

# General application of collective agreements concerning freight transport by road

## New regulations in force from 1 June 2017



Norwegian Labour Inspection Authority  
Factsheet

**The purpose of general application of collective agreements is to ensure pay and employment conditions to foreign drivers equivalent to those of Norwegian drivers and to prevent distortion of competition.**

The general application scheme involves the laying down in regulations of specific pay and employment conditions. This means that all employees of an enterprise that falls within the scope of the regulations are entitled to the pay and employment conditions laid down in the collective agreement that has been given general application.

*The Regulations on general application of collective agreements concerning freight transport by road* apply to all workers carrying out work in Norway. For employees of enterprises established outside Norway, the regulations apply in cases where the driver is a posted worker and the freight transport assignment is cabotage or combined transport.

By *cabotage* is meant a freight transport assignment by road, which in its entirety takes place in Norway following an international shipment to Norway.

By *combined transport* is meant a freight transport assignment by road in Norway that begins or ends with a cross-border transport by rail or ship.

In its decision concerning general application of collective agreements in the freight transport sector, the Tariff Board has given general application to the minimum wage provision and one provision concerning subsistence allowance.

### **Obligation to provide information and to ensure compliance**

Orderers, contractors and suppliers who enter into contracts with subcontractors are obliged to provide information concerning pay and employment conditions in accordance with the General Application Regulations. Moreover, according to the regulations, the main contractor is obliged to ensure that employees of contractors/subcontractors have pay and employment conditions in compliance with the General Application Regulations. The Norwegian Labour Inspection Authority supervises compliance with the obligation to ensure compliance (see the

Regulations of 22 February 2008 No. 166 on the obligation to provide information, the obligation to ensure compliance and the right of inspection).

### **Joint and several liability for pay**

The General Application Regulations provide a joint and several liability for pay and holiday pay (see section 13 of the General Application Act). This means that contractors and subcontractors may also be liable for the pay and holiday pay of the employees of their subcontractors.

### **The regulations require as follows:**

#### *Scope:*

- The regulations apply to all employees carrying out freight transport by road by means of vehicles of a total weight exceeding 3.5 tonnes.
- The regulations apply also to employees posted from abroad (see box) when the freight transport assignment is cabotage or combined transport.
- The regulations do not apply to international transports
- The regulations do not apply to apprentices or persons taking part in labour market schemes.
- The regulations do not apply to transport of the undertaking's own goods.

#### *Pay:*

- All employees falling within the scope of the regulations shall have a minimum hourly wage of NOK 167,65.

#### *Subsistence allowance:*

- In the case of transport assignments involving planned overnight stays, subsistence allowance shall be paid in accordance with the rates at any time approved by the authorities for tax-free subsistence allowance. One-third of the subsistence allowance rate shall be paid for each eight-hour period commenced.

#### *Executive responsibility:*

- The employer and any person who, on the employer's behalf, manages the undertaking carrying out an assignment within the scope of the regulations shall ensure compliance with the regulations.
- Note also the obligation to ensure compliance and to provide information
- Note also the joint and several liability for pay and holiday pay under the General Application Act.

### **Posted employees**

Directive 96/71/EC (the Posting Directive) obliges EU/EEA countries to make their national provisions concerning further specified pay and employment conditions applicable to undertakings established in other member states when these undertakings post their own employees to carry out temporary services. Norwegian statutory provisions concerning further specified terms of work and employment shall apply to posted workers. This applies, inter alia, to health, safety and environment, wages and working hours.

- See Section 1-7 of the Working Environment Act and the Regulations of 16 December 2005 No. 1566 concerning posted employees

### **Supervision of compliance with the regulations**

The Norwegian Labour Inspection Authority supervises compliance with the General Application Regulations. The Norwegian Labour Inspection Authority shall regardless of any duty of secrecy be provided with access to all necessary information, and shall issue orders and make any other decisions necessary for implementation of the General Application Regulations. The Norwegian Labour Inspection Authority may impose administrative fines for infringement of the regulations, and may also report infringements to the police.

- See the General Application Act