Monopoly regulation

There is fairly effective trust control legislation and the Government has acted rather frequently to halt cartel abuses. In the 1956–58 period there were 46 such proceedings, 33 of which resulted in the abolition or adjustment of the arrangements. The threat of inflation has been especially instrumental in moving the Government to vigorous action, particularly against price cartels.

Price supports and subsidies

The volume of subsidies in the economy is substantial. The most important of these go to agricultural producers (these were increased sharply in 1957 to raise farm incomes and again in 1958 to offset falling export prices). Also important are rent and building subsidies. There are also consumer subsidies, which are relatively small in amount.

Profits taxation and dividend limitations

Starting in 1954, the Government was able to adopt the strong policy of favoring investment which it had long wanted to use (previously inflationary pressure had stood in the way). The aims of the new program were to encourage modernization and to provide for the rapidly growing population. The company tax was reduced and tax concessions were made with regard to depreciation and losses incurred in new industrial ventures. Limitations on dividends were removed in 1954.

At present the policy of limiting consumption and favoring investment still applies. The personal income tax is steeply progressive in the low and middle ranges, but has a peak rate of 64 percent; there is a 5–18 percent turnover tax on all goods except textiles and exports. The corporate income tax has a top marginal rate of 47 percent but its impact is softened by (1) accelerated depreciation on one-third the purchase price of equipment, and (2) deductions from taxable profits over the 1959–62 period for investment expenditures.

Nationalization

Despite the wide scope of Government influence in the economy, the area of public ownership is not great. The Government confines itself to the conventional services and public utilities, except that it owns about 80 percent of the coal mining industry and has a share in a number of metal and armament enterprises. Employment in the Government sector in 1950 was 269,000.

NORWAY

Unions

The main federation is the Norwegian Federation of Labor (LO), which had, at the end of 1956, a membership of over 550,000 in its affiliated unions. Outside the LO are a number of independent unions with total membership of about 80,000, almost entirely in the white-collar field (though LO has some 125,000 white-collar members).

The LO can claim the allegiance of only about one-third of the labor force, but it is very strongly entrenched in some areas: approximately 90 percent membership in shipping, mining, and manufacturing; about 50 percent in building and construction.

The direct members of the LO are the national unions, of which there are at present 44 in the federation. Approximately one-half of the LO membership is made up of the large industrial unions in the iron and metal working, building and municipal, shipping, commercial and office, chemical, and general workers groups. The 11 top unions in the LO have 75 percent of the membership.

Organizationally, the union movement is made up of national unions, which conduct negotiations and sign contracts, local unions, which deal with specific plant matters (though it is not uncommon for national unions to intervene here), and local committees, which comprise all unions in a given area and are mainly of significance outside the collective bargaining field.

Since the war the role of the federation in conducting the industry-wide negotiations has been increasingly great. Part of its influence stems from its control of strike funds, though a larger proportion of strike benefits are paid by the national. More basically, the LO is closely tied to the Labor Party, which has been in power continuously since the end of occupation, and this leads the LO to try to interject a broad national policy into all aspects of labor relations (though it is not always able to enlist this support of its member organizations in this). In cases where several unions are involved in a negotiation, the LO invariably takes charge of the negotiations, prohibiting individual settlements.