It may also order sympathy strikes to support disputes where single unions are involved.

Employers' associations

The main group representing employers is the Norwegian Employers' Confederation (NAF). Compared with the LO, the NAF is less important in terms of number of persons employed by member firms. However, despite the fact that there are several large employers' associations in particular industries (most notably shipping) which remain outside the NAF, its practical influence on employer policy exceeds its numerical significance. Employment in firms within the NAF is over 200,000; in firms in associations outside the NAF it is more than 100,000.

Like the LO, the organization of the NAF is highly centralized. All contracts signed by members must conform with general policies of the NAF. No individual employer may negotiate outside the bounds of his industrial association.

Collective bargaining

As already noted, one of the prime characteristics of labor-management relations is their centralization; general policies of the NAF and LO enter heavily into all negotiations. The actual bargaining, however, is almost all conducted at the industry level between the national unions and the industrial associations of employers; they have individual positions independent of or at variance with those of the federations, and it is possible to exaggerate the importance of the latter.

Most agreements run for a period of 2 years and expire within a few months of each other. Policy for coming rounds of negotiations is prepared well in advance; the LO, for instance, meets in odd years to formulate a set of general demands which, while not binding on its affiliates, form the real basis for negotiations. National unions must obtain the permission of the LO prior to asking the industrial associations to open negotiations and the LO sometimes takes this opportunity to achieve the moderation of demands of the union which it considers excessive. Not infrequently the federation insists that uniform demands on certain subjects be made by all its constitutent unions. Since they are not in general the one serving the demands, the employers make less of a formal preparation for negotiations.

While bargaining starts as an interchange between representatives of the unions and employers' associations, often outside parties have to be brought in before a final settlement is reached. If the positions of the initiating parties are relatively close together, the intervention of LO and NAF officials is usually enough to settle the issue. Where the positions are farther apart, Government mediation is often used.

The issues involved in collection bargaining tend to be relatively narrow because standards in regard to many fringe items are determined by legislation.

Contracts

Legally the collective agreement applies only to the groups which negotiate it and their members. Unorganized workers are not covered, but legal decisions have recognized their right to equal wages and working conditions. If a situation exists where unorganized workers are underpaid, the union with whose members they are competing has the right (almost always exercised) of suing; the unorganized workers themselves have no such right of appeal.

The total number of contracts is estimated at 100,000. The great importance of national agreements is illustrated by the facts that fewer than 300 contracts cover almost 400,000 LO members and 42 of these cover almost 300,000 workers. To a great extent, the terms of all agreements in the economy echo those of these 40 to 50 key agreements. The most important single agreement is that of the iron and metal workers, which is influential in setting patterns and covers 38,000 workers.

In regard to wages, the national agreements often specify minimum scales, leaving the actual wage to local determination, though specific rates or piece-rate schedules are sometimes specified for the entire industry. Cost-of-living clauses are generally included.

The basic agreement between the NAF and LO was first drawn up in 1935 and has been amended several times since; it forms the first section of each contract signed by affiliates of the two federations. Its provisions concern mutual recognition, no strike during the term of the agreement, the role of the shop steward, and other general topics.