

# The strategy for combating work-related crime

The Government presents here a strategy for strengthening of efforts to combat work-related crime. The Government intends both to combat work-related crime and to promote responsible and sound working conditions by means of broad cooperation between the public authorities and the social partners on prevention, knowledge sharing and enforcement. The various measures of this strategy must be viewed in connection with the Government's overall policy concerning economic crime.

## 1. Introduction

Work-related crime is an increasing challenge. Persons and enterprises that systematically breach legislation have a disruptive effect on all working life. This has serious consequences for the various workers affected, for undertakings and industrial sectors and for society as a whole. The Government will reinforce efforts to promote orderly and responsible working conditions and to combat work-related crime. Success in this will be dependent on broad mobilisation. The strategy for reinforced efforts to combat work-related crime has therefore been prepared on the basis of a dialogue with the main employer and employee federations.

The strategy is based on a number of key areas:

### Cooperation with the social partners

Combating crime and irresponsible working conditions is dependent on broad and sustained cooperation in working life. The Government will place this topic on the agenda of the Contact Committee between the Government and the social partners.

In the sectors with the greatest challenges, tripartite sectoral programmes form a major platform for cooperation between the authorities and the social partners. In enlisting the whole community in the fight against crime and irresponsible working conditions, an important part is played by the promotion of attitudes and values.

### Control and follow-up

In individual cases, significant results have been gained by joint operations by the police, the Tax Administration, the Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV) and other public agencies. This type of cooperation is to be strengthened and made more systematic. Efficient follow-up by the public authorities is dependent on improved data sharing. It is important that reported violations are followed up and that serious cases are brought before the courts as rapidly as possible. Improved knowledge will enable targeting of control activities. The Government wishes to make irresponsible behaviour more difficult without placing

burdens on the undertakings that operate responsibly and endeavour to comply with legislation.

### Procurements

Responsible orderers and suppliers play a key role in preventing criminals from gaining entry to working life. During preparation of the recommendations of the Norwegian Government Commission on simplification of the national rules on public procurement, it was proposed that the number of subcontractors be limited in particularly challenged sectors. It was also proposed that suppliers to public agencies should as a general rule be required to make use of apprentices. Work is being carried out on information and guidance concerning 'best practice' regarding compliance with and follow-up of the Regulations concerning wages and working conditions in public contracts.

### Knowledge

The ability of undertakings and consumers to make informed choices must be strengthened. It must be made easier to identify responsible actors and more difficult for irresponsible actors to offer their services. Measures already initiated to counteract social dumping and irresponsibility in working life are to be evaluated. Society at large must be made more aware of the prevalence of work-related crime.

### Information

Service centres for foreign workers and web-based information provide a sound basis for providing information to foreign workers who seek employment in Norway. An overall review is to be made of the information provision to foreign workers and measures are to be taken to make this more well known.

### International cooperation

Work-related crime operates across national boundaries. Strengthened cooperation with foreign supervision and control agencies therefore plays an important role in achieving results. Norway will actively participate in new EU cooperation initiatives, and will take advantage of the opportunities provided by the EEA Agreement. In conformity with the Norwegian Government's strategy for cooperation with the EU, EEA and Norway Grants may be applied to work of this kind in countries that receive such grants.

### **Cooperation against the black economy**

Sound and regular consciousness-raising work is carried out under the auspices of *Samarbeid mot svart økonomi* [Cooperation Against the Black Economy] (SMSØ). This is an alliance between the main employer and employee federations (LO, NHO, KS, Unio and YS) and the Tax Administration. The alliance carries out preventive and behaviour-changing work to combat the black economy. The measures target consumers, business and industry and young people. In recent years, SMSØ has particularly directed its activities towards upper secondary school pupils. This measure was recently extended to include lower secondary school pupils. SMSØ has started collecting data from municipalities that have achieved good results from their own measures for preventing work-related crime in their supplier enterprises. SMSØ wishes to be able to assist in the exchange of experience concerning prevention of work-

related crime between all of Norway's municipalities. This work will begin during the first half of 2015.

<http://www.samarbeidmotsvartokonomi.no/>

## 2. The challenges

### What is work-related crime?

Work-related crime involves:

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

### What forms does work-related crime take?

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

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

- Tax crime – violation of the Tax Assessment Act, the Tax Payment Act and the Value Added Tax Act
- Gross breaches of accounting and bookkeeping practices – incorrect and deficient accounting and use of fictional or incorrect documentation
- Corruption
- Breach of trust – unlawful bleeding of companies
- Bankruptcy crime
- Money laundering
- Currency smuggling
- Human trafficking
- Social security fraud – receipt of social security benefits while working illegally
- Gross fraud – commissioned fraud, invoice fraud, fraud against the financial sector
- Provision of incorrect or false information and documentation to the public authorities, including use of false identity and recording of incorrect data in public registers
- Gross violations of the Working Environment Act
- Exploitation of labour in breach of laws or agreements
- Violation of the Immigration Act – use of illegal workers

### The relationship to social dumping

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

### **The relationship to economic crime**

Work-related crime is a part of economic crime. The measures against work-related crime also have significance for work against economic crime in general. Measures 4–8 of this strategy are part of the Government's policy on reinforcement of efforts to combat economic crime. The Government will follow up to ensure that efforts to combat work-related crime are given priority within these measures. The Government will implement further measures to reinforce efforts to combat economic crime.

### **The extent of the challenges**

There is broad agreement between actors such as the police, the Tax Administration, the Labour Inspection Authority and the social partners that challenges concerning work-related crime are on the increase. However, it proves difficult to obtain a comprehensive overview of the phenomenon work-related crime. Nor is there any reliable information concerning its extent (see the description of the situation provided by the police and a number of public control agencies). Experience from the supervisory activities of the Labour Inspection Authority and other agencies indicates extensive violations of working environment legislation in certain areas of working life. Supervisory authorities find that this increasingly coincides with violation of other legislation. This development has taken place rapidly, giving rise to warnings from a number of actors of the contamination of parts of Norwegian working life by a complex and organised form of crime.

#### **Labour market crime in Norway – a description of the situation in 2014**

A report prepared by a working group with participants from the National Bureau of Crime (Kripes), the National Police Immigration Service, the National Authority for Investigation and Prosecution of Economic and Environmental Crime (Økokrim), the Labour Inspection Authority, the Norwegian Labour and Welfare Administration (NAV), the Tax Administration, the Directorate of Immigration, the Norwegian Food Safety Authority, the Customs and Excise Administration and the Norwegian Correctional Service Directorate.

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*The control agencies have a relatively good insight into specific forms of labour market crime, and they have a rough perception of the extent of the problem. On the other hand, they lack a comprehensive overview of both actors and activities in this area, and there is therefore considerable uncertainty regarding the extent of the phenomenon.*

*However, it seems clear that, in certain sectors in Norway, a market has emerged for goods and services based on low labour costs, where the low costs are dependent on violations of the Working Environment Act. In sectors subject to general application, there may also be violations of the General Application Act. There are usually also indications of violations of other legislation, such as tax legislation. Exposed sectors include construction, cleaning services, restaurants, bars and nightclubs, agriculture, maritime construction, transport and fish processing.*

### **Challenges regarding wage formation**

Crime and irresponsible conditions undermine the values forming the basis of cooperation between the parties in Norwegian working life. The Holden Committee on wage formation and challenges for Norwegian economy stated in its report (Official Norwegian Report NOU 2013:13) that measures for counteracting social dumping and low-wage competition will be necessary for many years to come. All of the main employer and employee federations were represented on the committee, which was chaired by Professor Steinar Holden.

#### **Labour Immigration – Wage Formation and Challenges for Norwegian Economy**

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

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

### **Challenges regarding control of employers**

Control of employers is currently carried out by several different actors. In the taxation area, responsibility for control is divided between the Tax Administration and the municipal tax collectors. The extent of the tax collectors’ control is largely dependent on the priorities of the various municipalities. More than 70 per cent of the tax collectors’ offices devote less than one FTE to employer control, and 16 municipalities do not carry out employer control at all (2013). Deficient or inadequate employer control increases the risk of distortion of competition, where responsible enterprises lose out to those that operate dishonestly. There is also a risk that irresponsible actors will choose to establish their activities in municipalities where they know that the level of control is low.

### 3. The strategy for combating work-related crime – priority areas and measures

#### List of measures

No.	Measures	Responsible ministry
<b>Cooperation with the social partners</b>		
1	Strategic cooperation on combating work-related crime	The Office of the Prime Minister coordinates
2	Further develop tripartite sectoral cooperation in exposed sectors	The Ministry of Labour and Social Affairs
<b>Control and follow-up</b>		
3	Extend the regional and local cooperation between agencies	The Ministry of Labour and Social Affairs coordinates
4	Establish a National Interagency Centre for Analysis and Intelligence	The Ministry of Justice and Public Security and the Ministry of Finance
5	Strengthened data sharing between control agencies and between control agencies and the police	The Ministry of Justice and Public Security coordinates
6	More effective sanctions against economic crime	The Ministry of Justice and Public Security, the Ministry of Finance and the Ministry of Labour and Social Affairs
7	Establish bankruptcy coordinators in the police	The Ministry of Justice and Public Security
8	Establish business and industry contacts in the police districts	The Ministry of Justice and Public Security
<b>Procurements</b>		
9	Introduce a provision in the public procurement rules enabling limitation of the number of subcontractors in particularly challenged sectors	The Ministry of Trade, Industry and Fisheries
10	Introduce a requirement in the public procurement rules that undertakings shall have apprentices in areas where there is a particular need	The Ministry of Trade, Industry and Fisheries and the Ministry of Education and Research
11	Establish an arrangement facilitating control of suppliers' responsibility	The Ministry of Trade, Industry and Fisheries
12	Guide to best practice for compliance with the Regulations concerning wages and working conditions in connection with public procurements	The Ministry of Labour and Social Affairs and the Ministry of Trade, Industry and Fisheries
<b>Knowledge</b>		
13	Recognition of foreign vocational qualifications	The Ministry of Education and Research
14	Further develop the arrangement for central authorisation of enterprises in the construction industry, and consider potential models for	The Ministry of Local Government and Modernisation

	registers or authorisation schemes documenting whether enterprises comply with the rules	
15	Improve the HSE card arrangement in the construction and cleaning services sectors	The Ministry of Labour and Social Affairs
16	Amend the Construction Client Regulations to require that lists of persons employed at construction sites shall include personal ID numbers and be kept electronically	The Ministry of Labour and Social Affairs
17	Evaluate measures initiated to counteract social dumping and irresponsibility in working life	The Ministry of Labour and Social Affairs
18	Survey hiring out of labour	The Ministry of Labour and Social Affairs
19	Survey the extent of the black economy	The Ministry of Finance
<b>Information</b>		
20	Extend provision of information to foreign workers in Norway	The Ministry of Labour and Social Affairs coordinates
<b>International cooperation</b>		
21	Strengthen cooperation with foreign labour inspection agencies – follow up EU efforts to counteract undeclared work	The Ministry of Labour and Social Affairs coordinates
22	Implement the Posting of Workers Enforcement Directive in Norwegian law	The Ministry of Labour and Social Affairs

## **Cooperation with the social partners**

### **Strategic cooperation on combating work-related crime**

The Government will cooperate with the social partners on broad and sustained efforts to combat work-related crime. As part of the preparations for the strategy on combating work-related crime, a top-level meeting has been held with participants from affected government agencies and organisations. This type of cooperation will be maintained and followed up within the framework of the Government's contact committee with the social partners, also emphasising the effects on wage formation and the Norwegian economy. A top-level meeting on this topic is to be held during years with revision of the Basic Collective Agreement, for the first time in 2016.

Responsible: The Office of the Prime Minister coordinates

### **Further develop tripartite sectoral cooperation in exposed sectors**

In the cleaning services sector, the restaurants, bars and night-clubs sector and parts of the transport sector, tripartite sectoral programmes have been established in cooperation between the authorities and the social partners. In the construction industry, the authorities and the social partners cooperate on measures within health, safety and environment aimed at achieving an accident-free industry. By means of this cooperation with the social partners, the authorities will also consider further follow-up of proposals from the social partners for measures for increasing the responsibility of the sectors concerned.

Responsible: The Ministry of Labour and Social Affairs

## **Control and follow-up**

Work-related crime usually involves violations of *different* categories of legislation. Reinforced cooperation between two or more public agencies is therefore of paramount importance in combating this type of crime. In 2015, a number of measures are to be carried out jointly by the Labour Inspection Authority, the Tax Administration, the police, NAV Kontroll [the fraud detection division of the Norwegian Labour and Welfare Administration] and other public agencies. In order to combat work-related crime, the agencies must be able to exchange information and coordinate their resources as well as possible. In many places there is already extensive cooperation between agencies. This is to be systematised and followed up at national, regional and local levels.

The Government has proposed reforms of the Tax Administration. A very important measure in the fight against the black economy involves transfer of the control of employers, currently carried out by the municipal tax collectors, to the Tax Administration. This will result in more correct assessment of taxes, while increasing compliance and thereby securing tax income for the community as a whole.

### **Extend the regional and local cooperation between agencies**

In order to make cooperation between agencies more binding, provisions are to be made for extension of practical operational cooperation at regional and local levels. This

is to be formalised, for example, by means of cooperation agreements. At the local level, agencies must be able to act rapidly and cooperate on supervision when necessary. In the letters of allocation for 2015, the Ministries will request the agencies to make provisions for extended operational cooperation at regional and local levels. An external evaluation is to be conducted of how the local cooperation between agencies functions. The report of this evaluation is to be submitted during the first half of 2016.

Responsible: The Ministry of Labour and Social Affairs coordinates

### **National Interagency Centre for Analysis and Intelligence**

It is important to facilitate that the police and the control agencies are able to exploit intelligence gathered in order to develop and implement more effective, powerful and accurate crime fighting.

The Police Directorate and the Directorate of Taxes are to be assigned the task of planning the establishment of a *National Interagency Centre for Analysis and Intelligence* for the police and the control agencies, including the Tax Administration, the Norwegian Labour and Welfare Administration (NAV) and the Labour Inspection Authority, among others. Consideration and establishment are to be carried out in cooperation with relevant control agencies and the Director General of Public Prosecutions. The centre is to prepare a continuous national threat assessment for joint strategic measures for combating economic crime, including work-related crime, and specific intelligence reports that provide a basis for joint efforts to combat criminals and criminal networks.

The centre is to report to the *Central Cooperative Forum* which, from 2015, consists of the Director General of Public Prosecutions, the National Police Commissioner, the head of Økokrim [National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway], the Director General of Taxation and the Director General of Labour and Welfare. In addition, from 2015, the Director of the Labour Inspection Authority will attend meetings of the forum. Through the participating agencies, the cooperative forum is to make decisions concerning joint priorities and coordination of the agencies' activities in order to ensure operational follow-up of reports issued by the National Centre for Analysis and Intelligence.

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

### **Strengthened data sharing between control agencies and between control agencies and the police**

Data sharing is one of the most important preconditions for achieving effective interagency cooperation between control agencies and the police. The Government will provide for strengthened data sharing in work on preventing and combating economic crime.

The Police Directorate, in cooperation with the control agencies, is to be assigned the task of establishing an interagency working group charged with preparing a national guide to data sharing between control agencies and between control agencies and the police. The working group is furthermore to investigate possible weaknesses in current legislation that prevent effective crime fighting, and outline proposals for any statutory amendments.

Responsible: The Ministry of Justice and Public Security coordinates

### **More effective sanctions against economic crime**

Effective sanctions against economic crime play an important part in ensuring compliance with legislation. The Government wishes to set up a system of sanctions combined with an increased risk of being caught, while encouraging better utilisation of the resources of the control agencies and the police and prosecuting authority.

Transfer of sanctions in connection with less serious offences from the criminal process chain to the control chain would enable sanctions to be imposed for more offences, more rapid reaction and freeing up of police resources for more serious and complex cases.

The Government wants the scope for use of administrative sanctions to be exploited effectively, particularly in tax legislation, accounting legislation and the legislation regulating social security and welfare benefits. In order to increase the scope for administrative sanctions, priority is to be given to work in progress. An investigation is also to be made of whether there are other less serious offences where it would be more appropriate to impose administrative sanctions instead of penal sanctions. Necessary amendments to legislation will then be proposed.

In order to strengthen legal safeguards when imposing administrative sanctions, the Government will, as part of the follow-up of the report of the Committee on Sanctions, Official Norwegian Report NOU 2003: 15, propose that a new chapter be added to the Public Administration Act.

Responsible: The Ministry of Justice and Public Security, the Ministry of Finance and the Ministry of Labour and Social Affairs

### **Bankruptcy coordinators in the police**

The Government will strengthen efforts to combat bankruptcy crime and serial bankruptcy filers, among other reasons, to combat work-related crime more effectively. Bankruptcy coordinators are to be established in the largest police districts on the pattern of the 'Oslo model'. The Police Directorate and the Norwegian Advisory Council on Bankruptcy, are to be assigned the task of preparing a national standard for reports from bankruptcy administrators and for routines for cooperation between the police, bankruptcy administrators and bankruptcy courts on the basis of experience gained from the 'Oslo model'.

Responsible: The Ministry of Justice and Public Security

### **Business and industry contacts in the police districts**

In many cases preventing and reducing crime is easier for business and industry and civil society, including the social partners, than it is for the police, not least where work-related crime is concerned.

Business and industry contacts are to be established in the 'new' police districts on the pattern of the post of business and industry contact at the National Bureau of Crime Investigation (Kripes). The purpose of the business and industry contacts is to ensure sound local cooperation between the police, business and industry, relevant organisations and other actors in civil society. This will help to facilitate proactive and precise measures in business and industry and other private actors, and support knowledge-based crime fighting in the police.

The Police Directorate is assigned the task of coordinating the efforts of the new business and industry contacts with the established business and industry contact at the National Bureau of Crime Investigation (Kripes).

Responsible: The Ministry of Justice and Public Security

### **Procurements**

In connection with its procurements, the public sector must take the lead in work on promoting responsible working life. The Regulations concerning wages and working conditions in public contracts implement ILO Convention No. 94 on labour clauses in public contracts in Norwegian law.

### **Introduce a provision in the Public Procurement Regulations enabling limitation of the number of subcontractors in particularly challenged sectors**

In connection with work on the recommendations of the Norwegian Government Commission on simplification of the national rules on public procurement, the Government will propose a new provision in the Public Procurement Regulations enabling limitation of the number of subcontractors in the contract chain in connection with public procurements in particularly challenged sectors. This will make it easier to monitor and communicate with the various subcontractors in the contract chain. Such a provision will be included in the Public Procurement Regulations, and the amendment may enter into force from summer 2015. The relationship to EEA law must be clarified.

Responsible: The Ministry of Trade, Industry and Fisheries

### **Introduce a requirement in the Public Procurement Regulations that undertakings shall have apprentices in areas where there is a particular need**

A provision is to be included in the Public Procurement Regulations requiring contracting parties to require the use of apprentices. Such a requirement may, as is

currently the case, only be imposed when a need for apprenticeships has been determined in the sector concerned. The rules are to state the sectors and/or areas where there is a particular need for apprenticeships. The requirement regarding use of apprentices is to apply equally to Norwegian and foreign contractors. It is stressed that it will not be deemed sufficient that the contractor is merely associated with an apprenticeship scheme. The contractor must have one or more apprentices in its employ when carrying out the contract concerned. A number of amendments may be made to the regulations in 2015, while the requirement to impose such a requirement may only be made following a statutory amendment, and will therefore be introduced in 2016. The relationship to EEA law must be clarified.

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

### **Establish an arrangement facilitating control of suppliers' responsibility**

It must be made easier for private individuals, public agencies and enterprises to check the responsibility of suppliers. Work is to be started on establishing an arrangement facilitating control of suppliers' responsibility. Such an arrangement will be based on necessary information made available by relevant authorities and registers.

Responsible: The Ministry of Trade, Industry and Fisheries

### **Guide to best practice for compliance with the Regulations concerning wages and working conditions in public contracts**

Public procurement legislation plays an important role in setting standards in working life, and constitutes a direct instrument in relation to the actors in the market. Guidance and development of standards for 'best practice' make it easier for undertakings to operate responsibly. The Agency for Public Management and eGovernment (Difi) is preparing a guide to best practice for compliance with the Regulations concerning wages and working conditions in public contracts to be issued in March 2015.

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

## **Knowledge**

More guidance and information must be provided to foreign workers who are in Norway for short periods. An evaluation must be made of the measures already introduced to combat irresponsible working conditions.

### **Recognition of foreign vocational qualifications**

Of central importance in the fight against work-related crime is a better system for control of vocational qualifications so as to enable specification of requirements regarding recognised qualifications in, for example, contracts or tenders. Work has begun on establishing a national recognition system for foreign vocational

qualifications. The Ministry of Education and Research will receive proposals for consideration early in 2015.

Responsible: The Ministry of Education and Research

**Further develop the arrangement for central authorisation of enterprises in the construction industry, and consider potential models for registers or authorisation schemes documenting whether enterprises comply with the rules**

It is sometimes difficult for private developers and construction enterprises to find law-abiding contractors. As a means to assisting in this, the arrangement for central authorisation of enterprises in the construction industry is therefore to be further developed. Furthermore, potential models are to be considered for registers or authorisation schemes documenting whether enterprises comply with the rules.

Responsible: The Ministry of Local Government and Modernisation

**Improve the HSE card arrangement in the construction and cleaning services sectors**

The HSE card arrangement provides a better overview of the actors in the various sectors, thus allowing more effective supervision. Work has been started on further development of the arrangement in order to enable real-time searching in public registers. Measures are also to be implemented to counteract misuse of the cards.

Responsible: The Ministry of Labour and Social Affairs

**Amend the Construction Client Regulations to require that lists of persons employed at construction sites shall include personal ID numbers and be kept electronically**

It is to be laid down in the Construction Client Regulations that the list of workers who perform work at the construction site is to be kept electronically and contain personal ID numbers in consistency with the requirements regarding personnel lists pursuant to the Bookkeeping Act.

Responsible: The Ministry of Labour and Social Affairs

### **Evaluate measures initiated to counteract social dumping and irresponsibility in working life**

The Government will evaluate the measures implemented to date against unacceptable wages and working conditions. A number of these measures were recently evaluated. During 2014–2015 an analysis of the effect of general application on wage formation and the labour market will be conducted. A multi-year research project (2014–2018) on the various forms of affiliation in the labour market (permanent employment, fixed-term contracts, temporary agency work, contract workers, etc.) has also been initiated. In 2015, an evaluation will be begun of the Regulations concerning wages and working conditions in public contracts (adopted in 2008), and the arrangement for public authorisation of cleaning companies (adopted in 2012). The overall extent of measures is to be assessed on the basis of existing and planned evaluations.

Responsible: The Ministry of Labour and Social Affairs

### **Survey hiring out of labour**

An examination is to be made of the need for better statistics and knowledge concerning the hiring out of labour. As a basis for this, the general developmental trends in the temporary agency sector are to be investigated. An investigation of compliance with the equal treatment provisions of the Temporary Agency Work Directive is to be conducted during 2015. Assessment is to be made of the enforcement of the equal treatment provisions and of any need for new measures.

Responsible: The Ministry of Labour and Social Affairs

### **Survey the extent of the black economy**

The Tax Administration will investigate the possibility of calculating the tax gap in Norway. Calculation of the tax gap will make it possible to estimate the size of the black economy. In this work, the Norwegian Tax Administration will cooperate and exchange experience with the tax authorities of Sweden, Denmark and the UK, which have long experience of investigating the tax gap and the black economy. The Tax Administration will also conduct dialogues with relevant research institutions. Better knowledge and understanding of the black economy will provide valuable input to the Tax Administration's efforts to combat economic crime and work-related crime.

Responsible: The Ministry of Finance

## **Information**

### **Extend provision of information to foreign workers in Norway**

An overall review is to be made of the provision of information to foreign workers, and measures are to be taken to make this information more well known. It is particularly challenging to communicate more effectively with posted workers. During 2015, in cooperation with the control agencies and Service Centres for Foreign Workers, investigations are to be made to identify the points of contact that can be used to

provide sound and targeted information on the rights of individuals in Norwegian working life and on where help can be obtained.

Responsible: The Ministry of Labour and Social Affairs coordinates

## **International cooperation**

### **Strengthen cooperation with foreign labour inspection agencies – follow up EU efforts to counteract undeclared work**

During 2015, the European Commission will establish a common European platform to strengthen cooperation between labour inspection agencies and other enforcement authorities in member states. It is proposed that EEA countries shall be able to attend meetings as observers.

The platform will address issues of central concern to Norwegian control and inspection agencies in their work on combating breaches of the rules and work-related crime. The Government will ensure that this is actively followed up by the Norwegian authorities.

Responsible: The Ministry of Labour and Social Affairs coordinates

### **Implement the Posting of Workers Enforcement Directive in Norwegian law**

The Enforcement Directive was adopted by the EU in May 2014, and its purpose is to ensure that workers posted in connection with provision of services in other member states receive the protection to which they are entitled pursuant to the Posting of Workers Directive.

The Enforcement Directive falls under the scope of the EEA Agreement and is to be implemented in Norwegian law by 18 June 2016. The Enforcement Directive focuses on strengthened enforcement and cooperation between control agencies across national borders, and clearly signals that evasion and violation are unacceptable. The Directive supports the Government's aim to strengthen cooperation between public agencies in the fight against work-related crime.

Responsible: The Ministry of Labour and Social Affairs

## **Follow-up of notified measures**

The measures referred to above will be closely linked to and reinforced by a number of measures already implemented or proposed in other connections:

### **Increased level of penalties in the Working Environment Act and the General Application Act**

The Government has submitted proposals to increase the maximum penalties provided by the Working Environment Act and the General Application Act and to introduce a complicity liability for violations of the General Application Act. This clearly signals that the maximum penalties for violations of the Act should be increased, and that prison

sentences should be imposed to a greater extent in cases where there are circumstances indicating increased severity of the sentence. The Government has at the same time proposed removal of criminal liability for chapters of the Working Environment Act where penalties are inappropriate, and where an infringement fee would be a more appropriate instrument.

**Reinforced operational cooperation between the Labour Inspection Authority, the Tax Administration, the police and the Norwegian Labour and Welfare Administration (NAV)**

In the National Budget for 2015, NOK 8.3 million each has been allocated to the Labour Inspection Authority, the Tax Administration and the police for development of joint operations. NAV Kontroll [the fraud detection division of the Norwegian Labour and Welfare Administration] will also take part in this work. This allocation will be applied, among other things, to joint operation groups and joint inspections that may have greater potential for detecting unlawful circumstances.

**Strengthening of the police**

The police budget has been strengthened considerably in the National Budget for 2015. Funds will be dedicated to combating economic crime, and follow-up of such cases will thus be strengthened.