



# GUIDE TO GOING GLOBAL EMPLOYMENT

*Norway*



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## INTRODUCTION

Welcome to the 2023 edition of DLA Piper's *Guide to Going Global – Employment*.

### GUIDE TO GOING GLOBAL SERIES

Many companies today aim to scale their businesses globally and into multiple countries simultaneously. In order to help clients meet this challenge, we have created a handy set of global guides that cover the basics that companies need to know. The *Guide to Going Global* series reviews business-relevant corporate, employment, equity compensation, intellectual property and technology, and tax laws in key jurisdictions around the world.

### EMPLOYMENT

As business grows more global, the challenge for in-house counsel and HR professionals responsible for workforce issues and employment law compliance is intensifying. This guide is designed to meet that challenge head on and has been produced in response to feedback from clients in both established and emerging international businesses. We hope it will become an invaluable resource for you.

This 2021 edition of our popular guide covers all of the employment and labor law basics in 63 key jurisdictions across the Americas, Asia Pacific, Europe, the Middle East and Africa. From corporate presence and payroll set-up requirements, language rules, minimum employment rights, business transfer rules, through to termination and post-termination restraints, we cover the whole employment life span.

We have used our global experience and local knowledge to bring you this newest edition of our guide. With over 300 lawyers, DLA Piper's global Employment group is one of the largest in the world, with one of the widest geographical footprints of any global law firm. We partner with our clients, wherever they do business, to find solutions and manage risk in relation to their legal challenges and objectives.

While this guide provides high-level guidance, it is not a substitute for legal advice, and we encourage you to take advice in relation to specific matters. If you wish to speak to any of our contributors, their contact details are set out towards the back.

We hope that you find this guide valuable and we welcome your feedback.

To learn more about DLA Piper's global Employment practice, visit [www.dlapiper.com](http://www.dlapiper.com) or contact:

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This is a general reference document and should not be relied upon as legal advice. The application and effect of any law or regulation upon a particular situation can vary depending upon the specific facts and circumstances, and so you should consult with a lawyer regarding the impact of any of these regimes in any particular instance.

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## NORWAY



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### LEGAL SYSTEM, CURRENCY, LANGUAGE

Civil law. The official currency is the Norwegian krone (NOK). The official language is Norwegian.

### CORPORATE PRESENCE REQUIREMENTS & PAYROLL SET-UP

Any entity conducting business activity in Norway has both a duty and a right to be registered in the Norwegian Register of Business Enterprises. Following its registration, the entity is provided with a Norwegian company registration number which, among other things, is necessary in order to fulfill certain statutory obligations – for example, the payment of tax deductions and employer's contributions.

All employers pay statutory social security contributions to the national insurance scheme. The common rate is 14.1 percent. Norwegian employers are obliged to withhold income taxes and pay the employee's tax to the taxation authorities.

### PRE-HIRE CHECKS

#### Required

Immigration compliance. For certain occupations (eg, lawyers or accountants), a certificate of good conduct is required.

#### Permissible

Criminal check is only permissible for specific occupations where there is legal basis for obtaining a certificate of good conduct.

Reference checks and education checks are permissible with the applicant's consent.

### IMMIGRATION

#### EC or EU citizens

Foreigners from EC and EU countries, who bring an identity card or a passport, are free to take residency for up to 3 months. If the employee intends to stay in Norway for more than 3 months, the employee must make a preliminary registration online and thereafter visit a police station or the service center for foreign workers for registration. Upon completion of the registration, the employee will receive a registration certificate. The certificate is valid indefinitely – it does not need to be renewed.

## Non-EC or non-EU citizens

As a general rule, all citizens from non-EC and non-EU countries must be granted a residence permit before their arrival in Norway. Petition for a working permit is directed to the Norwegian foreign station in the applicant's country of citizenship or the country in which the applicant has had a working or resident permit for the last 6 months. For persons with specialized skills, it is also possible to apply for a work permit after arrival.

As a main rule, the applicant must have a definite job offer for a full-time position from an employer in Norway, and the pay and working conditions must be equivalent to or better than what is settled in current tariff regulations or what is customary in the line of business.

## HIRING OPTIONS

### Employee

The main rule is that employees are to be appointed permanently. Temporary employment is permitted in specific circumstances. Part-time employees and temporary employees have the right not to be discriminated against on the basis of such status.

### Independent contractor

Independent contractors may be engaged. However, independent contractors must be sufficiently independent of the company in order not to be regarded as employees. This includes, for example, that the independent contractor bears the risk of the result of the work, is not restricted from also working for others and invoices all services to the company as a registered independent contractor.

### Agency worker

Access to agency work is very limited. Agency workers have the right to equal treatment in relation to pay and other benefits.

## EMPLOYMENT CONTRACTS & POLICIES

### Employment contracts

Written employment contract required. Several minimum requirements apply to the content of an employment contract.

### Probationary periods

Permissible. Statutory limit of 6 months.

## Policies

Staff rules are required for industrial, commercial and office undertakings that employ more than 10 employees.

## Third-party approval

All employees must be registered with the State Register of Employers and Employees (EE-register).

## LANGUAGE REQUIREMENTS

No statutory requirements. Documents may be in English, provided that the employees have sufficient understanding of English.

## WORKING TIME, TIME OFF WORK & MINIMUM WAGE

### Employees entitled to minimum employment rights

All. For provisions regarding working hours, exceptions apply for employees in senior and particularly independent positions.

### Working hours

Ordinary working hours must not exceed 9 hours per day and 40 hours per week. Specific rules apply for daily and weekly off-duty time, rest breaks, night work and work on Sundays.

### Overtime

The employer must pay an overtime supplement of at least 40 percent of salary for work in excess of agreed working hours (ie, 9 hours per day and 40 hours per week).

### Wages

No statutory minimum wage. In some sectors, collective bargaining agreements that have been made generally applicable stipulate minimum wages.

### Vacation

25 working days (including Saturdays) per year, in addition to public holidays. Employees who are turning 60 during the same year have a right to 6 additional holidays.

### Sick leave & pay

Statutory right to take time off for sick leave. Employees are entitled to receive sick pay for 1 year. Sick pay is provided by the employer for the first 16 days at basic salary rate and thereafter by the national insurance.

### Maternity/parental leave & pay



Parents have a general shared right to leave of absence for a total of 12 months, or longer if entitled to parental benefits. 15 weeks are reserved for the father, and 15 weeks are reserved for the mother. Allowance from the government is paid either for a period of 49 weeks at a full daily rate or 59 weeks at a reduced daily rate (ie, 80 percent). Collective bargaining agreements and individual contracts of employment may contain special regulations. In addition, parents have a right to unpaid leave for up to 12 months for each child.

## Other leave/time off work

Employees may also be entitled to leave for other purposes, such as educational leave, leave in connection with military services or attendance in public bodies.

## DISCRIMINATION & HARASSMENT

Both direct and indirect discrimination is prohibited with regard to all aspects of the employment relationship.

Characteristics protected from unlawful discrimination: political views, membership of a trade union, sexual orientation, disability, gender, age, ethnic origin, national origin, descent, color, language, religion, ethical and cultural orientation, part-time work and temporary employment.

Employees and applicants with disabilities are entitled to appropriate individual adaption of their workplace and tasks.

## WHISTLEBLOWING

Employees have the right to notify censurable conditions at the employer's undertaking and are protected against retaliation on that basis. Employers are required to have certain procedures regarding whistleblowing.

## BENEFITS & PENSIONS

Occupational injury insurance and contributions to a mandatory occupational pension scheme are required.

## DATA PRIVACY

Notification to the employee is required. An obligation to notify the Data Inspectorate may apply. Significant restrictions on monitoring and control of employees. Special provisions apply for transmission of data outside the EEA.

## RULES IN TRANSACTIONS/BUSINESS TRANSFERS

Automatic transfer under business transfer regulations. Rights and obligations under the employment contracts are transferred to the new employer. Restrictions on changes to terms and conditions following a transfer. Duty to inform and consult with employee representatives. The transfer is not in itself grounds for dismissal.

## EMPLOYEE REPRESENTATION

Trade unions are common. Requirements for safety representatives and environments committees apply. Several obligations to consult with the employees' elected representatives.

## TERMINATION

### Grounds

Mutual agreement, expiry of a fixed-term contract, dismissal by the employer with notice, dismissal by the employer without notice and notice given by the employee.

Termination by dismissal with notice is permissible if dismissal is objectively justified on the basis of circumstances relating to the undertaking, the employer or the employee. Termination by dismissal without notice is permissible if the employee is guilty of a gross breach of duty or other serious breach of the contract of employment.

### Employees subject to termination laws

All. The chief executive may relinquish the right to employment protection in exchange for severance pay by prior agreement.

### Prohibited or restricted terminations

Termination for the following reasons is prohibited or restricted:

- Supporting or not supporting statutory union recognition and de-recognition
- Trade union membership or activities or non-membership of a trade union
- Pregnancy or any reason connected with maternity
- Taking, or seeking to take, parental leave
- Sex or race
- Ethnicity, politics or religion Sexual orientation
- Age or disability
- Sickness, during the first 12 months after being unable to work

### Third-party approval for termination

Not required.

### Mass layoff rules



Strict information and consultation rules apply when notice of dismissal is given to 10 employees or more within a period of 30 days, for business reasons (as opposed to reasons relating to the employees).

Notification to the Labor and Welfare Service is required.

## Notice

During the probationary period, 14 days' notice is required. After the probationary period, the minimum statutory notice period for terminating an employment contract is 1 month. The notice period will be increased by 1 month for each 5 years of service, up to 10 years of service. If an employee is dismissed after at least 10 years of employment, the period of notice must be at least 4 months when given after the employee is 50 years of age, at least 5 months after the age of 55, and at least 6 months after the age of 60.

## Statutory right to pay in lieu of notice or garden leave

No. All employees are entitled to work and receive full payment during the notice period. The right to notice may be waived at the time of the termination.

## Severance

No statutory right to severance pay. However, employees often offer severance pay so the employee accepts notice.

## POST-TERMINATION RESTRAINTS

### Non-competes

Permissible, subject to specific criteria. No longer than 12 months. Must be in writing.

### Customer non-solicits

Permissible, subject to specific criteria. No longer than 12 months.

### Employee non-solicits

Permissible between employee and employer. Generally not permissible between employers, except for up to 6 months in relation to the sale of businesses.

## WAIVERS

The Working Environment Act is, to a large extent, mandatory. The employer and the employee may not agree on terms and conditions that are less favorable to the employee than those of the Act, if not expressly stated in the Act that the provision may be departed from.

However, employees may waive their rights in relation to termination of the employment relationship in a settlement agreement upon termination of the employment.

## REMEDIES

### Discrimination

Right to compensation that the court deems reasonable in view of the circumstances. Compensation for financial loss.

### Unfair dismissal

The court must rule the dismissal invalid unless this is clearly unreasonable. Right to be re-instated and/or right to compensation. The compensation is not capped.

### Failure to inform & consult

Failure to inform and consult will often lead to a finding that the dismissal was unfair.

## CRIMINAL SANCTIONS

Willful or negligent breach of the Working Environment Act by the proprietor, employer or person managing the undertaking in the employer's stead is liable to a fine, imprisonment up to 3 months or both. In particularly aggravating circumstances, the penalty may be up to 2 years' imprisonment. This does not apply to breach of provisions regarding appointment and termination.

## KEY CONTACTS



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