

### SPRING 2014 REFORM BAROMETER - NORWAY

		Q1: the recommen dation is:	Q2: implementati on effort is:	Detailed comments
OECD 1	Fiscal policy should continue to follow the longstanding guidelines. These allow for discretionary action to stabilise the economy if necessary.	Important	Satisfactory	
OECD 2	Monetary policy should remain the first line of defence if the global outlook worsens, especially in the case of an intensification of the euro area crisis. There is room for further loosening if needed. Tightening should eventually resume if rising activity appears likely to bring annual consumer price inflation close to the target of 2.5%.	Important	Satisfactory	
OECD 3	High household debt at floating interest rates and elevated house prices are vulnerabilities that macro-prudential policy and consumer protection should address. The strong financial supervision system should be maintained, including by ensuring that banks comply with higher capital requirements.	Important	Mixed	
OECD 4	Align the rules for early retirement in the public sector with those in the private sector.	Extremely important	Unsatisfactory	
OECD 5	Tighten access to sickness and disability schemes, with stronger enforcement of back-to-work plans and independent checks of GPs' assessments. If such action does not lower take-up, reduce the replacement rate for long-term sickness absence and shift more costs onto employers.	Contrary to Federation advise	Unsatisfactory	Strongly disagree about shifting more cost onto employers.
OECD 6	Increase the extent to which public expenditure and public administration and services are assessed on the basis of output indicators. Make greater and more consistent use of value-for-money analysis, with more transparent presentation of policy priorities.	Important	Unsatisfactory	
OECD 7	Reduce producer support to agriculture: Progressively cut price support and import restrictions to bring domestic food prices more in line with international levels. Where support is for regional, social or environmental purposes, use more targeted and transparent policies, cutting the link with agricultural output	Important	Mixed	

OECD 8	Strengthen performance in secondary education: Reduce the number of schools to benefit from scale economies. Raise school and teacher accountability through wider use of performance information. Include school performance measures as a criterion in assessing school principals. Improve teacher training and career structures.	Helpful	Mixed	Increased size of schools is not a priority.
OECD 9	Consider greater outsourcing of local and central government services to the private sector.	Extremely important	Mixed	
OECD 10	Improve capital taxation by aligning effective tax rates across assets. This should include reducing the implicit tax subsidy on owner-occupied housing, ideally by introducing tax on imputed rental income or a national property tax, otherwise – though less desirable – by phasing out mortgage interest deductibility.	Important	Mixed	
OECD 11	Investigate the impact of the wealth tax on effective tax rates, on tax avoidance and on incentives to invest. Phase out or reduce the wealth tax if the growth-redistribution trade-off is too unfavourable to growth.	Extremely important	Mixed	NHO strongly supports the removal of the wealth tax.
OECD 12	Reduce public ownership and entry barriers in some services, notably in retail by lowering the costs of licenses needed to engage in commercial activity and avoiding using environmental concerns to protect incumbents from entrants. Ensure that the market power of the partially publicly-owned former telecom monopoly does not hinder entry.	Helpful	Mixed	