

The Promises and Pitfalls of Gender Equality through Coordinated Bargaining:

Gendered “wage norms”
in Norway and Belgium

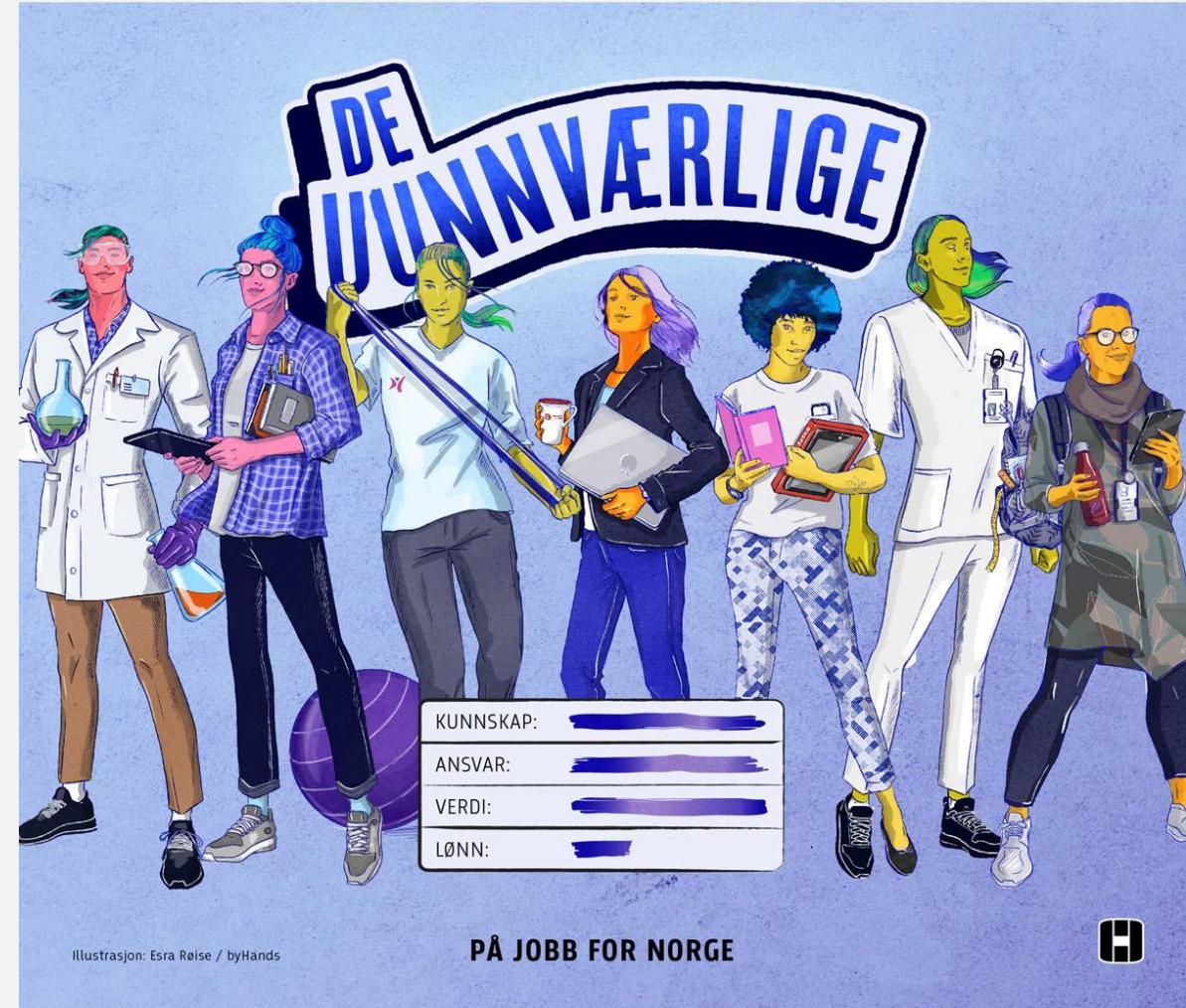
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Overview

- Wage coordination and gender (in)equality
- Coordination for competitiveness and equality
- Case study of **wage norm** in Norway and Belgium
- Preliminary findings
 - Norway: Wage norm and within-class redistribution maintaining gendered hierarchy
 - Belgium: Wage norm and (stalled) real wage growth
- Discussion:
 - Practice and impact on different groups of women workers

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The Norwegian "frontfag" pay talk model means that the negotiations start in the industries particularly exposed to international competition. One of the most important indicators used during these negotiations is the wage share in the manufacturing sector. The historically low wage share presents a clear upside risk to wage growth and to Norges Bank's forecasts in the coming years. Consequently, it may take even longer before inflation returns to the inflation target.

La norme salariale : qu'est-ce que c'est et pourquoi ?

Tous les deux ans, les partenaires sociaux du Groupe des Dix négocient un accord interprofessionnel (AIP) qui prévoit une définition de la norme salariale. Cette norme détermine l'augmentation maximale du coût salarial moyen au cours des deux années suivantes, ce qui permet de maintenir la compétitivité et l'emploi en Belgique. Un élément important, surtout dans un petit pays extrêmement tributaire des importations et des exportations. Ce sont généralement les partenaires sociaux qui définissent la norme. Mais quand ils n'y parviennent pas, la balle se retrouve dans le camp du gouvernement.

Wage coordination and gender (in)equality

- **Women as low-wage workers** benefit from coordinated bargaining

(Blau & Kahn, 2003; Cahen, 2019; Elvira and Saporta, 2001; Grimshaw et al. 2024; Hayter and Weinberg, 2011)

- **Consensual social partnership** in context of neoliberalisation

- Revaluation of women's wages conflicts with social partners' consensus on economic competitiveness
- Some “good practices” of revaluation:
 - Sweden: one-time increase in the female-dominated care work sector (Erikson, 2021)
 - Norway: similar suggestions have faced resistance (Wagner & Teigen, 2022)
 - Belgium: revaluing of healthcare sector in aftermath of pandemic
 - Germany: successful cases of revaluing after organizing and campaigning in care sector by Verdi (Müller, 2019)

Wage coordination and gender (in)equality

- Macro-economic “**wage norm**” in Nordic countries and Belgium
 - Wage norm to preserve competitiveness of export sectors
 - Stalls the egalitarian potential of broad-based collective bargaining
(Koskinen Sandberg & Saari, 2019; Lemeire & Zanoni, 2022; Wagner & Teigen, 2022)
- Intersectional differences between groups of (women) workers (Erikson 2021)
 - Professional nurses (e.g. Koskinen Sandberg & Saari 2019)
 - Domestic workers

Research questions

- How is the wage norm practiced within coordination mechanisms?
- How does it impacts different groups of women workers?

Why wage coordination?

Comparative IR: Wage moderation in exchange of redistribution

- Macro-economic efficiency goals:
 - Wage moderation to preserve economic stability (employment, inflation)
- Class-based redistribution: narrows gap between high and low wages

‘a combination of **economic** and **social** goals’ (Traxler & Mehmet 2003)

‘a source of **wage moderation** and **employment**'; 'and supporting solidarity by **reducing wage differentials**' (Ibsen 2015: 39)

Comparative PE: neoliberalisation in coordinated market economies

- Same institutions, yet objective has changed
- Redistributive function not working anymore (Howell 2025, Baccaro and Howell 2011, 2017)

‘cross-sectoral coordination prioritising **wage discipline** over **solidarism**’ (Howell 2025)

Centralisation and coordination in wage bargaining

- **Centralisation:** the *level* where wages are formally set;
- **Coordination:** whether bargaining is coordinated *across the economy* (Traxler 2002: 5)
- Wage coordination mechanisms:
 - Coordination *within labour*
 - Coordination *within capital*
 - Coordination *between* labour and capital
 - Role of the *state* and state structures

Country cases

- **Norway:** EEA-European Economic Area, Norway Central bank exchange rate
- **Belgium:** EU-member state, Eurozone – ECB exchange rate

Key indicators	Norway	Belgium	EU average
Trade union density	50.4%	49.1%	
Collective bargaining coverage	69%	96%	
Women's employment	77,4%	68,3%	70,8%
Part-time work	28,5%	37,3%	27,9%
Gender pay gap 2006	16%	9,5%	
Gender pay gap 2023	12,8%	0,7%	12%
Proportion low wage earners 2006-2022	6,48% 8,45%	6,82% 15,86%	15,73% 14,72%
Public debt	44%	105%	
Care services	Public sector	Mixed public-private	

Common IR features:

- Social partnership
- Strong confederations
- **Wage norm** as coordination mechanism between cross-sectoral, sectoral and local level

Wage growth coordination mechanisms

	Norway	Belgium
Type of coordination	<p>Voluntary capital-labour coordination</p> <p>Pattern bargaining with wage norm (guideline) set by export-sector</p> <p>Wage profile: distribution of wage growth between central/ sectoral and local level</p> <p>Krone or % increase</p>	<p>State-mandated coordination</p> <p>Mandatory wage norm based on wage growth in neighbouring countries (DE, NL, FR)</p> <p>Capital-labour compromise of automatic indexation, conventional wage scale increases and wage norm</p>
Coverage	Private and public sector	Private sector (public sector follows?)
History and evolution	<p>Since 1965-1967: LO, NHO, government</p> <p>Since 2000: all major confederations represented in tripartite dialogue</p> <p>2013: Holden III ad hoc committee and report</p>	<p>1976, 1980s: temporary wage freeze/ wage norm</p> <p>1989: First Competitiveness law</p> <p>1996: Competitiveness law with wage norm</p> <p>2017: Mandatory wage norm with formal control</p>
Nominal/ real wage growth	Wage norm = <i>nominal</i> wage growth (inflation + real wage growth)	Wage norm = <i>real</i> wage growth
Supervising public institutions	<p><i>Before CB:</i> TBU: Technical Calculation Committee for Wage Settlements</p> <p><i>During and after CB:</i> National Mediator, National Wages Board</p>	<p><i>Before CB:</i> CCE – CRB: Conseil Central de l'Economie</p> <p><i>During and after CB:</i> Service Public SPF Emploi</p>

Norway

- Broad consensus on industry wage norm as a national economic necessity
- Material-discursive struggle on “*wage profile*”:
 - Which part of wage norm to central or local wage agreements?
 - LO-NHO agreement: sectoral-level redistribution to low-wage workers
=> Redistributions within-class but largely maintains gendered wage hierarchy
 - Professional unions: local agreements to increase wages of qualified jobs
 - in context of labour shortages in specific regions/ for specific jobs
 - Growing segmentation of collective agreements within sectors/ organisations
 - Strategic division of confederal trade unions LO, Unio, Akademikerne and different strategies on how to close the gender pay gap

Belgium

- Bitter pragmatic compromise on *wage norm + indexation*
 - Wage norm: almost no real wage growth since 2021
 - Automatic indexation during high inflation period
 - Maintains wage hierarchy. Favours middle and higher class earners?
- Discursive-material struggles centered on wage costs/ social contributions (indirect wage)
 - Within-class redistribution through reduced social contributions (and compensations)
 - E.g. net minimum wage increase
 - Class power struggle on social contributions (wage cost):
 - Government introduced “tax shift” in favour of capital profitability (2016?)

⇒ Indirect pressure on (social) wages through fiscal budget restraint

⇒ Reform of social benefits with gender & poverty impact

Discussion:

- Norway's gender segregated labour market hinders renegotiating the gendered wage hierarchy
 - Reinforced by division of trade unions along blue collar-white collar divide
 - Large public sector discursively framed as a 'cost' of welfare state
 - However, public sector essential for social reproduction of workers for private sector economy
- Belgium's more gender-mixed private sector potentially enables revaluing
 - But: nearly no real wage growth, indirect pressure due to fiscal restraint
 - Precarisation of private sector working conditions: working time, work-load,...
 - Pressure on jobs in public sector: working conditions, pensions,...

Discussion

- Norway as non-EU member:
 - Less direct pressure of EU legislation (minimum wage), although adheres to pay transparency directive
 - More macro-economic autonomy in exchange rates, low public debt:
 - lower direct pressure on wages?
- Belgium as a EU member:
 - EU gender pay legislation as a motor for revising sectoral job classifications
 - Strong macro-economic pressures on wage costs (wages and social contributions)

Conclusion

- Various strategies to reduce gender wage disparities/ revalue women's wages:
 - Focus on lifting women's low wages or revaluing women's professional skills?
- Impact of new EU legislation
 - Pay transparency
 - Minimum wage directive
- Public sector and care sector:
 - Structural constraints of capitalism and increased workers' agency in care work
 - Social partnership provides a platform to negotiate contradictions and undervaluation (Hansen et al 2021, Lemeire 2024)

Thank you for listening !