

*Collective bargaining and disputes legislation*

The Labor Disputes Act has been the piece of legislation regulating industrial disputes since 1915. It makes the common distinction between disputes of "right" and disputes of "interest." Disputes of right cannot be settled by strike, but must be referred to labor courts whose decisions are final. Disputes of interest are submitted to Government mediation but may become the basis for a strike if not settled.

Contracts are interpreted as strictly binding on the organizations which conclude them and they must be fulfilled, even by parties who leave the signing organization during the term of the contract.

The importance of mediation in settling disputes of interest is illustrated by the fact that in the first half of 1956 contracts involving 79,000 workers were signed without the use of mediation while 91,000 had their disputes settled by mediation.

Immediately after the war, wage boards were established to form a system of compulsory arbitration as an alternative to strikes as an ultimate means of settling disputes over contracts. This mechanism was gradually altered to permit freer expression of conflict and finally abandoned in 1952. Since that time, compulsory arbitration has been used only in a small number of cases.

*Government wage policy*

As has been noted, close informal ties exist between the LO and the labor policy. This relationship molds LO policies along lines desirable to the labor government and correspondingly reduces the need for formal Government intervention in the form of wage policy. The prime goal of postwar policy has been stabilization and this has been implemented mainly by calls for wage restraint, which have been mostly supported by the LO (though it has not always been able to restrain its member organizations or to prevent "wage drift").

Prior to 1952 the wage boards were used as the means of restraining wage increases. No direct controls were employed (except for a brief period in 1947), but, even at this time, the responsibility for control was left in the hands of the central organizations of workers and employers.

*Price control*

Extensive controls over prices and rents existed throughout the late forties and into the fifties. In 1954 a law came into effect which permitted the Government to regulate prices and competitive practices whenever it considered this to be in the public interest. With the introduction of this possibility of general price control, many of the specific controls were removed, accompanied by marked upward price movements. Since that time prices, especially those like food prices which figure prominently in the cost of living, have been generally controlled, with their upward movement coordinated with that of wages. Essentially, the entire price-wage level is determined by bargaining among the major economic interest groups. Most specific prices, however, are free.

*Import and exchange controls*

Because of the extreme openness of the economy, stringent import licensing and exchange control had to be employed in the early postwar years, both to limit the volume of imports and to control their composition. Subsequent improvements have brought forth a gradual slackening of these controls; at present moderate import controls exist.

*Price supports and subsidies*

Subsidies were a key part of the control system in the early postwar years. Food in particular was subsidized so as to prevent rises in the cost-of-living index, which would have become the basis for wage demands. Beginning in 1950 the amounts of these subsidies were reduced. Once again in 1953, however, an increase in the subsidy on milk was used as an anti-inflationary measure; a similar step was taken in 1955. Today subsidies remain fairly extensive, especially in agriculture.

*Investment controls*

One of the main goals of policy has been to stimulate investment and economic growth; in the full employment postwar economy of Norway, however, it has repeatedly been necessary to limit investment to combat inflation. Comprehensive control over building through a system of building permits and (in the early years) allocation of construction materials has been an important part of