



Norwegian Ministries

Strategy

Revised strategy for combating work-related crime

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Revised strategy for combating work-related crime

Foreword

Work-related crime has serious consequences for workers, enterprises and for society as a whole.

A good and sound working life in Norway depends on compliance with rules governing working life, while preventing and combating work-related crime.

The Government presented its strategy for combating work-related crime in 2015. The strategy was revised and updated in 2017, and it has now also been subject to a new revision in February 2019. The work on the strategy has been carried out in dialogue with the social partners.

The Government will combat work-related crime with targeted measures, enhanced control efforts and cooperation between authorities and the social partners.



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1 Introduction

The Government presented its strategy against work-related crime in January 2015. The strategy was prepared on the basis of dialogue with the main employer and employee federations. The main directions of the strategy are: broad and sustained cooperation with all parties in the organised working life and improved coordination between government agencies to achieve the greatest possible impact from their joint efforts. The strategy was revised in February 2017, and again in February 2019.

Work-related crime continues to be a significant problem with serious consequences for affected workers, enterprises and society in general. Work-related crime can lead to reduced value creation and can thus undermine the foundation for the Norwegian welfare state. Today, Norway is a country characterised by trust. It is important that statutes and rules are followed, and that the latitude in which criminal actors act is reduced, if we want to maintain trust and confidence in working life.

A number of measures have been initiated to combat work-related crime as a follow-up to the Government's 2015 strategy. However, the agencies report that the criminal actors have become more adaptable to avoid being discovered, and that they increasingly camouflage their activity behind a seemingly law-abiding facade. This means that it has become more challenging to combat criminal actors than before. The Government wants to reinforce its efforts to prevent and combat work-related crime. Heightened focus on prevention, a better basis of knowledge and more targeted information will contribute to shrinking the market for the criminal actors.

This revised strategy emphasises prevention, knowledge and information as important areas. The measures in the revised strategy have been updated, some new areas have been added and measures that have already been implemented have been withdrawn.

Main areas of the strategy:

Cooperation with the social partners

Broad-based and lasting cooperation in working life is necessary in order to combat crime and irresponsible working conditions. The Government places this topic on the agenda, both in its own top-level meetings on work-related crime and in the Government's Contact Committee with the social partners, and will follow up the measures in this strategy with the social partners.

Prevention and procurements

The procurement rules contain provisions that are intended to contribute to preventing work-related crime and irresponsible working conditions in public procurements. Private enterprises are also responsible for combating work-related crime in their deliveries.

The market for consumer services is large, and parts of this market may be attractive for criminal actors. The Government wants to reduce the market available to the criminal actors. It must be easier to identify the serious parties, and it must be more difficult for the irresponsible parties to offer their services. This shall take place in part through measures aimed at government clients, raising consumer awareness and reinforcing interaction with professional private purchasers. The social partners also in working life also play an important role as catalysts in the efforts against work-related crime, both in relation to their own members and the authorities.

Knowledge

Knowledge about work-related crime as a phenomenon, including scope, causes, consequences and development, is necessary in order to effectively prevent and combat it. A good basis for assessing the effect of the measures that are implemented will improve the possibilities for learning, correcting and guiding efforts against work-related crime.

Information

Targeted information to foreign workers and enterprises that carry out assignments in Norway is important in the effort to prevent work-related crime and irresponsible working conditions. One important objective is to ensure that foreign workers are aware of their rights and obligations, know what they can demand from their employer, as well as their rights to assistance and protection if they are exposed to human trafficking or other punishable offences.

Control and follow-up

Work-related crime is complex and must be combated through a joint effort on the part of the police, the Norwegian Tax Administration, the Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Service and other public agencies. This cooperation has been strengthened and made more systematic at the national, regional and local levels. The fact that the agencies share information with each other and utilise their collective sanction potential is important to ensure effective control and follow-up by the public authorities.

Better registration schemes and identity management

The public agencies that cooperate on fighting work-related crime report that the criminal actors and networks are well-organised. They report professional parties who employ various and creative methods in violation of prevailing regulations to ensure access to the market and financial profit. Using false and incorrect identities enables e.g. the use of fictitious employment contracts and relationships. The Government will continue its work to combat identity abuse, and to promote secure identification. Registration of foreign service-providers that perform work in Norway will be improved.

International cooperation

Crime and irresponsible working conditions are transnational challenges. In a report sent the European Commission in 2017, the Government has proposed strengthening European cooperation against work-related crime. Strengthening cooperation with supervisory and control authorities in other countries is important to achieve results. Norwegian authorities take part in a number of international collaboration efforts. Norway and EEA Grants can contribute to such work in countries that receive such funding, in accordance with the Government's Strategy for cooperation with the EU.

2 Challenges

Work-related crime

Work-related crime entails activities that violate Norwegian legislation concerning wages and working conditions, national insurance and taxes, often in an organised form, that exploit workers or distort competition and undermine the social structure.

The element of multi-crime is a characteristic feature of work-related crime. The presence of one or more of the following elements is characteristic of work-related crime:

- Crime related to taxes and government fees – violation of the Taxation Act, the Tax Administration Act, the Tax Payment Act and the Value Added Tax Act
- Gross violations of accounting and bookkeeping practices – incorrect and deficient accounting and use of fictitious/incorrect documentation
- Corruption
- Breach of trust – unlawful bleeding of companies
- Bankruptcy crime
- Money laundering
- Currency smuggling
- Human trafficking
- Social security fraud – receiving national insurance benefits while working undeclared
- Gross fraud – commissioned fraud, invoice fraud, fraud against the financial sector
- Providing incorrect or false information and documentation to public authorities – including use of false identity and recording of incorrect data in public registers
- Gross violations of the Working Environment Act and the General Application Act
- Exploitation of labour in violation of statutes or agreements
- Violation of the Immigration Act – use of illegal workers

Relationship to social dumping

Work-related crime involves criminal offences, which is not necessarily the case as regards social dumping. In many cases, social dumping/irresponsible working conditions will coincide with violation of various statutes that govern working life, but not always. The efforts to combat social dumping are generally more wide-ranging than the measures targeting work-related crime, while there can also be examples of crime in working life that do not adversely affect employees. Therefore, there is some overlap between social dumping and work-related crime.

Relationship to human trafficking

Human trafficking in the form of forced labour is a serious form of work-related crime. Workers who live under shameful conditions and lack control over their own work and

life circumstances are indications of forced labour. This can include use of force, dependency and pressure, which the person feels compelled to accept in order to avoid the employer notifying the authorities regarding unlawful residence or other factors that can have negative consequences for the person.

Relationship to economic crime

Work-related crime is linked to economic crime. Economic crime is often defined as “profit-motivated, unlawful actions that are often committed within or originating from an economic activity that is, in and of itself – or that purports to be – legal”. Money laundering, tax, fee or toll evasions, accounting crime and securities crime fall under this definition. The strategy to counteract work-related crime is an important part of the Government’s overall measures to combat economic crime.

Challenges regarding wage formation

Crime and irresponsible conditions undermine the values that form the basis for cooperation between the parties in Norwegian working life. The official Norwegian report (NOU 2013:13) of the Holden Committee, which assessed the challenges facing wage formation in Norway in its recommendation, stated that systems to counteract social dumping and the race to the wage bottom would be necessary for a long time to come. The official Norwegian report (NOU 2016:15) of the Cappelen Committee concluded that the Holden Committee’s assessments are still valid. All of the main organisations in working life were represented in both these committees.

What is the scope of work-related crime?

In a report prepared on assignment from the Norwegian Tax Administration, the independent analytical group Economics Norway, has estimated tax and fee evasions in connection with work-related crime in 2015. Economics Norway indicates a range between 12 and 60 billion kroner as an estimate for the scope of failure to pay taxes and fees.

Economics Norway has also estimated the scope of hidden value creation, which includes data relating to detected income and the basis for employers’ contributions linked to work-related criminal acts, as well as an estimate of the value of relevant national insurance fraud. Economics Norway estimates the range of hidden value creation at between 28 and 108 billion kroner in 2015. 28 billion kroner is equivalent to 1.2 per cent of GDP Mainland Norway. Economics Norway’s calculations indicate that the scope of work-related crime was increasing in the period from 2000–2009, but that it has levelled off after that.¹

The Norwegian Tax Administration has also conducted its own analyses based on the Administration’s control data and a series of questionnaires targeting enterprises and consumers. The Norwegian Tax Administration has determined that about fifteen per cent of all enterprises are involved in work-related crime, although there is some uncertainty associated with this estimate. The percentage is highest in parts of the construction industry and road freight transportation. The Norwegian Tax Administration’s analysis indicates that control and verification efforts on the part of public agencies lead to a reduction in the scope of work-related crime in those sectors and industries subject to close monitoring by the authorities.²

¹ Economics Norway (2017) *Analyse av former, omfang og utvikling av arbeidslivskriminalitet*. Report 69-2017. <Analysis of form, scope and development of work-related Crime>

² Norwegian Tax Administration (2017) *Omfanget av utviklingen av arbeidslivskriminaliteten i Norge - Analyse av risikobaserte kontroller*. Technical report 2017. <Scope of development of work-related crime in Norway – Analysis of risk-based verification

Survey of attitudes towards tax evasion

Survey of attitudes related to tax evasion can provide an indication of the development in work-related crime. The Norwegian Tax Administration conducts annual surveys among industries and enterprises, while Cooperation Against Underground Economy (SMSØ) conducts surveys among consumers every other year:

- SERO (Norwegian Tax Administration's survey of compliance, reporting and risk of discovery)
- Survey of the building and construction sector "B2B Market" (BA proff)
- SMSØ (Collaboration against Underground Economy) survey of undeclared work in the private market

SERO poses questions to business operators about the likelihood of the tax authorities discovering tax evasions in their sector. In the 2018 survey, about 70 per cent report that the likelihood of being discovered is high, which is an increase of 10 per cent from 2016. SMSØ's survey of the scope of undeclared work in the private market indicates a decline in the purchase of undeclared labour, from 14 per cent in 2016 to 10 per cent in 2018.

Report on work-related crime in Norway

In 2017, the National Inter-Agency Center for Analysis and Intelligence (NTAES) prepared a situational description on work-related crime.³ This report is based on a similar situational description from 2014. At that time, the report showed that work-related crime was in the process of becoming more systematic and organised. This development has continued. The situational description from 2017 shows that enterprises increasingly camouflage their violations of the law behind a seemingly law-abiding facade. The agencies experience a growing degree of activities being moved among enterprises, that new enterprises are constantly being established and that sole proprietorships are used where, in fact, there is actually an employer responsibility. Use of fictitious and false documentation is highlighted as a very significant challenge, and this is used e.g. to camouflage undeclared work. There is also an increasing tendency towards use of false IDs and ID abuse, and this plays a key role in cases of fraud.

The criminal actors operate in several sectors and they often move their operations between sectors. The scope still appears to be highest in the construction sector, but the agencies also uncover many violations in service activities linked to property operations, car washes and repair shops, cleaning, hairdressers/beauticians, food service, etc. Road freight transportation is also mentioned as an arena where criminal actors operate.

³ National Inter-Agency Center for Analysis and Intelligence (NTAES) (2017) Situational description 2017 – Work-related crime in Norway.

Survey of social security fraud

In an analysis commissioned by the Directorate of Labour and Welfare in 2013, PROBA Research estimated that the scope of social security fraud amounts to five per cent of all disbursements for transitional benefits, work assessment allowances, disability pensions, unemployment benefits and parental benefits.¹ In 2018, Oslo Economics estimates that the scope of incorrect payments linked to sick pay, which comprise both deliberate acts (social security fraud) and unconscious acts (e.g. user or process errors), account for between 150 and 550 million kroner each year.² Oslo Economics has also been assigned the task of analysing incorrect payments in the field of unemployment benefits.

¹ PROBA Research (2013) Social security fraud in Norway.

² Oslo Economics (2018) Mapping the scope of incorrect payments in the field of sick pay.

Common goals for the multi-agency collaboration against work-related crime

The Norwegian Labour Inspection Authority, the police, the Norwegian Tax Administration and the Norwegian Labour and Welfare Service have organised a broad-based collaboration on efforts to combat work-related crime. The agencies have agreed to organise their joint efforts to achieve the following goals:

- *Key parties posing threats* have experienced a substantial reduction in their capacity and intentions
- *Foreign employees* have been empowered to safeguard their rights and fulfil their obligations
- *Consumers and employers/principals* do not contribute to work-related crime through purchases of goods and services

The agencies will employ various instruments to combat criminal actors in working life, such as seizing assets, shutting down enterprises, withdrawing rights, prevention against organising and camouflaging illegal activity and criminal prosecution. It is an objective that the criminal actors shall perceive organising and camouflaging their violations as being difficult, as well as obtaining access to capital, customers, suppliers, expertise and manpower; all of which they rely on to operate outside the law. The objective is that the criminal actors shall perceive it as being difficult, preferably impossible, to earn money on this type of activity in working life. The agencies will also implement measures aimed at foreign employees to reinforce their ability to safeguard their own rights and obligations. Moreover, the agencies shall develop and implement multi-agency preventive measures aimed at consumers and employers/principals.

Agencies' responses in combination

When the agencies coordinate their responses and use them in combination, this gives the agencies a considerable potential when it comes to limiting or stopping criminal actors. The example below shows how a combined use of reactions from the working life crime centres and the line organisation in the agencies contributed to reducing the capacity of an enterprise where multiple criminal actors were involved¹:

"Unregistered East"

A foreign enterprise in the construction sector operated in Norway for several years, without being registered in the country¹. The enterprise operated as the main contractor for property companies and private developers, and regularly used several companies as subcontractors at various construction sites. When the agencies investigated the enterprise, they uncovered multiple violations of various statutes and rules, and the following policy instruments were used:

- The Norwegian Labour Inspection Authority halted the enterprise's operations due to imminent danger and failure to comply with previous orders.
- The police expelled the workers from the site, and halted the operations.
- The police, in cooperation with the Directorate of Immigration, arrested and subsequently expelled non-EU country citizens without a residence permit. False identities were revealed, with resulted in charges being filed.
- The Agency for Planning and Building Services withdrew the right to accept responsibility from an enterprise (assistant to "Unregistered East") due to insufficient constructional engineering quality of the work.
- The Norwegian Labour Inspection Authority fined the building owner.
- One of the contributing enterprises was declared bankrupt.
- An audit was performed and back taxes and employers' fees were assessed on previous and current principals to the unregistered enterprise. Securing of assets and collection was implemented for several of them.
- An audit was performed of the unregistered enterprise for collection and securing of assets.

The agencies note that the case was complex and had a broad scope, with multiple involved actors. The agencies employed reactions aimed at several building owners and principals, in addition to "Unregistered East" and collaborating enterprises. The example emphasises the importance of cooperation with other authorities, in this case the Agency for Planning and Building Services. Here the loss of the right to accept responsibility entailed significant negative consequences, such as loss of the opportunity to participate in future construction projects.

¹ National Inter-Agency Intelligence Centre (2018) More effective sanctions.

3 Status of revised strategy 2017

The measures in the strategy to counteract work-related crime are followed up through a broad collaboration including involvement by the Office of the Prime Minister and nine ministries. A dedicated state secretary commission follows up, and the cases are regularly discussed with the social partners. Top-level meetings are held, led by the Prime Minister, and the collaboration is followed up within the framework of the Government's Contact Committee with the social partners. Semi-annual status reports have been prepared including descriptions of how the measures are implemented. The status after two years shows that many of the measures have been or are being implemented. Some measures have been continued, or further developed. Some measures are ongoing, such as the cooperation with the social partners.

No	Measure	Ongoing work	Being implemented	Implemented
Cooperation with the social partners				
1	Tripartite cooperation against work-related crime	X		
2	Further develop tripartite industry cooperation in vulnerable sectors	X		
3	Collaboration against underground economy		X	
4	Business contacts in the police			X
5	Assessment of various aspects of temporary agency work			X
Verification and follow-up				
6	Further develop a binding and coordinated cooperation between the agencies	X		
7	National Inter-agency Centre for Analysis and Intelligence			X
8	Strengthen information sharing between control agencies and between the control agencies and the police		X	
9	More effective sanctions against violations of the law within economic crime		X	
10	Bankruptcy coordinators in the police			X
11	Better registration and follow-up of vulnerable employees and service providers		X	
12	Better registration quality in public registers		X	
Procurements				
13	Information and follow-up of the regulations for public procurements			X
14	Develop system which makes it easier to verify whether suppliers are responsible		X	
15	Reinforce Authorisation scheme for cleaning enterprises			X

No	Measure	Ongoing work	Being implemented	Implemented
Knowledge				
16	Recognition of foreign vocational qualifications			X
17	Further develop the central approval system for enterprises in the building and construction sector, and introduce a register scheme for responsible enterprises		X	
18	Survey on forms of affiliation in working life and use of foreign labour			X
19	Improve knowledge concerning tax evasions and the black economy		X	
Information				
20	Provide targeted information for foreign workers in Norway		X	
International cooperation				
21	Strengthen cooperation with foreign labour inspection agencies- follow-up undeclared work		X	
22	Implementation of the Posting of Workers Enforcement Directive in Norwegian law			X
More secure identity and identity management				
23	Review of security levels in ID documents		X	
24	ID control in connection with issue of D-numbers and overall responsibility for citizens of EEA member states		X	
25	Consider linking biometric data between the National Population Register, the Passport Register and the Register of Foreign Nationals		X	

4 Revised strategy for combating work-related crime

Overview of measures

Below is an overview of the measures in the revised strategy. Several of the measures have been changed as compared with the revised strategy presented in 2017. Some of the measures are placed differently, and new measures are included. A status report will be prepared based on the revised strategy.

No	Measure	Responsible ministries
Cooperation with the social partners		
1	Tripartite cooperation against work-related crime	The Office of the Prime Minister coordinates
2	Continue work on tripartite industry cooperation in vulnerable sectors	The Ministry of Labour and Social Affairs
3	Measures to promote responsibility in the construction sector	The Ministry of Local Government and Modernisation, the Ministry of Labour and Social Affairs and the Ministry of Finance
Prevention and procurements		
4	Stronger inter-agency cooperation on prevention of work-related crime	The Ministry of Finance, the Ministry of Justice and Public Security and the Ministry of Labour and Social Affairs
5	Business-related contacts in the police	The Ministry of Justice and Public Security
6	Develop service that makes it easier to verify whether suppliers are responsible – eBevis	The Ministry of Trade, Industry and Fisheries and the Ministry of Children and Equality
7	Information and follow-up of regulations for public procurements	The Ministry of Trade, Industry and Fisheries, the Ministry of Labour and Social Affairs and the Ministry of Education and Research
8	Collaboration against underground economy	The Ministry of Finance
9	Make it easier for consumers to choose responsible market players	The Ministry of Children and Equality, the Ministry of Labour and Social Affairs and the Ministry of Finance
10	Make it easier for private businesses to be responsible	The Ministry of Labour and Social Affairs and the Ministry of Finance coordinate
11	Reinforced follow-up of suppliers in connection with purchase of labour market measures	The Ministry of Labour and Social Affairs
Knowledge		
12	Better knowledge about work-related crime	The Ministry of Finance coordinates
13	Survey on the development of forms of affiliation in working life and the use of the general application of collective agreements	The Ministry of Labour and Social Affairs

No	Measure	Responsible ministries
Information		
14	Targeted information work vis-à-vis foreign workers and employers	The Ministry of Finance coordinates
15	Increased awareness in relation to victims of forced labour and human trafficking	The Ministry of Labour and Social Affairs and the Ministry of Justice and Public Security
Control and follow-up		
16	Further develop the inter-agency cooperation	The Ministry of Labour and Social Affairs coordinates
17	Stronger cooperation and follow-up in the road and transportation sector	The Ministry of Transport and Communications
18	Better sharing of information between public authorities	The Ministry of Justice and Public Security coordinates
19	More effective sanctions	The Ministry of Justice and Public Security and the Ministry of Labour and Social Affairs
20	Broader enforcement in relation to illegal hiring of temporary agency workers	The Ministry of Labour and Social Affairs
21	Effective confiscation	The Ministry of Justice and Public Security
22	Better access to bankruptcy information	The Ministry of Justice and Public Security coordinates
23	Agencies' cooperation with employers, employees and businesses	The Ministry of Labour and Social Affairs coordinates
Better registration systems and identity management		
24	Better register quality in public registers	The Ministry of Finance, the Ministry of Labour and Social Affairs and the Ministry of Trade, Industry and Fisheries
25	Better registration and follow-up of service providers and vulnerable workers	The Ministry of Labour and Social Affairs
26	More secure ID documents	The Ministry of Justice and Public Security coordinates
27	ID verification in connection with issuing D-numbers and comprehensive responsibility for EEA citizens	The Ministry of Justice and Public Security coordinates
28	Consideration of links between biometric data in the National Registry, the Passport Register and the Register of Foreign Nationals	The Ministry of Justice and Public Security coordinates
International cooperation		
29	Implement the Posting of Workers Directive in Norwegian law	The Ministry of Labour and Social Affairs
30	Stronger cooperation at the European level	The Ministry of Labour and Social Affairs coordinates
31	Reinforce the international cooperation between control authorities	The Ministry of Labour and Social Affairs, the Ministry of Finance, the Ministry of Justice and Public Security, the Ministry of Transport and Communications and the Ministry of Foreign Affairs

Cooperation with the social partners

Preventing and combating work-related crime requires cooperation between the authorities, employee and employer organisations. This tripartite cooperation takes place in a number of arenas and with different measures, such as tripartite sector programmes, the construction industry's accountability forum, collaboration against underground economy and business and industry contacts in the police. The plan is to exchange experience gained among the various authorities that are responsible for the respective cooperation arenas. The social partners play a key role when it comes to counteracting work-related crime. In addition to the cooperative measures with the authorities, they also take important action in their own right, in part by assisting vulnerable employees and providing advice and guidance about how enterprises can make demands on and follow up their own subcontractors.

1. Tripartite cooperation against work-related crime

The Government will continue its cooperation with the social partners on a broad, joint and strategic effort to combat work-related crime. Regular top-level meetings are held between the Government and the main organisations in working life as part of the follow-up of this strategy. The next meeting will be held in 2020. The tripartite cooperation against work-related crime will also be continued and followed up in the Government's Contact Committee with the social partners.

Responsibility: The Office of the Prime Minister coordinates

2. Continue work on tripartite industry cooperation in vulnerable sectors

Tripartite sector programmes have been introduced in cooperation between the authorities and the social partners as a means of contributing to decent and proper working conditions in vulnerable sectors. In 2018, a new sector programme was created for the automobile sector, which comes in addition to the existing sector programmes in cleaning services, transport and the hospitality service industry. The Norwegian Labour Inspection Authority facilitates the activity on the part of the authorities. The authorities and the social partners agree to perform an evaluation of the tripartite sector programme as a work form. The plan is to implement such an evaluation in 2019.

Cleaning services

The sector programme for cleaning was established in 2012. That same year, an authorisation scheme was introduced for cleaning services enterprises to improve the working conditions in the sector. A survey conducted in 2018 reveals that the sector still faces definite challenges. A specific guide has been prepared for purchasing cleaning services which is intended to assist enterprises in safeguarding their information obligation and the duty to care. The sector programme continues to work on issues including providing information to purchasers of cleaning services, a tool that businesses can use to perform risk assessments of working environment factors. An electronic guide for starting and operating such enterprises is planned, as well as language training and competence measures for employees in the sector.

Hospitality service industry

The sector programme for the hospitality service industry was established in 2014. A survey of the working conditions in the sector has been performed and is being followed up with measures, e.g. as regards information and guidance. In 2018, the sector programme

collaborated with the Brønnøysund Register Centre to develop an electronic guide for starting and running hospitality service enterprises. The sector programme also collaborated with the Equality and anti-discrimination Ombud on a guide and training to combat sexual harassment.

Transport

The sector programme for transport was established in 2014 and is geared towards road transportation of freight and motor coach traffic. Among other things, the sector programme has developed a guide for procuring transport services, and for ordering motor coaches. The continued work will include initiating a survey of the delivery truck market, which is only subject to the current regulation of the sector to a lesser degree. This is a growing part of the transport sector. The sector programme is working toward goals such as strengthening the public authorities' control collaboration in relation to the industry, as well as guidelines for foreign enterprises and drivers. In 2018, the sector programme mapped working conditions among Bulgarian and Romanian drivers who drive in Norway. The Norwegian Public Roads Administration is a regular participant in the sector programme.

Automobiles

The sector programme for the automobile sector was established in the autumn of 2018, and is led by the Norwegian Labour Inspection Authority in cooperation with the Norwegian Public Roads Administration. The background for establishing this programme is that parts of the automobile sector, including e.g. auto repair shops, car washes and tire-changing services, are subject to irresponsible working conditions and violations of the HSE regulations.

Responsibility: The Ministry of Labour and Social Affairs

3. Measures to promote responsibility in the construction sector

In cooperation with the sector and the social partners, the authorities are aiming active and targeted work towards promoting greater accountability and improving the working conditions of the employees. Among other things, the parties and the authorities are cooperating in the *construction sector's accountability forum*. To reinforce this cooperation, the effort will become part of the Collaboration against Underground Economy (SMSØ), starting from 2019.

The cooperation for safety in the construction industry is a concrete example of collaboration between the social partners and the authorities with the objective of contributing to an injury-free industry. Using these existing opportunities for cooperation, the authorities will assess measures proposed by the social partners, all in an effort to increase accountability in the sector.

The Government has appointed a committee of experts that will consider whether the current system of "Central approval of right to accept responsibility" in the Building Application Regulations, the declarations of right to accept responsibility in building matters, the independent verification and the proposed Accountability Register contribute towards achieving the objective of prudent construction quality, clear assignment of responsibility, qualified and accountable market parties. The committee will also examine the potential

need for new measures. The Ministry of Local Government and Modernisation will follow up the committee's report and assess policy instruments in relation to the Planning and Building Act to increase quality and accountability in the industry.

Responsibility: The Ministry of Local Government and Modernisation, the Ministry of Labour and Social Affairs and the Ministry of Finance

Prevention and procurements

One way to prevent work-related crime is to set stricter requirements for principals and suppliers. Public principals purchase goods and services for more than NOK 500 billion per year and have a particular responsibility for preventing work-related crime in their procurement processes. It is important that public and private principals as well as consumers acquire more information and knowledge about how they can prevent buying from suppliers and service providers engaged in criminal operations, and also that it is easier for them to find the responsible market players. The social partners also play an important role in encouraging work against work-related crime, both in relation to their own members and the authorities.

4. Stronger inter-agency cooperation on prevention of work-related crime

The police, the Norwegian Tax Administration, the Norwegian Labour and Welfare Service and the Norwegian Labour Inspection Authority will develop a joint prevention strategy against work-related crime. Cooperation with the social partners will be part of this work.

Among other things, the agencies will further develop *"Tettpå:"* (close follow-up) as a policy instrument in the preventive work arena. Tettpå: is a measure in which advisers from the public authorities make phone calls to private persons who have applied for building permits or who have purchased homes or holiday homes to inform them about things they should check and verify in connection with use of craftsmen and where they can find information. The consumers are also informed about their rights and obligations. Tettpå: is a collaboration between e.g. the Norwegian Tax Administration, the police, the Norwegian Labour and Welfare Service and the Norwegian Labour Inspection Authority, along with other partners such as the Directorate of Building Quality, the National Federation of House Owners, the Federation of Norwegian Construction Industries, the Norwegian United Federation of Trade Unions and Collaboration against Underground Economy. The measure has been in force in the municipality of Trondheim since 2016. As from the autumn of 2018, the measure was expanded to include additional municipalities in the Trøndelag, Buskerud, Vestfold, Telemark and Vest-Agder counties. Nationwide implementation of the measure is being considered.

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

5. Business and industry contacts in the Police

Over the last couple of years, the police have acquired special business and industry contacts in all police districts. Prevention is now a primary strategy for the police, and the

business and industry contacts are key resources e.g. in the police strategy for preventing work-related crime.

The business and industry contacts' contributions include communicating up-to-date knowledge about current threats to relevant enterprises and market players, providing advice to developers in major building and construction projects, maintaining contacts with regard to crime-related challenges with market players in vulnerable industries, and in general, being a driving force and facilitator for interaction between the police, the control agencies, business and industry and the organisations.

Responsibility: The Ministry of Justice and Public Security

6. Develop service that makes it easier to verify whether suppliers are responsible – eBevis

The Agency for Public Management and eGovernment (Difi) and the Brønnøysund Register Centre (BR) will establish a service that will give public sector principals real-time access to documentation in connection with procurement processes and contract follow-up. The eBevis service will, among other things, provide access to certificates of registration, bankruptcy and accounting information from the Brønnøysund Register Centre, as well as arrears on taxes and VAT from the Norwegian Tax Administration, and will thus be a tool suited for verifying whether suppliers are responsible. The plan is to launch the service during the first half of 2019. The service will be established with the functionality to control access for additional user groups, and can be expanded to include more data sources. In 2019, Difi will assess which registers are candidates for expansion of the service in the procurement area.

Consideration can also be given to how the eBevis service can be made available for various supervisory authorities in their work on supervision and control. There could also be other relevant user groups in public enterprises, as well as private professional principals who need to verify the accountability of subcontractors. There are several factors that must be clarified before such an expansion could be carried out, including legal, technical and security aspects.

The Government will also study whether consumers can and should be given access to real-time data from public registers. There are several aspects, particularly of a legal and security character, that must be clarified before such access can be granted.

Responsibility: The Ministry of Trade, Industry and Fisheries and the Ministry of Children and Equality

7. Information and follow-up of regulations for public procurements

The Government wants the public sector to set an example in the work to ensure accountable work practices in its procurement processes. In 2018, Difi launched a digital guide regarding the regulations on wages and working conditions in public contracts. While the guide is particularly aimed at municipal principals, it is also beneficial for other public principals. The guide contains information about applicable requirements, as well as recommendations on how to achieve compliance with the requirements – from

signing through follow-up of contracts. The guide also contains a special risk assessment tool to make it easier to determine the need to implement more control of the contracts. Difi has initiated training activities in connection with the guide, and is cooperating with the Norwegian Labour Inspection Authority and The Norwegian Association of Local and Regional Authorities (KS) to increase awareness regarding the guide. A survey is planned to measure compliance with the regulations. This could also tell us something about the effect of the guide and the need for improvements.

Guidelines have also been drawn up for the provisions introduced in 2017 as regards restrictions in the number of links in the supplier chain and the use of apprentices. Continued follow-up of this work is carried out by the Ministry of Trade, Industry and Fisheries and the Ministry of Education and Research in cooperation with Difi. The Ministry of Education and Research plans to start an evaluation of the apprentice requirement in 2019.

The Government has issued general guidelines to all agencies and public enterprises in the letters of allocation indicating that procurement processes must be implemented and followed up in a manner that counteracts work-related crime. These general guidelines will be continued in 2019. A summary of current knowledge will be compiled based on the annual reporting from the enterprises, about the systems and routines they have in place to prevent work-related crime in their procurement processes.

The Ministry of Trade, Industry and Fisheries aims to submit a white paper on public procurements in the spring of 2019. In the white paper there will be considered further measures to prevent work-related crime in public procurements.

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

8. Collaboration against Underground Economy

Key parties in employment, trade and industry (LO, NHO, KS, Unio and YS) and the Norwegian Tax Administration have cooperated over several years in an organised collaboration against the underground economy (SMSØ). The objective of this cooperation is to work in a way that influences opinion and has a preventive effect in relation to the "black economy". The measures target consumers, businesses and young people, and are laid out in an action plan.

Children and young people (Spleiselaget)

The "Spleiselaget" (sharing the load) programme is aimed at students in upper secondary school, to provide an introduction to the connection between value creation, tax and welfare. 'Spleiselaget' meets 40,000 students every year, while the computer game "Spleiselaget Byen" is played 130,000 times every year, primarily in lower secondary school. The preventive effort aimed at apprentices and students in the building and construction engineering is reinforced through the new "Spleiselaget lærling" apprentice programme in 2019.

Private market (Handle hvitt) < Buy declared>

A survey on undeclared work in the private market from 2018 shows that 10 per cent report having purchased “black” services over the last two years. This is the lowest number since the surveys started in 2006. Considerable challenges remain in the purchase of underground construction/carpenter services and cleaning services. SMSØ will cooperate with relevant players (including the Consumer Council) to coordinate and adapt information to consumers on the website handlehvitt.no.

Procurements in the public sector and business and industry

More than 50 municipalities have adopted SMSØ’s ten strategic actions to counteract the underground economy and work-related crime. A new version will be launched in 2019.

Responsibility: The Ministry of Finance

9. Make it easier for consumers to choose responsible market players

The Government wants to make it easier for the consumers to find responsible suppliers. One important measure here is a continuation of eBevis (cf. Measure 6), which will include a study of whether private consumers can be given access to the system.

In 2018, the Ministry of Labour and Social Affairs implemented several changes in the certification scheme for cleaning services in an effort to shrink the opportunities for criminal actors to do business in the cleaning services market. Among other things, a prohibition was introduced to prevent private consumers from buying cleaning services from non-certified enterprises. Consumers can easily check whether cleaning enterprises are certified in the Norwegian Labour Inspection Authority’s cleaning services register. It is important that the cleaning services register becomes well-known and used by consumers to prevent the purchase of undeclared services.

In May 2017, SMSØ launched an awareness campaign against the underground economy in the consumer market. The objective of the campaign is to raise awareness among consumers that it is illegal to buy undeclared goods and services, and that doing so entails support for criminal activity. SMSØ will cooperate with relevant market players (including the Consumer Council) to coordinate and adapt information to consumers, so that more people buy declared. To make it easier for consumers to choose responsible suppliers, a collaboration will be established between SMSØ and other public market players with a view towards developing a new advisory service on the website handlehvitt.no.

In the spring of 2019, the Ministry of Children and Equality will publish a white paper on consumer policies. The above topics will be discussed in a chapter devoted to the Government’s work to counteract work-related crime in the consumer markets.

Responsibility: The Ministry of Children and Equality, the Ministry of Labour and Social Affairs and the Ministry of Finance

10. Make it easier for private enterprises to be accountable

Private enterprises account for a significant part of the procurement market, and they must take responsibility for counteracting work-related crime. The Government will cooperate with the social partners on measures that can help private enterprises locate responsible suppliers. Through the tripartite sector programme, several digital guides have been developed to make it easier for the enterprises to conduct proper operations (cf. Measure 2).

NHO (Confederation of Norwegian Enterprise) is in the process of developing an e-learning tool that provides specific advice to private enterprises on the demands they should make on their suppliers. The plan is to launch the tool during the spring of 2019. SMSØ is also working to target the role of the orderer in business and industry, and is setting up effective and appropriate requirements in connection with high-risk procurements. A working group has been appointed in this area, and is expected to submit its recommendations during 2019. The Government will also consider whether eBevis can be made available for private professional principals (cf. Measure 6).

Responsibility: The Ministry of Labour and Social Affairs and the Ministry of Finance coordinates

11. Reinforced follow-up of suppliers in connection with purchase of labour market measures

The Norwegian Labour and Welfare Service is responsible for purchasing and administering labour market measures worth a substantial sum every year. The agency itself also organises measures and is responsible for the entire value chain for certain labour market measures. Risk has been identified in relation to criminal actors exploiting this market for their own gain and at the expense of vulnerable employees. This can include cases where users of labour market measures receive lower pay than presumed, where they are assigned different tasks or are placed in other enterprises than presumed. The risk of abuse of these measures applies in many different sectors, and can be used to finance criminal activity. The Norwegian Labour and Welfare Service will therefore reinforce the work to follow-up and supervise the labour market measures as a step in preventing work-related crime. Among other things, the agency will obtain an expanded overview over the services offered and working conditions with external suppliers of measures.

Responsibility: The Ministry of Labour and Social Affairs

Knowledge

Work-related crime is a complex challenge that demands work along various lines for both prevention and measures to combat and counteract the situation. More knowledge is needed about the scope of work-related crime and the effect of the authorities' measures. Surveys of development trends in working life and evaluation of the measures that are implemented, will contribute to better prioritisation and focusing of the continued efforts against work-related crime.

12. Better knowledge about work-related crime

The Government has established a National Inter-Agency Center for Analysis and Intelligence (NTAES) to reinforce efforts against economic crime, including work-related crime. The police, the Norwegian Tax Administration, the Customs Agency, the Norwegian Labour and Welfare Service and the Norwegian Labour Inspection Authority are participants. In 2017, NTAES prepared a situational description as regards work-related crime. This was a further development of the situational description from 2014, which was drawn up by the police and the control agencies. In 2018, NTAES presented a report on the sanctions available to the agencies and a report on criminal actors in working life based on an analysis of the police's register of criminal cases. An evaluation of NTAES will be conducted in 2020.

The knowledge base as regards work-related crime will be further developed. An important part of the agencies' efforts to build up knowledge is to measure and map the effects of the measures that are implemented. As a follow-up of joint goals and the management model for the inter-agency cooperation against work-related crime, the police, the Norwegian Tax Administration, the Norwegian Labour and Welfare Service and the Norwegian Labour Inspection Authority will establish an inter-agency analysis group to measure effects. The first joint assessments are expected in the annual reporting for 2019. The Norwegian Tax Administration will initiate and lead this work.

Responsibility: The Ministry of Finance coordinates

13. Survey on the development of forms of affiliation in working life and the use of general application of collective agreements

A research project was conducted from 2014–2018 to examine the use and development of forms of affiliation such as temporary employment, contract hiring and self-employed activity. The mapping reveals minor changes in the period, with some increase in the use of contract hiring, particularly within building and construction. The Ministry of Labour and Social Affairs was the principal for the project, which was carried out in cooperation with employer and employee organisations in working life. To examine the further development, including the consequences of changes in the rules regarding temporary agency work from 2019, a new research project will be implemented on the forms of affiliation in working life for the period 2018–2022. A survey will also be made of the scope and particular features of franchise and group factors, with emphasis on employer responsibility and employee rights. In 2018, a mapping was conducted of which regulations apply for posted employees. Surveys will also be conducted in connection with the system of general application of wage agreements.

Responsibility: The Ministry of Labour and Social Affairs

Information

Information adapted to foreign workers seeking employment in Norway will make it easier for them to know their rights and obligations, and to know what they can demand from their employers. Measures aimed at improved information and guidance for employers and enterprises are important to prevent work-related crime and irresponsible working conditions.

Verification of technical expertise is enhanced through the system of approving foreign technical education that is equivalent to a Norwegian certificate of apprenticeship or craft certificate. The system now includes a number of technical educations in the Baltic countries, Poland and Germany, and will be expanded to the Nordic countries in 2019.

14. Targeted information work vis-à-vis foreign workers and employers

The information offered to foreign workers and employers has been improved. There are service centres for foreign workers (SUA) in Oslo, Stavanger, Bergen, Trondheim and Kirkenes. At SUA, the Norwegian Labour Inspection Authority, the police, Norwegian Tax Administration and the Directorate of Immigration (UDI) work together to provide good guidance and rapid application processing for foreigners who come to Norway to work. At the same time, SUA is important in uncovering illegal working conditions and false identities. SUA will be further developed as the common meeting point between the agencies, foreign workers and their employers. Moreover, SUA will develop and carry out inter-agency guidance and information measures aimed at this target group.

Targeted information work shall be carried out in relation to foreign workers to focus on rights and obligations as an employee in Norway. In accordance with follow-up of the Posting of Workers Enforcement Directive, the Norwegian Labour Inspection Authority shall implement information measures vis-à-vis foreign workers and employers regarding Norwegian working life, regulations and control/verification activity. The Norwegian Tax Administration, the Norwegian Labour and Welfare Service, The Norwegian Directorate of Immigration (UDI) and the police also offer a broad array of information to foreign workers. The agencies collaborate on the www.workinnorway.no website, which refers users to the relevant respective websites. The website aims to be the preferred channel of information for foreign workers and employers.

The Directorate of Labour and Welfare, the Norwegian Labour Inspection Authority, the National Police Directorate, The Directorate of Taxes and UDI have been assigned the task of mapping and assessing existing information activities vis-a-vis foreign workers, and have outlined several recommendations and measures to bring about improvement in a joint report submitted on 1 December 2018. The recommendations in the report will be followed up and considered in context with measures and recommendations previously submitted in the inter-agency report from June 2017 entitled <New in Norway>.

Responsibility: The Ministry of Finance coordinates

15. Increased awareness in relation to victims of forced labour and human trafficking

In some cases, work-related crime entails serious exploitation of vulnerable employees. This may be persons who are particularly vulnerable due to poverty, debt, young age, reduced ability to function, lack of education or work. The authorities implement measures in line with Norway's international obligations to combat forced labour and human trafficking. Potential victims of human trafficking have the right to stay in the country for a period of six months, the so-called 'reflection period'. They are also entitled to assistance from an attorney. The Government's action plan against human trafficking from 2016 is followed up with measures to reinforce assistance to the victims. There is a need for measures, including practical measures, that can assist victims of work-related crime and

more serious cases of forced labour. Today, financial aid is provided e.g. to NGOs that assist vulnerable employees. The Government will continue this cooperation and will discuss with the social partners and organisations such as Caritas, the Salvation Army and the Church City Mission regarding how these efforts can be intensified and targeted.

Responsibility: The Ministry of Labour and Social Affairs and the Ministry of Justice and Public Security

Control and follow-up

The cooperation between the Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Service, the police and the Norwegian Tax Administration to prevent and combat work-related crime has been strengthened. During the period from 2015–2017, working life crime centres have been established in Oslo, Bergen, Stavanger, Kristiansand, Trondheim, Bodø and Tønsberg. Cooperation has also been established between the agencies and other authorities in other locations around the country, even where the agencies do not have permanent joint offices. Other authorities also participate in the cooperation against work-related crime. The directorate of Norwegian Customs and tax collectors (municipal treasurers) also play an important role in the inter-agency cooperation. To ensure that good effects are achieved from this cooperation, good opportunities for exchanging information among the agencies is particularly important, so that the various agencies can cooperate more closely on such cases.

The agencies have drawn up joint action plans for reinforced efforts against work-related crime. The agencies also prepare joint annual reports that summarise activities and results. A joint management model has been introduced that clarifies the roles and the framework for this cooperation. Joint goals and management parameters have also been developed, and are included in the individual agency's goal and performance management from and including 2019.

16. Further develop the inter-agency cooperation

The Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Service, the police and the Norwegian Tax Administration shall prioritise their efforts to prevent and combat work-related crime. On assignment from the Ministry of Labour and Social Affairs, the Ministry of Justice and Public Security and the Ministry of Finance, the agencies have drawn up joint goal and performance management guidelines for the cooperation against working life crime.

The ongoing cooperation between the Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Service, the police and the Norwegian Tax Administration will be developed and bolstered. The agencies make resources available to prevent and combat work-related crime in an effective and result-oriented manner. The joint priorities are based on knowledge, and building knowledge is a shared responsibility. The agencies shall use the most effective instruments and sanctions (cf. Measure 19) that the agencies have at their overall disposal. Information-sharing (cf. Measure 18) and common ICT solutions are decisive in efficient cooperation among the agencies, and the plan calls for further development of the current platform. 20 million kroner have been allocated for 2019 to strengthen the efforts in the working life crime centres. 10 million kroner of this

shall go to joint technology support and 10 million kroner to other measures to enhance the work of the working life crime centres, based on the agencies' joint assessment of where this commitment will yield the greatest effect.

Other relevant authorities also take part in the inter-agency collaboration to combat working life crime. Close operative cooperation exists with the Norwegian Public Roads Administration (cf. Measure 17), based on the challenges revealed in various parts of the road and traffic sector. Good cooperation is also in place with the Directorate of Norwegian Customs, UDI, the Norwegian Food Safety Authority, the Norwegian Directorate for Electrical Safety, the municipalities and other relevant partners. Good contact will also be facilitated between the agencies in the inter-agency cooperation against working life crime, and employer and employee organisations.

In order to ensure that the Norwegian Labour Inspection Authority, the Directorate of Labour and Welfare, the police and the Norwegian Tax Administration shall have the same goal and performance guidance for the inter-agency efforts against work-related crime, the Ministries have prepared generic text for their letters of allocation to the agencies. Based on this, the agencies will prepare joint annual reports for their efforts. However, more knowledge is needed as to how the agencies' work contributes to reduced work-related crime (cf. Measure 12).

Joint training has also been established in the inter-agency cooperation with the Norwegian Police University College. This work will be continued in cooperation with the agencies that participate in combating work-related crime.

Responsibility: The Ministry of Labour and Social Affairs coordinates

17. Stronger cooperation and follow-up in the road and transportation sector

The Government will work to reduce work-related crime in the transportation sector. The challenges here are considerable and relate to issues such as following up workshops, traffic schools and the transport sector, but also in contracts for construction, operation and maintenance of roads. One important measure is to reinforce the supervision and control activity in the road transport area, in part through better legal authorisations for approval and supervision of workshops and traffic/driving schools, more effective reactions and through closer cooperation between the Norwegian Public Roads Administration and other control and regulatory authorities. Action plans were initiated in 2018 to ensure more and better interaction between the Public Roads Administration, the police, the Norwegian Labour Inspection Authority, Norwegian Customs and the Norwegian Tax Administration with regard to control in the road traffic sector. The Public Roads Administration has set up its own crime division for its area of responsibility.

Experience gained from the control activity reveals a need to uncover the underlying structures behind the individual cases in the road and road traffic area. This need may apply across all transportation sectors. Such follow-up demands new ways of working and specialised expertise. Within the road sector, the need to reveal structures will also be applicable e.g. in relation to county municipalities. As part of the regional reform, the county municipalities will also take over administration of their own road networks as from 2020, or by 1 January 2021 at the latest.

Based on the challenges revealed in various parts of the road and road traffic sector, the cooperation between the Norwegian Public Roads Administration and the working life crime centres will be further developed. Primarily, ensuring better information-sharing with the agencies in the working life crime centres is an important factor in order for the Norwegian Public Roads Administration to be able to combat work-related crime in the sector.

Responsibility: The Ministry of Transport and Communications

18. Better sharing of information between public authorities

Sharing information is one of the most important preconditions for achieving effective cooperation to combat working life crime between various public authorities. This applies both in their ordinary activity and in special, formalised collaboration, and it applies both on the strategic and operative levels.

The Government wants to make sure that better sharing of information is facilitated, so this can contribute to a more effective cooperation between public authorities. Therefore, the Ministry of Justice and Public Security has asked the Administrative Law Committee to make a particular assessment of the Public Administration Act's rules regarding duty of confidentiality, in relation to the agencies' need for information from other authorities in order to fight crime. The Administrative Law Committee will present its recommendation in March 2019. As the process to implement potential changes in the Public Administration Act is expected to take considerable time, the Government has initiated a number of processes to help remedy the situation along the way.

In 2018, the Government presented two propositions with legislative amendments intended to improve information-sharing in the work against working life crime. As a consequence of this, a new provision in Section 12a of the Personal Data Act took effect on 20 December 2018. This provision opens for public authorities to surrender personal data that is not subject to a duty of confidentiality to each other when this is necessary to prevent, uncover, forestall or sanction work-related crime. The provision is intended to reflect all the work being done against work-related crime, both within and outside of the formalised collaboration in the working life crime centres and NTAES, and covers disclosure of information in all parts of the case processing with the parties involved (cf. Prop. 115 L (2017–2018)).

Changes were also adopted in the Customs Act and the Tax Administration Act on 20 December 2018; changes which have not yet taken effect. When these changes become effective, the Norwegian Tax Administration and Norwegian Customs will have expanded access to give confidential information to employees from the other agencies that take part in the cooperation with NTAES and the working life crime centres. The Tax and Customs authorities shall also receive access to give confidential information to authorities that may have use for such information in their supervisory work pursuant to working environment legislation (cf. Prop. 1 LS (2018–2019)).

Work has also been initiated to consider whether other public authorities that are outside the formal cooperation against working life crime might have confidentiality rules that prevent sharing of information. The intent is that expansions in the opportunity

to share information between authorities should be made in the sector regulations, as was done for the tax and customs authorities. Among other things, the Ministry of Labour and Social Affairs has made a preliminary assessment that the Norwegian Labour Inspection Authority and the Norwegian Labour and Welfare Service have too narrow access to share information, and the Ministry has embarked upon work to ensure that the agencies have adequate legal authorities. In that connection, the Ministry of Labour and Social Affairs sent out a proposal for consultation with regard to granting the Norwegian Labour Inspection Authority and the Norwegian Labour and Welfare Service expanded access to share information with other public authorities.

The Government is also considering additional regulation of information-sharing and processing in connection with formalised inter-agency cooperation.

Responsibility: The Ministry of Justice and Public Security coordinates

19. More effective sanctions

It is important that economic crime is sanctioned correctly and effectively. When sanctions are imposed, the individual agency's resources and sanction options must be viewed in context, and utilised in an optimal manner. The National Inter-agency Centre for Analysis and Intelligence (NTAES) has prepared the report "More effective sanctions". This report provides an overview over all the cooperating control agencies and the sanction options available to the agencies involved in work with foreigners, thus making it easier for the agencies to make more comprehensive use of the sanction options.

Two working groups including representatives from the Office of the Public Prosecutor, the Norwegian Authority for Investigation and Prosecution of Economic and Environmental Crime (ØKOKRIM), the Norwegian Labour Inspection Authority, the Norwegian Labour and Welfare Service, Norwegian Customs and the Norwegian Tax Administration have taken a closer look at the sanction options. One group has examined so-called formal violations of the law and has proposed e.g. that a new penal provision be studied for "straw man activity" which will cover both allowing oneself to be used as a "straw man", and contributing to others acting in such a role.

The other working group has looked into coordination between public administration sanctions and sanctions from the prosecuting authorities, and has reviewed the different agencies' reporting instructions. The working group notes that, in order to achieve optimal exploitation of the sanction options, violations of the law that the public administration has the same preconditions for solving and reacting to as compared with the police and prosecuting authorities, should not be brought into the criminal justice system. Among other things, the working group recommends that each control agency reviews its reporting instructions and considers whether they cover such cases, and if so, whether these cases can be excluded from the reporting instructions.

The Ministry of Justice and Public Security will follow up the reports from the working groups in cooperation with other affected ministries.

Fees and compulsory fines for employers if incorrect and deficient information is reported to the State Register of Employers and Employees

Since 2015, the Norwegian Labour and Welfare Service has had the right to impose sanctions as regards the use of fees and compulsory fines pursuant to Section 25-3 of the National Insurance Act, in which employers are fined for giving incorrect information to the State Register of Employers and Employees. According to Sections 10 and 11 of the Employers' Reporting Act, the Norwegian Tax Administration has a corresponding opportunity to use various forms of reactions in the event of deficient reporting of information in the "a-melding" report, i.e. employers are fined or penalised in cases where they do not report all required information within the deadline (cf. Section 4 of the Employers' Reporting Act). The Norwegian Labour and Welfare Service and the Norwegian Tax Administration are engaged in dialogue to coordinate the use of administrative sanctions in the event of deficient submission of information regarding working conditions to the State Register of Employers and Employees. The agencies will consider how the opportunity to impose sanctions that is laid down in the Employers' Reporting Act and the National Insurance Act can be used in a more effective and focused manner in the future.

Administrative sanctions for fraud in relation to benefits

As of today, the Norwegian Labour and Welfare Service does not have a general statutory authority to impose administrative sanctions in connection with fraud related to benefits. Based on the investigative studies performed in relation to coordination between administrative sanctions and other sanctions, the Ministry of Labour and Social Affairs will consider introducing such a legal basis for benefits under the National Insurance Act. A proposal for such a statutory authority will be submitted for consultation.

Improved control of HSE cards in the construction industry

Several measures have been introduced to improve the overview over the market players in the construction industry. Employees must have an HSE card, and lists must be kept of who is present at the building or construction site at any given time. Among other things, the requirement for HSE cards helps make it easier for the supervisory authorities to identify employees and enterprises, and in this way makes the supervision more effective. As a follow-up of the strategy against work-related crime, several measures have been implemented to counteract abuse and improve control through use of the HSE cards. The Norwegian Labour Inspection Authority has also intensified its control of HSE cards. Experience shows that imposing administrative fines for violations, as well as improved information and guidance regarding HSE cards, leads to greater compliance with the regulations.

Responsibility: The Ministry of Justice and Public Security and the Ministry of Labour and Social Affairs

20. Broader enforcement in relation to illegal hiring of temporary agency workers

Certain industries have recently seen an increase in the use of temporary agency workers. On this basis, changes were adopted in the rules regarding use of hiring of temporary agency workers in 2018. These rules take effect in 2019. At the same time, it is important to ensure that the prevailing rules in this area are being complied. It has been asserted that substantial illegal hiring of temporary agency workers takes place on the part of temporary agency bureaus. In light of this, the Ministry of Labour and Social

Affairs has initiated work to examine how to broaden enforcement of the temporary hiring rules, including through increased government control.

The Directorate of Labour and Welfare has, to an increasing degree, entered into letters of intent with staffing agencies. Therefore, in the same way, the Directorate of Labour and Welfare wants to reinforce control measures in connection with awarding assignments and in the follow-up of signed contracts to ensure that their suppliers follow the applicable laws and rules.

Responsibility: The Ministry of Labour and Social Affairs

21. Effective confiscation

Economic profit is the driving force behind much of organised crime, and confiscation is therefore an important policy instrument in combating these crimes. The police have become more aware regarding the use of confiscation in recent years, and will continue to use this as part of their ordinary work in the future. Effective confiscation reduces the motivation to commit many types of crime. In Norway, the issue of confiscation is mainly discussed as part of the criminal case. There are also certain legal authorities outside the Criminal Code for confiscating proceeds that are the result of violating the law.

It is likely that there is a considerable potential for confiscation in connection with profit-motivated crime. Weaknesses have been pointed out in the enforcement of the confiscation rules. These will be reviewed, with a view towards achieving more effective confiscation. After that, it may be relevant to institute further study on a proposal for a new form of civil confiscation that directly targets assets.

Effective confiscation of proceeds from criminal activity relies on more than just a good set of laws and regulations, but also on good investigative work that facilitates confiscation. In the police organisation, ØKOKRIM has been assigned the role of technical administrator for the area of securing financial evidence. This will contribute to strengthening the quality of the financial investigation.

Responsibility: The Ministry of Justice and Public Security

22. Better access to bankruptcy information

The police districts have established an asset coordinator function, and the National Police Directorate has noted a positive development, in part in the form of more standardised and relevant content in reports from administrators of estates. The function of asset coordinator is still handled somewhat differently between the various police districts, and ØKOKRIM's role as coordinator is important to ensure that this develops in an optimal and uniform manner.

The police and the Norwegian Tax Administration can gain access to information in the Register of Bankruptcies, including information about disqualification periods imposed, pursuant to Section 10 of the Regulations relating to the Register of Bankruptcies. The Ministry of Justice and Public Security, the Ministry of Trade, Industry and Fisheries and

the Ministry of Finance will take a closer look at the possibility of granting the agencies *direct access* to the Register of Bankruptcies.

Information about disqualification periods in the Register of Bankruptcies can help make it easier for employers and consumers to choose responsible suppliers of goods and services. The Ministry of Justice and Public Security is considering changes in the regulations relating to the Register of Bankruptcies with a view to greater accessibility of information concerning the disqualification periods in the Register of Bankruptcies.

Responsibility: The Ministry of Justice and Public Security coordinates

23. Agencies' cooperation with employers, employees and businesses

The agencies have several cooperative activities in relation to the employers, employees and businesses. For example, the construction industry in Trondheim, both the employer side and the employee side, have established their own 'Uropatrulje' <alarm patrol>. It gathers tips about unreliable market players and then reports this to the working life crime centres who assess the further investigative effort. Similar cooperation has been established in several locations around the country; including Oslo getting its own dedicated 'Uropatrulje' in 2019. The "Co-builders" project is another example; a collaboration between the public sector, employers and employees and the construction sector in Vestfold. The working life crime centre also takes part in this collaboration, including receiving tips about criminal actors. The Government supports the collaboration between the agencies, working life crime centres and the measures implemented by employers, employees and businesses to prevent and combat work-related crime.

Responsibility: The Ministry of Labour and Social Affairs coordinates

Better registration systems and identity management

The agencies that cooperate on combating work-related crime experience that criminal market players and networks are well-organised. They report professional parties that employ various creative methods in conflict with applicable regulations to secure a footing in the market and economic gain. The use of false identities and registration of incorrect information in various registers make work-related crime possible. The Government will continue its work to improve the quality of various public registers, it will fight identity abuse and promote secure identification.

24. Better register quality in public registers

It is important that the information recorded in various public registers, such as the National Registry, the Central Coordinating Register for Legal Entities, the NAV State Register of Employers and Employees and the VAT register, are quality-assured and correct. False and incorrect information constitutes a risk that enterprises or individuals could achieve unlawful advantages, or evade their obligations. It is therefore important to continue the work to ensure good quality of the information in the registers, particularly in connection with registration of new information.

Improvement of register quality is a continuous task in the Brønnøysund Register Centre, the Norwegian Labour and Welfare Service and the Norwegian Tax Administration. The work takes place both through continuous verification of information reported for registration, and through specific measures to ensure the quality of the registers.

Deleting idle sole proprietorships

Deleting idle sole proprietorships makes it easier to verify whether entities that are offering goods and services are conducting active business activity, and whether they are registered in the VAT register and the register of employers. Experience has shown that businesspeople with an identity number (D-number) and emigrants are involved in many of the idle enterprises. The Brønnøysund Register Centre cooperates with the Norwegian Tax Administration and Statistics Norway (SSB) to delete idle sole proprietorships. So far, this measure has led to about 38 000 sole proprietorships being deleted. Of the deleted enterprises, about 400 were enterprises where the businessperson was registered with a D-number, while more than 1200 people had emigrated. Deleting such enterprises also makes it easier to verify whether enterprises have genuine activity in Norway.

Deleting non-valid employment relationships in the NAV State Register of Employers and Employees

The State Register of Employers and Employees sets an end date for employment relationships that have not been confirmed for the last three months, and for employment relationships that have no end date when bankruptcy proceedings are opened. This has contributed to reduce the number of employment relationships in the register since the system was started in 2015 by around 310,000. In autumn 2018 the Directorate of Labour and Welfare initiated an internal measure with the objective of further improving the quality of the register. Letters were sent out to 28,700 parties subject to information requirements who have a total of 140,000 employees with no end date, and who have not received pay in the last 12 months. Employers required to submit information were asked to terminate employment relationships that are not valid. Preliminary figures indicate that this had a very good effect, and consideration will be given to continuing the measure after the effect has been summarised in the first quarter of 2019.

Sharing and making register data available

Information about enterprises that conduct business activity in Norway is available in the Central Coordinating Register for Legal Entities and the Register of Business Enterprises. Information about foreign companies that offer goods or services to the Norwegian market has been difficult to access. Now, through the Brønnøysund Register Centre's website, anyone can log on to the EU's portal - Business Registers Interconnection System (BRIS). Through this portal, all countries in the EEA area shall have access to basic information about enterprises registered in the respective countries, and registered information can then be obtained across national borders. As of today, 25 countries have joined. By sharing information between different countries in the EU/EEA, BRIS can both contribute to improve register quality and give individual businesses the opportunity to check whether foreign business connections are registered in their home countries.

Address quality in the Central Coordinating Register for Legal Entities and the VAT Register

The Central Coordinating Register for Legal Entities quality-assures address information in relation to the Norwegian Mapping Authority and the land register. This ensures that the listed addresses are valid, and that they are written correctly to ensure there is no doubt as to where the enterprise is located. The Central Coordinating Register for Legal Entities also maintains an overview of addresses that have been used as fictitious addresses in connection with registration of sole proprietorships with foreign proprietors, and extra checks are conducted in cases where there are reports of new registration of sole proprietorships at these addresses.

The Norwegian Tax Administration and the Brønnøysund Register Centre will work together to assess which changes must be made to prevent registration of enterprises in the VAT Register at addresses that are not approved in the Central Coordinating Register for Legal Entities.

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

25. Better registration and follow-up of service providers and vulnerable employees

The Ministry of Labour and Social Affairs has looked at the issue of introducing mandatory registration for foreign service providers that carry out temporary assignments in Norway. This could be an effective policy instrument for improving the supervisory authorities' opportunity to inspect enterprises that could otherwise be difficult to reach, and that operate in industries where challenges exist. Similar registration systems are in place in Denmark and Sweden.

Through Section 7-6 of the Tax Administration Act, we already have rules in place for reporting regarding foreign contractors and employees to the Central Tax – Foreign Tax Affairs. The rules are intended to fulfil tax purposes. Tax considerations are the basis for the assessment of when the information obligation arises, and which information must be provided. The Ministry of Labour and Social Affairs, in cooperation with the Ministry of Finance, is looking into whether relevant information that comes in via this scheme can be passed on to the Norwegian Labour Inspection Authority pursuant to the general rules for surrendering information from the Norwegian Tax Administration.

Responsibility: The Ministry of Labour and Social Affairs

26. More secure ID documents

Work is now underway to put new systems and procedures into place to increase security in passport administration and to introduce national ID cards with eID. The national ID cards will have the same security as the passports, will be in a practical wallet format, and will contribute to expanding the use of secure ID documents. New passports and national ID cards with eID will be launched for Norwegian citizens in 2020. The intention is that Norwegian national ID cards with eID can also be offered to foreign citizens

with work relationships or other affiliation with Norway. Necessary criteria for issuing cards to foreign citizens are currently being studied.

The plan calls for establishing a loss and verification service to enable businesses and public authorities to verify ID documents.

Responsibility: The Ministry of Justice and Public Security coordinates

27. ID verification in connection with issuing identity D-number and comprehensive responsibility for EEA citizens

The Ministry of Justice and Public Security, together with the Ministry of Finance and the Ministry of Labour and Social Affairs, will perform a study of whether one single agency should have a more comprehensive responsibility for ID administration for EEA citizens. The Ministry of Justice and Public Security and the Ministry of Finance will also assess whether the police should take over ID verification in connection with requesting D numbers (identification number issued to all foreigners who reside in Norway less than six months). This must be viewed in context with e.g. the police's registration system for EEA citizens and the database over stolen/lost foreign ID documents.

The National Police Directorate, the Norwegian Directorate of Immigration and the Norwegian Tax Administration have been assigned the task of identifying alternatives that provide more secure and more effective identity administration vis-à-vis EEA citizens in Norway, and have submitted a working group report. The Ministry of Justice and Public Security and the Ministry of Finance will assess the follow-up of the working group report.

Responsibility: The Ministry of Justice and Public Security coordinates

28. Consideration of links between biometric data in the National Registry, the Passport Register and the Register of Foreign Nationals

In order to uncover cases of identity abuse, it is important that users of the National Registry can confirm which ID numbers have been verified against biometrics registration in the justice sector's biometrics register. This check will reveal whether biometrics for the same person have been registered on multiple ID numbers. The National Police Directorate, the Norwegian Directorate of Immigration and the Norwegian Tax Administration have therefore been assigned the task of studying the preconditions for establishing a link between the biometric information in the passport and ID card registers and the immigration register and the National Registry. This is an effort to improve the quality of the information in the National Registry.

Responsibility: The Ministry of Justice and Public Security coordinates

International cooperation

Crime and irresponsible working conditions are transnational challenges. International cooperation is therefore a necessity. Through the EEA Agreement, Norway is part of a joint European labour market and joint regulations regarding mobility of labour. In the

autumn of 2017, the Government took the initiative vis-à-vis the EU to reinforce the work against cross-border work-related crime. The Norwegian Labour Inspection Authority is now implementing an operative collaboration with labour inspection authorities in countries that send many workers to Norway, in part financed by EEA and Norway Grants. Other agencies also have extensive international cooperation. Active use of international collaboration arenas and close contact with neighbouring countries is necessary in order to combat and prevent work-related crime across national borders.

29. Implement the posting of workers directive in Norwegian law

In June 2018, the EU adopted changes in the posting of workers directive. This directive governs which of the host country's (the country in which the work is performed) rules regarding wages and working conditions will apply for employees who are sent from one member state to another in connection with providing services. The original posting of workers directive has been implemented in Norwegian law through the Working Environment Act and the Regulations relating to posted workers. Preliminary assessments indicate that the changed directive requires certain changes in this regulatory framework. The Ministry of Labour and Social Affairs will study which changes are necessary and appropriate in order to fulfil the State's obligations under the changed directive.

Responsibility: The Ministry of Labour and Social Affairs

30. Stronger cooperation at the European level

Through the EEA Agreement, the Norwegian authorities take part in a number of European cooperation arenas, such as regards free movement for persons, coordination of social security benefits, employment (EURES) and the EU's platform against undeclared work. In November 2017, the Government took an initiative vis-à-vis the EU Commission to strengthen cooperation with the EU and the individual member states regarding the commitment and efforts to combat cross-border work-related crime. The proposed measures included measures to improve the exchange of information between the authorities and improve cooperation on the issuing and control of identification documents. An overall strategy against work-related crime at the European level should be assessed, including measures to strengthen cooperation between the respective nations' authorities within police affairs, tax, social security and labour inspection/health and safety. Based on Norwegian experience, the social partners should be actively involved in such work. The EU Commission's proposal to establish a European Labour Authority is now being processed in the European Parliament and Council. This could help in boosting efforts against cross-border work-related crime, but should be supplemented with other operative cooperation with e.g. the police and tax authorities at the European level. The Government has expressed support for the intentions behind the proposed labour market agency, but emphasises that the new agency must respect national authority and the autonomy of the parties. The Norwegian authorities are closely monitoring the matter. The plan is to establish the European Labour Authority during the course of 2019.

Responsibility: The Ministry of Labour and Social Affairs coordinates

31. Reinforce the international cooperation between control authorities

The police and the control agencies take part in a number of cooperation arenas at the Nordic, European and global levels (cf. fact boxes pgs. 34-35). Effective cooperation contributes to sharing knowledge and experience. Active use of international cooperation arenas and the channels that are available for exchanging information at the international level are necessary in order to prevent and combat cross-border work-related crime. This applies both in international organisations such as the EU and the OECD, and in the development of specific cooperation with the countries that send many workers to Norway. Many specific cases that relate to work-related crime in Norway have branches that extend across national borders. The agencies will emphasise utilisation of the opportunities provided by cooperation with control authorities in other countries for exchange of concrete information and better operative cooperation on e.g. control, supervision and investigation of individual cases.

With financing provided by EEA and Norway Grants, operative cooperation measures will be carried out between the Norwegian Labour Inspection Authority in Norway and several of the countries in Central Europe. Stronger cooperation with the authorities in the other Nordic countries will enhance the possibility of following up enterprises that operate in several of these countries. One example of such measures is the collaboration project against work-related crime that is being conducted by the labour inspection authorities in the Nordic countries, Estonia and Latvia. The measure is financed by the EU platform against undeclared work and will, among other things, cover coordinated supervision and development of joint information measures, "best practice" with regard to supervision and control activity, as well as a system for evaluating the effects of the supervision efforts.

The Government will reinforce the international cooperation on control of cross-border transport, and works to ensure that the regulations in the road transport area are designed so as to reduce the possibility of abuse and fraud connected with social rights and traffic safety. Among other things, the Norwegian authorities follow up the work via Road Alliance, a league of Western European EU countries. Through Road Alliance, relevant EU regulations (the mobility package) in the road transport area are discussed, with focus on clear rules and effective enforcement. The EU's agencies are considering a proposal for digital registration (smart tachograph) of e.g. vehicle border crossings. Such a digitalisation will make the control activity easier. Norway has supported the proposal together with the EU countries that participate in the Road Alliance collaboration. The Norwegian authorities will also work to improve interaction with control authorities in other EU countries.

Responsibility: The Ministry of Labour and Social Affairs, the Ministry of Finance, the Ministry of Justice and Public Security, the Ministry of Transport and Communications and the Ministry of Foreign Affairs

International cooperation arenas

The Police participate in organisations such as Interpol (worldwide police organisation with 192 member countries), Europol (the EUs agency for police cooperation) and Eurojust (the prosecuting authorities' cooperating organisation in the EU). There is close cooperation among the Police in the five Nordic countries, with many working groups that are responsible for cooperation within various topics. Politi Toll Norden (PTN) (Police and Customs in the Nordic countries) is a cooperating body to fight cross-border organised crime. Part of this cooperation entails posting Nordic liaison officers (officers from the police and customs authorities in the Nordic countries) to various locations around the world, so they can act as the link between the Police in the Nordic countries and the authorities in the host country. Other cooperation efforts include:

- Norway has stationed migration liaisons at various locations around the world. They also provide assistance within organised and other serious crime.
- Baltic Sea Task Force is a cooperation to fight organised crime in the Baltic region. There is also cooperation on border control between the countries around the Baltic Sea and in the Nordic region, primarily aimed at the sea border and maritime activity.
- Under the EEA cooperation umbrella, Norway takes part in a financing program to strengthen the police in Bulgaria, Romania and Lithuania.
- Norway has signed, but not ratified, the Prüm agreement. This agreement gives the police authorities in the participating states certain rights to search directly in the reference data from the national DNA and fingerprint registers. Direct search access is also granted to the other countries' motor vehicle registers.
- Through the Schengen Information System (SIS), Norway is linked to a joint wanted register for the entire Schengen area. Information in the Schengen area is also shared e.g. through the Visa Information System (VIS) database.

In 2016, the Norwegian Tax Administration led the 2016–2017 OECD FTA Shadow Economy work stream which resulted in the OECD report “Shining Light on the Shadow Economy”». Work has been initiated in the Community of Interest as regards several of the measures in the report. The Norwegian Tax Administration leads the work in which the participating countries will examine measurement of performance, sharing information and intelligence and inter-agency cooperation. The Norwegian Tax Administration also leads a Nordic Agenda group that is particularly looking at work-related crime and fictitious invoicing in networks.

Norway leads the work on development and distribution of intelligence related to economic crime within the fisheries sector in the countries around the North Atlantic. The North Atlantic Fisheries Intelligence Group is an inter-agency and supra-national collaboration originating from the OECDs work to counteract tax-related crime. This collaboration receives support from the Nordic Council of Ministers, the Ministry of Trade, Industry and Fisheries and 13 participating countries.

The Norwegian Labour and Welfare Service takes part in Nordic cooperation in the control area. The Nordic national insurance authorities have appointed a working group for exchange of information and establishing and following up control activities.

The agency participates in Network Group European Benefit Fraud, a cooperative body between the national benefit authorities for the exchange of practical information and experience. As part of the EEA Agreement, the Norwegian Labour and Welfare Service takes part in European cooperation on coordinating benefits and the EESSI project (electronic exchange of messages between national insurance authorities within the EU/EEA area). Extensive European cooperation also takes place within employment assistance. The Norwegian Labour and Welfare Service is responsible for the European job mobility portal EURES.

The Norwegian Labour Inspection Authority participates in a number of European cooperative bodies in the working environment area. The EU's platform against undeclared work was established in 2016. The Norwegian Labour Inspection Authority represents Norwegian authorities and coordinates follow-up of this cooperation with other agencies. It has been proposed that the platform should be organised under the proposed labour market agency. The Norwegian Labour Inspection Authority has established cooperating agreements with the labour inspection authorities in Estonia, Lithuania, Poland, Bulgaria and Romania, and an agreement with Latvia will be signed in the spring of 2019. Operative supervision cooperation takes place with financing provided by EEA and Norway Grants, as well as measures to promote reciprocal learning and exchange of information with the labour inspection authorities in these countries. The Norwegian Labour Inspection Authority has established a contact group with the main employer and employee organisations for exchange of information and input in connection with the various European cooperation measures to promote sound conditions in working life.

The Norwegian Public Roads Administration participates in a number of international cooperative bodies in the road transport sector. Corte is such a federation of organisations and road transport authorities that cooperates on regulatory development and enforcement issues in connection with roadside checks. The Norwegian Public Roads Administration also takes part in international work through the UN Economic Commission for Europe (UNECE), including in relation to the AETR agreement, which regulates driving time and rest periods and requirements for tachograph in international transport beyond the EU/EEA. The Norwegian Public Roads Administration also implements joint actions where control authorities from other European countries are represented.

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