focus on productivity. The difference between black and white economy was not that important thirty years ago. The introduction of tenders has changed all that.

Thus we end with the list below as a description of cleaning in Norway i 2011:

1. Female dominated (approximately 90 per cent)
2. Low degree of unionization (very approximately 25 per cent)
3. Part time work
4. Low wage
5. A large black economy within the sector
6. High percentage of immigrant workers
7. Use of tenders creates stress and strain
8. Focus on productivity
9. Physically demanding
10. No barriers to entry
11. Invisibility
12. Low status

To what degree this is a new situation in 2011 or “inherent” in cleaning is an open question. On the one hand the cleaning sector in Norway has undergone many changes in the last decade; various value chain changes (privatization, outsourcing, mergers), technological changes (new cleaning machines, new cleaning fabrics, new detergents, reduction of water in cleaning), introduction of standards for cleaning, new work methods (clean only when necessary as opposed to clean at standard frequencies), up skilling through introduction of new technology and formal vocational educations, and the arrival of a new work force (migrants) are the most important. At some time cleaning became day-time work, but when this happened is more unclear. The three important and interconnected new features of the cleaning sector in Norway these days are thus:

- Value chain repositioning: from support to core activity
- New technology, methods and standards
- Tenders, the new workforce and the junk market

## Value chain repositioning: from support to core activity

Over the last three decades there has been a silent value chain repositioning of cleaners, from

support to core activity. Structurally cleaning has changed from being a support activity in various organizations to becoming a core activity for cleaning companies. Where a large company might have employed its own cleaners thirty years ago it does not today. They have been outsourced. And if not a cleaning company has been established through privatization many municipalities have organised their cleaners in organizational units with other cleaners, instead of the old practice of assigning them to particular buildings or sites. This is an important change; because where cleaners were earlier led by the local leader of what ever business/space they cleaned in they are today led by cleaners/ managers of cleaners. The relationship between cleaner and those working at the cleaned premises have changed from (inferior) co-worker in support function, to a transactional and contractual service provider- client relationship.

This has brought about an important change in work tasks, the cleaners now only clean. They do not tidy up the premises as they did before. This is for the client to do. If the premises are not tidied up the cleaner might of course still clean, but will not do the tidying. This of course saves a lot of time for the cleaner, and contributes to a reduction of cost for the client. Of course those working on the premises might have preferred the old ways where the cleaner also tidied up, but as the slogans goes “your mother does not work here”. The cleaners will not tidy up, and they do not have to obey orders from a superior co-worker to do so.

Further, the contractual relationship also opens up for defining quality of cleaning systematically. This is part of the technical and methodological changes that has taken place in the industry the last decades. According to the technical expert on cleaning the most important part of the various standards for cleaning is the systematical methods for defining quality. *The core of the system is an objective visual inspection he says, a method that ensures that two persons doing the inspection independently shall arrive at the same level (out of six) of cleanliness.* Actually part of this can be measured physically by measuring number of particles, but the visual inspection is the important. Thus, in a contractual relationship the quality of cleaning can be defined in the contract and measured accordingly. This of course changes the discussion of quality of cleaning and makes it easier for the cleaner to know whether or not the desired level has been achieved.

## New technology, methods and standards

A parallel and interwoven development in cleaning is new methods and new technology. In the last two or three decades several new methodological and technological changes have been introduced. According to the technical expert “*The industry has wanted to improve efficiency through development of new technology and methods. They always want to reduce labour costs. The industry has been successful in this respect. However the new methods and technology have also eased the physical burden of cleaning, and thus created a “win-win situation” for both the*

*industry and the cleaners.”*

The main elements of this technological and methodological developments can be summed up as follows:

1. Less use of water wherever possible
2. Reduction of chemical detergents wherever possible
3. Emphasis on mechanical cleaning, frequently employing machines for brushing (enables the first and second point) See Figure 1 for an illustration
4. Introduction of micro-fiber as dishrags/mop cloths (enables the first and the second point)
5. Use of mops and introduction of mop cleaning techniques, also to improve ergonomics in cleaning
6. Use of machines for cleaning (a wide range of machines, popular among cleaners, but not always and everywhere very efficient according to the expert)
7. Creation of barriers between different areas to stop dirt from being moved from an area to another. A common example is outdoor/indoor division, when moving from outdoor to indoor you are supposed to change shoes or use protective plastic bags to reduce dirt distribution. See Figure 2 for an illustration.
8. Training of the cleaners in using the new equipment, methods and standards
9. Evaluation of the need for cleaning- if it is not dirty, don't clean it

Figure 1 Example of a cleaning machine, dry cleaning, employing brushes.  
Photo: author.



Figure 2 Blue sued shoes, Norwegian version. Barrier between indoor and outdoor areas. Photo: author.



The two pictures illustrate important changes: The use of machines employing mechanical cleaning in Figure 1 and the creation of barriers in Figure 2. The blue plastic bags („Blue sued shoes Norwegian version“) are common in kindergardens, schools, public health care and other public buildings where visitors enter the premises often. Equally important, the primary users of these buildings are expected to have a set of indoor shoes or sandals at the premises and change. This of course reduce the amount of dirt being carried into the building.

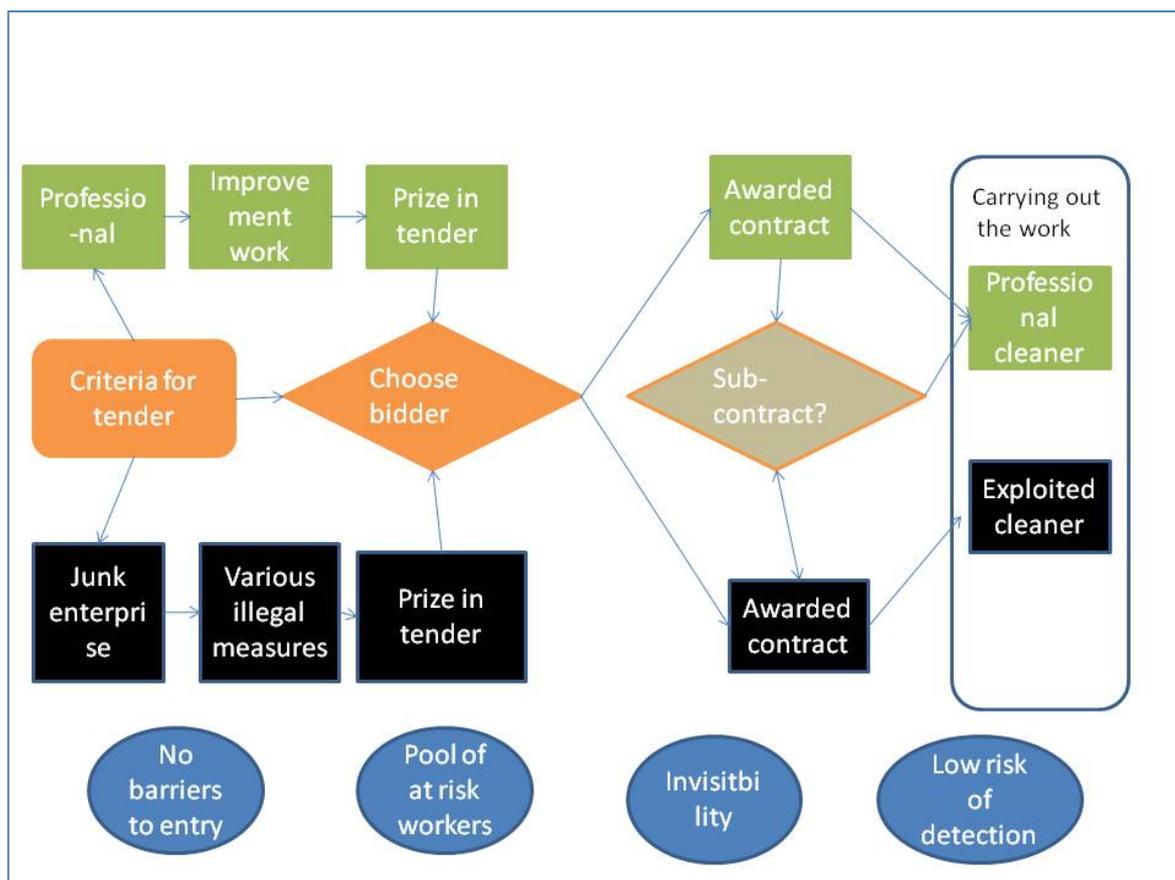
Regarding the list of technological and methodological developments please note that it is not only development of nw machines that takes place, but a combination of machinery, other equipment (micro-fiber) methods, standards and new working methods. This also inevitably leads to a demand for training and new knowledge in order to utilize the innovations.

## Tenders and the black/junk market in cleaning

The value chain transformation is strongly connected to the use of tenders. Today almost 75 per cent of the square meters to be cleaned are put out for tenders, according to the Confederation of Businesses. The tender process creates a very competitive situation (that is intentionally). However in a situation with strong focus on price, no barriers to entry, the tasks purchased requiring little skill and a large pool of groups wanting access to the job market tenders have also given rise to a

black/junk market in cleaning in Norway. Exactly how big is difficult to say, but it is considerable and a threat to the more professional parts of the industry. While we do not know the size of this we know something about how these enterprises operate. The process can be summarized as in Figure 3

Figure 3 Contract process



An organization wanting its premises cleaned puts out a tender. Both junk and professional organization might submit a bid, both trying to submit a competitive price. The purchaser chooses a contractor. For various reasons discussed below this contractor may or may not sub-contract the whole or parts of the contract, and this could lead to further subcontracting. In a situation like the Norwegian market is today, with emphasis on prize, no barriers to entry, a pool of at risk workers and low risk of detection, the junk enterprises are in a good position to win.

Junk practice is of course not the same practice in all cases, and of course not easily visible for the purchaser. The junk enterprise has a wide range of possibilities for reducing pay. They range from

the legal practice of very low hourly wages<sup>32</sup> or self employment, through all kinds of shemes like not paying for all the hours worked, not paying for over time, tax cheating in various ways, not paying social security and similar economic tricks. A key element in their practice is sub contracting. A company that may be legal and registred in the various systems submits a bid and after winning immediately subcontracts to another company. This again could subcontract further. The further down in the chain of subcontractors, the more illegal enterprise is, but it is also more difficult to identify. The purchasing organisation deals only with the top of this chain and does not necessarily know that this subcontracting is going on. In one example Company "Multi" won a bid, but did not have any cleaners (this was a one man company). However, it did have uniforms with "Multi" on, and it did subcontract. Thus the purchasers see cleaners in uniform with "Multi" and believes they are employed there, while in reality they are either self employed or hired by a third company. In any case the workers are paid far below collective agreement, and their working conditions are not according to Norwegian law. Since the workers often are not Norwegians, but legal and illegal migrants, they do not know their rights and/or dare stand up for them.

Even worse practices are known to exist. According to NUGWE refugees and illegal immigrants are picked up and driven to work premises where they clean during night. The pay is very low, and of course will not always materialise. Also cleaning has been connected to trafficking and prostitution, exploiting the refugee/illegal migrant workers.

Junk/ black market practices are good business for those practicing it. According to both social partners<sup>33</sup> they win tenders because the purchasing agents focus only on price and take no responsibility for working conditions and the legal status of their subcontractors. Their view is supported in a very recent report (may 2011) from the research agency FAFO, which studied use of tenders in cleaning, construction and security (Berge and Sønsterudsbråten 2011). According to this report there was "*heavy competition on price in the industry*" (p7) and while few officially stated in their tenders that price was the only criteria many of the informers held the view that "*in practice it is only price*" (p8). The report also included a case study of a municipalities use of contracts in cleaning. The municipality was concerned about working conditions of the cleaner and inspected its contractors quite a bit. However, the researcher found that (p8): "*Despite the many controls and inspections there were several examples of censurable working conditions for private sector cleaners. Even if wages were at collective agreement level, more hours were worked than paid for, extra time was not paid for, wages during sick leave absenteeism not paid. The existence of these*

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<sup>32</sup> However, the generalization of collective agreements on the 21st of June 2011 makes this practice illegal. See section 6.

<sup>33</sup> Interview with leader of labour union 8th February 2011, interview with manager in employee confederation 24th March 2011.

*problems in a municipality with a strong inspection regime illustrates the problems the industry is facing.”*<sup>34</sup>

When discussing these practices with the municipal employer association KS they claimed that “*You get what you inspect*”<sup>35</sup>. The idea is of course that if you increase the risk of being detected this would reduce the opportunities for illegal practices. (See Figure 3) They further claimed that they trained their purchasers in this, and that they emphasised to their members that the tendering process was only start of the process when buying services. The sentiments as well as the intentions of KS are good and true, and KS is trying to improve on this. Their efforts should not be dismissed, but control is of course difficult, learning how to do it takes time and harsher examples than FAFO’s could easily have been found.

NUGWE describes several such examples. One of them involves an illegal migrant who got a few hundred kroner (50 euros) for a nights work. In another the cleaner was paid at collective agreement, but only paid for 5 per cent of he work hours. The net result was 25 kr (3.2 euros) per hour. The employer made sure that he had a large number of pepole working for a short period only.

It is difficult to say how common such examples are. Given the nature of the subject there are of course no statistiscs. It is obviously that both trade union and employer confederation feels that there are many examples of black work, and that the “junk” market is a real threat. It is also clear that the problems are not uncommon. The newspaper Dagbladet (The Daily Newspaper) has carried a series of articles on cleaning, focusing especially on the junk and black market part of the industry, and revealing how various private and public institutions have bought cleaning services from the black market. The list of private and public institutions expoused by Dagbladet the last year or so includes: The Director of the Tax Collectors Office in a large Norwegian municipality, a large hotel chain, social science research institutions (doing welfare and work research), public schools, governmental guesthouse/hotels, The Ombudsman for health and social services in a large city, the Immigration Appeals Board<sup>36</sup>, A large municipality, Norwegian Water Resources and Energy Directorate. The preponderance of public institutions is strong, and as the Labour Minister

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<sup>34</sup> Translation by SINTEF.

<sup>35</sup> Interview with KS.

<sup>36</sup> Leading to the possible paradoxial situation where an illegal cleaner might clean the floor for the person who refuses admittance to Norway

puts it in the her comments to the expose of some of these<sup>37</sup> on the conference this is “very, very embarrassing”. Both she and the prime minister is clear that this is not how public institutions should be behaving<sup>38</sup>. However while we believe the sincerity of their wishes (and actually political measures has been taken) we also believe that it will take a lot of time and effort to solve these problems. Another exposure of a public agency buying junk cleaning would be sad, but not surprising.

## Groups at risk

The groups really at risk are either in the private sector or not registered as cleaners at all. The cleaners employed in the municipal/state sectors may have physically demanding work and poor pay and status, but benefit from strong trade unions, collective agreements that they can tag along with even if they are not members of the unions and they enjoy job safety (at least as long as they are employed in the sector and not privatized). Of course the work is still physically demanding, the status as cleaner is not necessarily higher (but it might be preferable to work in a municipality/ in the state), the pressure to improve productivity is very much present, but relatively to the private sector they are much better off.

Do the workers in the black market have some sort of representation, some voice? Actually they do have a lot of support from the NUGWE. In several of the instances uncovered by Dagbladet the NUGWE has been part of the uncovering of wrongdoing and supporting the cleaners economically, legally and in other respects. NUGWE works actively to fight social dumping and strives to inform and recruit. Information is provided in English, Polish, Spanish and Arabic. NUGWE also cooperates with various organizations outside the labour market like churches and refugee organizations. However, while NUGWE does try, the challenge is indeed large.

## Quality of work/ perceptions of good work

Any discussion on the quality of work/perception of good work must start with the proviso that this is a discussion about those working within the regulated parts of the industry. For those outside the first step towards improving quality of work would simply be to become part of the regulated

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<sup>37</sup> <http://www.dagbladet.no/2011/01/27/nyheter/renhold/innenriks/arbeidsliv/politikk/15213204/>

<sup>38</sup> Priminister Jens Stoltenberg commenting on a report from FAFO exposing use of illegal work on the 11th of may 2011. See <http://www.dagbladet.no/2011/05/11/nyheter/innenriks/renhold/arbeidsliv/regjeringen/16498920/>

industry.

Within this regulated parts of the industry there are some disagreement on what are the most important elements of good work for cleaners. The NUGWE was somewhat pessimistic as to the possibilities of creating a job job. The leaders' first answer was: "*I don't really know how we can create a good job for cleaners*", a very pessimistic answer. Thinking a little bit more on the question however she found that much could be done if the cleaners could have job security and pay as in the collective agreement. If they had job security then improvement would start.

The technical experts and the business confederation were more concerned with training and development of the cleaners. Collective agreements were held as important parts of this, but most important was to train cleaners in new techniques and methods, and create cleaners that are efficient, knowledgeable of their industry, its tools and possibilities. To do this training, new technology, organization of cleaners in special units would be key elements in a good job. It should also be mentioned here that regarding the physical demands of the job the proponents of new technology also claims that the new technology reduces the cleaners burden, and enables the cleaner to work as a cleaner longer, possibly to reach pension as cleaner.

## 6 Section 5. Collective bargaining and social dialogue

The main actors in collective bargaining have been identified in section 1. Collective bargaining affects large parts of the cleaning industry. In the private sector 38 percent of cleaners in the working within NHO Service enterprises (14 000 out of roughly 33000) are paid according to collective agreement. In public sector the roughly all the 18000 cleaners are regulated by the various collective agreements, when a collective agreement is reached in public sector it is customary to include all, whether or not they are trade union members.

Collective bargaining is something of a ritual. Every second year the old agreements are formally terminated and the partners negotiates a new. The years inbetween there are various adjustments to the agreements. While the negotiations are real and the results influence the wages and working conditions for those having collective agreements the bargaining process itself is not rely where the important battles for working conditions and welfare are fought. The important battle for improving cleaning and defending their members rights is, for both organizations, fought outside of the collective bargaining process.

## Regulating the market: the four and one initiative of improvement of the cleaning industry in Norway

The social partners main strategy to improve cleaning industry on behalf of their members is one of regulating the market. This strategy is pursued jointly by the employers and the employee, and supported by the state. We can identify four main initiatives as part of the social dialogue in the industry, and there is a fifth general initiative as well. The four and one initiatives are:

1. Certificate of apprenticeship
2. Generalization (universalisation) of collective agreements<sup>39</sup>
3. Identity cards
4. Regional safety representatives
5. Tax authorities combating black work and tax avoidance

We will only discuss the four first of these. The fifth, fighting tax evasion, might actually be the most important. It is very unlikely that a tax avoiding enterprise follows health and safety regulation and has collective agreements. Thus successful persecution of tax evasion obviously will remove some of the worst offenders and improve the odds for the law abiding enterprises. But this is the task of the tax authorities, not the social partners, and hence not subject for this report. It is mentioned here because the social partners think it is important and wants the government to follow up, and thus is a topic of concern and agreement and cooperation for the social partners. Finally it should be noted that several of the elements here have been transferred from construction sector; like generalization of collective agreements, identity cards and regional safety delegates.

### **Certificate of apprenticeship<sup>40</sup>**

The introduction of standards, new work methods, new technology, new division of labour between client and cleaner (not tidying up) and the new relationship (contractual) between cleaners and clients have all contributed to a situation where a cleaner needs more knowledge. She needs to know and understand the standards and work methods and technology, she needs to do what her duties are and not are and so on. Simply put, there is a need for upskilling.

This upskilling is not necessarily formalized. Lot of training and instruction takes place on the work place, by managers, machine vendors and colleagues. However, relatively recently (after a reform

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<sup>39</sup> In Norwegian there is a single well understood word for this process, "allmenngjøring", but it is difficult to find a good translation. Both universalisation and generalization has been used.

<sup>40</sup> Norwegian: Fagbrev, German: Facharbeiter

in 1994) a certificate of apprenticeship in cleaning has been recognized. A certificate of apprenticeship in cleaning is a formal vocational education consisting of both practical and theoretical parts, where the candidate must pass several exams. Table 5 provides an overview for the last three years on national level:

**Table 5 National figures for certificate of apprenticeship for cleaning in Norway, 2008-2010. Source: Directory of Education.**

Year	No. of women	No. of men	Total no.
2008	401	33	434
2009	490	60	550
2010	458	48	506

The figures might not seem that large. However, 500 cleaners is approximately 1 per cent of the total work force. 2008 was not the first year, and 2010 will not be the last. If the trend continues over some more years a sizeable proportion of the cleaners will acquire it, and it is likely to be more popular for the younger than the older cleaners. The older might of course acquire similar skills as the young, but not necessarily see the need for formal recognition at the end of their career. The younger will. Thus we expect the certificate to become more and more common in the industry during the next decade.

### **Generalization (universalisation) of collective agreements**

Generalization of collective agreements is a system for establishing a uniform minimum level of wages and rights within a sector. This is used as a way of combating social dumping through wages in non-collective agreement enterprises. An enterprise is perfectly entitled to hiring Poles, Swedes or any other nationality/ ethnic group, but it has to pay collective agreement wages. Such a generalization is a regulation, and it is left for the Labour Inspectorate to enforce it. The hourly wages to be paid as well as overtime payment information are posted on the Labour Inspectorates web-pages and in other information from the Labour Inspectorate. In the cleaning industry generalization also includes collective agreement regulations related to travel expenses, and hospitality when working on assignments outside the standard locations. It will be illegal to pay cleaners below collective hourly rate, and *the purchaser might be financially liable if it breaks this regulation and employs a junk enterprise*. The last is of course important in order to put pressure on the purchasers.

The social partners in cleaning have been working towards it for some time, and on the 21<sup>st</sup> of June 2011 their efforts succeeded. The new minimum hourly rate for cleaners will be 151,56 norwegian kroner (18,95 Euro). In the press release from the Confederation of

Businesses on this read it was said that this was “a major victory for the social partners”. Further: “Today’s decision is an important step in the fight against social dumping. This is a day of rejoicing for all those who are fighting to improve conditions in the cleaning industry. The industry suffers under a lot of junk actors and a huge black economy. Generalization of cleaning will help clean up, says Petter Furulund, Managing Director of the CBI Services.”

It is obviously too early to say something on the effects of this, technically the regulation has not been put into effect yet (this will happen sometime in the fall). It is equally obviously a major victory, and basically supported by all agencies in the industry. However, while FAFO in their report on tenders also supported the (then) proposed regulation they probably have a point when they say that this will not by itself win the fight against social dumping.

### **Labour inspectorate approved identity cards**

Knowing exactly who enters what premises is important for many reasons. Safety and integrity of the client is one, another is knowing that the person entering is part of the legal (white) labour market. Labour Inspectorate identity cards is meant to secure both. The idea is simply that all cleaners should carry an identity card approved by the Labour Inspectorate. As of this date the system is not implemented in the cleaning sector, but it is in the construction sector, and the system in cleaning is likely to be very similar. In order to get such an ID-card in construction both the card carrier and the enterprise he/she is employed in must be reported in several governmental registers:

- The Register of Business Enterprises registers all Norwegian and foreign business enterprises in Norway.
- The National Registration Office registers all people living in Norway
- The NAV<sup>41</sup> State Register of Employers and Employees (the EE-register) – Reporting employment. The EE-register is a register that records the relationship between employers and employees. The purpose of the register is to satisfy a need by public authorities for such information while undertaking their duties.
- The central tax authorities for foreign enterprises, this office assess income for foreign enterprises
- The VAT register

The various registers are electronically linked and registration can be done in several at the same time. We will not go into detail of the various registers, the point is that the Labour Inspectorate can check that both the worker and the enterprise she belongs to is part of the legal Norwegian labour market (not junk enterprise), paying taxes, VAT, social security on the enterprise side and being a legal worker and paying taxes on the worker side.

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<sup>41</sup> NAV is the Norwegian Labour and Welfare Administration, responsible for social security, pensions, labour market etc.

Experience from the construction industry shows that the system of course is not fool proof, for instance it creates a black market for such cards. Also, if nobody controls the card, in situations with night work or unscrupulous clients, there is little value in it, but at least it is one more hurdle to clear for the black economy enterprises. The system is expected to be introduced in the cleaning sector in a year or two.

### **Regional safety representatives**

The Norwegian work environment act of 1977 stipulated that all enterprises with more than 10 employees should have a safety representative. The safety representative is an elected employee representative with a set of rights and duties concerning occupational health and safety. Coverage should be universal, with the size proviso. Since the late eighties actual coverage has been around 80 per cent of the work force (Andersen, Torvatn et al. 2009). The safety representative is supposed to take action on dangerous/illegal work practises of the enterprise he/she works with. Studies shows that the representatives manages to do this, but the problem is the very small enterprises. Coverage below 10 is almost non-existent.

The regional safety representative is a way of solving that problem. He or she is hired to be a safety representative for those enterprises where no such exists. Within his industry (construction and cleaning being the two most prominent examples) and visiting an enterprise without safety representative the regional safety representative has the powers as if he was the safety representative. She/he is entitled to inspect working conditions alongside the Labour Inspectorate, she/he has the right to halt dangerous work, she/he is to be included in various planning activities concerning working conditions (of course including discussions on overtime benefits, work schedules, physical working conditions and so on).

Both social partners agreed that such regional representatives would be a good idea in the cleaning industry. It was also agreed that it should be financed through a duty on all enterprises. However, there was a huge conflict regarding who should employ the regional safety representative. The trade union wanted them as their employers, the business confederation wanted them with the labour inspectorate. The conflict flared up spring 2011 and at one point there was a complete break down between the partners. In may however an agreement was reached, where the regional safety representatives would work in the labour inspectorate. It was specified that this should only be a "technical" employment, not an enlargement of the labour inspectorate. Having settled that issue the social partners started working together again.

## CONCLUSIONS

While cleaning always has been and remains a physically demanding job with relatively low pay the last decades has shown a possible transformation of cleaning from something that anybody with a bucket of hot water could do to something different, a profession. Cleaning is becoming professionalized. With the term professionalization we mean to describe a process of several elements that transform the work of a cleaner from something that can be done by “anybody” to something that is recognized as requiring a necessary set of skills and training, and in the same process increase wage levels, status, visibility as well as increasing the demands of productivity. In the cleaning sector professionalization takes place through:

- Moving from support activity to core activity in the value chain
- Changing old hiercical relationships between cleaners and clients with contractual relationships
- Technologization of the work (also reducing the physical demands)
- Increased visibilty and use of day time work
- Upskilling (including, but not limited to certificate of apprenticeship)
- Reduce night time and part time work (this also improves visibility)
- Increased dialogue with users
- Standardization and measurement of quality of work

Professionalization is not a something that the social partners as such actively promote, but they support several elements in the process. Two other elements are almost inherent in the professionalization process: A demand for higher productivity and a demand for higher wages (reckognizing the higher skills and efficiency). This direction of improved productivity and efficiency, upskilling, wage increase and improved status can be thought of as the high road in cleaning. The professional enterprises and the social partners move along this road, and if they succeed cleaning will become a profession an individual can work in and make a livelihood out of in reasonably good working conditions.

However, we have also seen that not everybody wants to/ are allowed to participate in this development. The tender system and the heavy emphasis on prize, combined with other elements have opened up a market for non-professional, illegal/black market enterprises, called junk enterprises. Currently these enterprises are very succesfull in winning tenders, and the existence of such enterprises put pressure on the professional enterprises. They might be forced to employ part of their methods simply to survive.

The conflict between junk and professional enterprises dominate the cleaning industry. The relationship between the social partners center on it, and they fight alongside each other against the common enemy of junk enterprises and the purchasers of junk services. Even though they have the occasional fall out and conflict on wages or something like the regional safety representative, this does not change the general supportive relationship. Removing junk enterprises is the most important goal in order to create a decent work life for cleaners and efficient high quality services for the enterprises. It is currently not clear if

they will succeed. The pressure to focus on cost in tenders is strong, the possibilities for succeeding as a junk enterprise are good and the consequences of being found out minimal.

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