**The welfare system in Norway**

A welfare system is a developed, national system in which the inhabitants in a state is secured through public funding. Public benefits are universal, and benefit the entirety of the population. In a welfare system, the government plays an important role in the protection of and promotion of the interest of its people. Both Norway and Austria are examples of modern welfare states. A welfare system is built on the fundamental rights of the people, independently of economic or social situation. In a welfare system the people of the state benefit from the taxes they pay in the form of income taxes and progressive taxes, and this economical structure provides the state with the means to fund public, universal services.

Norway as a nation has not always had an established welfare system. For many years Norway was one of the most underdeveloped countries in Europe. The economic situation in the country changed drastically when it found oil on the Norwegian continental shelf in 1969. This drastic change led to a development in Norway, which has benefitted the Norwegians massively. The current welfare system in Norway provides its inhabitants of certain fundamental benefits, such as such as education, healthcare and an income in the event of unemployment. This income can be for instance in the form of national insurance.

According to Forbes, an American business and finance periodical, Norway is a well-established welfare system. “Norway has a stable economy with a vibrant private sector, a large state sector, and an extensive social safety net. Norway opted out of the EU during a referendum in November 1994; nonetheless, as a member of the European Economic Area, it contributes sizably to the EU budget. The country is richly endowed with natural resources in addition to oil and gas, including hydropower, fish, forests, and minerals» (Norway, 2017)

Norway has a domain which controls the public payout of financial support, NAV (Work and welfare-agency). There is a NAV-office in every single municipality in Norway which ensures the financial support of the people. NAV as an institution is also an assisting agency in the search for participance in the working field. (NAV, 2018)

**Human Development Index, 2015**

The HDI-index established by the UN (United Nations) measures a country`s average result of human development based on three main areas; expected life expectancy, education and income (GDP per inhabitant). The HDI-index stretches from 0 till 1, where 0 is the worst rate and 1 the best. In 2015 Norway topped the list, which the country had done since 2009. As of 2018, the country does no longer have the top placement, but is still high in rank. The HDI-index reveals a lot about a countries social structures, and can tell a great deal about the countries priorities in the public sector. This is because life expectancy and education across a country`s general public depends on the general wellbeing of the inhabitants in said country. (FN-SAMBANDET, 2015)



**Figure 1**. (Globalis, Norway and Austria)



**Figure 2.** (FN-SAMBANDET, 2015)

The general living standards are well developed in Norway, as you can tell by the HDI-index demonstrated above. The HDI-index alone cannot describe the general wellbeing and satisfaction of a country’s inhabitants, but it certainly gives a good idea of it.

**Unemployment in Norway**

The unemployment rate in a country tells a lot when it comes to the general wellbeing of the inhabitants. A rather important role in any given welfare state is the handling of unemployment, which isn’t only a great difficulty for the unemployed, but also a great financial loss for the welfare state. In Norway, anyone who isn’t in the working force has a right to be financially secured by the state.



**Figure 3.** (NAV, 2018)

As we can see from figure 3, the total unemployment rate was 2,7% of the working force as of 2017, which is lower than the two previous years. The unemployment rate in Europe was 9.5% as of February 2017. The unemployment rate of the working force in Europe is generally a lot higher than in Norway alone. (Eurostat, Statistics explained, 2018)



**Figure 4.** (NAV, 2018)

As of 2017 the age representative group which has the highest unemployed mass is the age group 30-39. This data is gathered from the inhabitants who are in the working force.



**Figure 5**. (NAV, 2018)

In Norway, as of 2017, the group of completely unemployed who received daily unemployment benefits consisted of 42 010 people, which is a lower number than the two previous years. The same year there were 16 109 people who were partly unemployed who received daily unemployment benefits in Norway. This is a lower rate than in 2016, which is a positive development.



**Figure 6**. (NAV, 2018)

As of 2017, 232 578 people received pension in Norway, which is a higher rate than all the previous years since 2009. This could be linked to the increasing age group in Norway which are too old to be active in the work field. It is expected that this part of the population will continue to increase drastically in the foreseeable future, which will make up an increasing part of the state budget because of the age pension that is paid to everyone over a certain age who are not working. (Eldrebølgen, 2018)



**Figure 7**. (NAV, 2018)

Disability aid was introduced in Norway to insure the income for people who have had their income permanently reduced due to illness or injury. It is the income in recent years before you became ill or became injured that decides and lays the guideline for your disability allowance. If you had a low or limited income you have the right to a minimum benefit. As of 2017 the age group that has the highest percentage of receiving disability aid in Norway is the age group 65 to 67 years. This could be a result of faltering health at an old age. The total percentage of people receiving disability aid in Norway is 9,6%, which is higher than every single year since 2008. (NAV, 2018)

**Survey in our school, Sortland Videregående Skole**

We conducted a survey in our school, Sortland Videregående Skole. We divided the survey into three different main topics, each topic correlating to the corresponding theme in our project. These were the questions in the survey in which we disclosed the welfare system;

* Do you think the state spends too much on social services?
* Are you satisfied with the social and the economic services you receive?
* Are you satisfied with the social and economic services unemployed receive?
* Do you feel secure that the state will care for you financially if needed?
* Do you think the social structures in Norway encourages the public to do their best in the work field?

In this survey all the participants are in the age group 15 to 19, and attend a study specialization field in upper secondary school, which is an important specification in the study of this survey. There were 9 people identifying as female who participated in the survey, and 12 people identifying as male who participated in the survey.

This survey gives an insight in how pleased people are with certain aspects of the welfare system in Norway.

**Results of the survey;** 

**Figure 8.** Question 1, Male participants



**Figure 9.** Questions 1, Female participants

**Are you satisfied with the social and the economic services you receive?**



**Figure 10.** Question 2, Male participants



**Are you satisfied with the social and the economic services you receive?**

**Figure 11.** Question 2, Female participants



**Are you satisfied with the social and economic services unemployed receive?**

**Figure 12.** Question 3, Male participants



**Are you satisfied with the social and economic services unemployed receive?**

**Figure 13.** Question 3, Female participants



**Figure 14.** Question 4, Male participants



**Figure 15.** Question 4, Female participants



**Figure 16.** Question 5, Male participants



**Figure 17.** Question 5, Female participants

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