



## NORDIC POLICY LESSONS FOR AUSTRALIA

**Dunstan Paper | November 2016** 

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# **SUMMARY**

This report considers public debate on Scandinavian and Finnish policy ideas of possible relevance to Australia since the publication in November 2014 by an Australian university press of Andrew Scott's book *Northern Lights: The Positive Policy Example of Sweden, Finland, Denmark and Norway.* 

Two years on from the book's publication, the report considers the varying reception in Australia of propositions advanced in *Northern Lights* for:

- Expansion of public early childhood education and care and extension of paid parental leave, as well as properly enshrining children's rights and other actions to reduce child poverty and improve children's wellbeing (learning from Sweden);
- More equitable schools funding, better valuing of a quality teaching profession and more effective provision of vocational education in schools (learning from Finland);
- Enhancement of support and skills retraining for mature-age workers displaced by job losses (learning from Denmark); and
- Increasing revenue including through greater taxation and regulation of natural resource wealth (learning from Norway).

The report then considers the main priority areas of Nordic achievement nominated by policy actors for additional consideration for Australia to now learn from.

### These are:

- Better, healthier and more natural urban design, together with more balanced regional development;
- Better workplace design specifically the importance of taking into account aesthetics, ergonomics and nature in people's workplace environments; and
- Greater emphasis on both the prevention of crime and the rehabilitation of persons convicted of crimes.

Sweden and Norway's continuing leadership in the provision of quality foreign aid and other foreign policy initiatives such as Sweden's current "feminist foreign policy" are also discussed.

Objections raised to the book's premises, including to the possibility of policy transfer to Australia from nations presumed to be less multicultural, are evaluated.

# INTRODUCTION

Since my book *Northern Lights: The Positive Policy Example of Sweden, Finland, Denmark and Norway*<sup>1</sup> was published in November 2014 I have done detailed work to further advance discussion of some of the key ideas in it.

The strongest interest shown for further research has been to follow up the book's chapter on enhancement of support and skills retraining for mature-age workers displaced by job losses (learning from Denmark).

I thus prepared a commissioned research paper for the Australian Council of Trade Unions (ACTU) in January 2016 on strengthening leave entitlements for workers in Australia which have been eroded by rapid job turnover and casualisation.<sup>2</sup>

That paper put forward new policy proposals, drawing particularly on Danish 'Flexicurity' arrangements. I then prepared a commissioned research paper for the Jobs Australia organisation in June 2016 outlining *A Proposal for Unemployment Insurance*.<sup>3</sup> I am now undertaking research for another industry partner which follows on from those ideas

The purpose of this further report is to review developments since publication in the three other policy areas covered in the book, which were each focused on learning from each of the three other main Nordic nations: and to outline ideas in some other areas of policy which have arisen in discussion of the book.

In *Northern Lights* I argued for expanding public Early Childhood Education and Care (ECEC), enshrining children's rights and extending paid parental leave (PPL), learning from Sweden.

The singular focus and lack of context of the then prime minister Tony Abbott's proposed paid parental leave expansion (in 2014) had been criticised.

It is positive at least that overall funds for ECEC in Australia did not end up being cut in order to fund that proposed paid parental leave expansion. However we are now being left with prospectively even less than there was before with paid parental leave.

# EXPANSION OF PUBLIC EARLY CHILDHOOD EDUCATION & CARE

A childcare policy emerged from what was the Abbott Government in July 2015, following publication of a new Productivity Commission report on ECEC – itself set up with unfortunately narrow terms of reference – which was published in February 2015.

That policy is being pursued by what is now the re-elected Turnbull Government. Although it proposes to increase funding for childcare by 3 billion dollars, it seeks to take that money from other, vitally needed family payments.

The policy proposes that the current separate Childcare Rebate and Childcare Benefit be replaced by a single means-tested subsidy of up to 85 per cent of the actual fees charged to parents. At the same time it proposes a more stringent activity test whereby parents must work, study or volunteer for a specified number of hours to be eligible for childcare assistance. An Australian National University study estimates that the proposed policy would provide an increased subsidy to 582 000 (56 per cent of) families, but that 330 000 (32 per cent of) families would be worse off and 126 000 (12 per cent) would receive the same subsidy.<sup>4</sup>

There is considerable concern that parents who have insecure, variable or unpredictable employment will not know from one week to the next what their entitlement to the proposed new subsidy will be. This means that one of the new policy's effects would be that many children from disadvantaged families gain less education in their crucial early years. Also, far from bringing in more flexibility, critics argue that the policy would introduce "unprecedented complexity" and reduce affordability. It has been described as a package "out of touch with the realities of modern life", which threatens to "confuse and intimidate" many parents rather than support their workforce participation.

These critics – namely Deborah Brennan and Elizabeth Adamson – contend that the national government needs to revise its ECEC policy to overcome its excessive complexity, and to instead provide quality and affordability which will produce substantial gains in mothers' return to work, which can in turn produce higher rates of female workforce participation in Australia.<sup>5</sup>

Brennan and Adamson have also valuably brought to light how Australia can learn from Norway's ECEC policies, in particular its governmental decisions to cap fees to make services affordable for parents.<sup>6</sup>

The new Australian childcare policy was introduced to the national parliament in late 2015 but it has not passed because there has not been support from enough Senators to give the government a majority in both houses for the cuts in family payments which the Government insists upon to implement the policy. Therefore the proposed new arrangements will be delayed until 2018 at the earliest.

It is essential that agreement now be reached to ensure that new investment of this magnitude on ECEC not be funded by cuts in family payments. The Labor Opposition proposed such investment during the national election campaign without such conditions and without the more stringent activity test. This is positive. However, both Coalition and Labor policies have focused on providing fee relief as part of a continuing market-dominated approach to child care provision in which costs will inevitably keep rising – and which continues to be hit by new episodes of fraudulent profiteering to add to the earlier ABC Learning debacle.

Neither of the major parties has considered a shift towards an approach of more affordable, better-regulated and higher-quality public provision as is done in Sweden. That different approach needs now to be directly considered.

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This is particularly the case given that the Coalition government's policy favouring provision of child care by 'nannies' in private homes – which *Northern Lights* critiqued because this will not bring the same valuable social learning benefits of the early mixing with other children which occurs in ECEC facilities – has been further weakened by the evidence which has emerged of how that program's trial has been unsuccessful. Very few families have become involved in the 'nanny' program, and its costs have been very high, putting it out of reach for shift workers and casual workers according to evidence given at a recent Senate Estimates this year.

The program should therefore be discontinued and the funds which are saved from that directed towards more publicly provided ECEC.

# PAID PARENTAL LEAVE

The Abbott Government's 2015 Budget also decided to cut the minimal paid parental leave which had finally been introduced to Australia in 2011 and which was beginning to produce economic and social benefits. The changes tried to restrict 80 000 new mothers from what the government cruelly characterised as their "double dipping" by their accessing both employer and government parental leave arrangements.

These proposed cuts were starkly contrary to – indeed they flew explicitly in the face of – commitments given by Abbott at two national elections. The proposed cuts are also starkly contrary to the rhetoric of the subsequent prime minister, Malcolm Turnbull, about governing positively for women and for the future. Despite assumed changes of direction following Malcolm Turnbull's replacement of Abbott as prime minister, the attempt to cut the existing minimal paid parental leave arrangements has been pursued and, at the time of writing, a parliamentary vote on legislation to enforce these cuts is imminent.

The uncertainty for prospective parents in Australia caused by former prime minister Tony Abbott's abandonment of a promise given at two elections to virtually double paid parental leave, and then his government's attempt to – instead – virtually halve it, needs now to be ended by Prime Minister Turnbull. The new, finely-balanced national parliament which

has resulted from the July 2016 national election requires more multi-partisan approaches to be pursued. This is an obvious policy area in which to achieve consensus to provide greater certainty and support for Australia's parents and prospective parents.

The government's attempt to scale back eligibility for paid parental leave is contrary to independent expert advice (published when Northern Lights was in production) which indicates that the existing Australian paid parental leave program, with its intended synergy between government and employer provisions, has improved the wellbeing of mothers and babies and has boosted the participation of mothers in the workforce since it was introduced in 2011. That expert advice has also shown that mothers have been spending more time with their babies before returning to work, and that the number of women returning to work after having a child has improved, since the national paid parental leave program started in 2011. The advice has shown, further, that the overall health of mothers has improved and that women have been breastfeeding their babies for longer. The evaluation, led by social scientists from the University of Queensland, found, in addition, that the health of babies has improved since Australia's first national paid parental leave arrangements were introduced.8

As the Work and Family Policy Roundtable's statement in response to the May 2015 Budget pointed out: "complementarity between the two systems was part of the original design of the Australian system and is a legal entitlement for new mothers to help them achieve a longer period of paid parental leave than would otherwise be possible... The current system was implemented with an expectation that it would be *improved upon*" – *not diminished* – "through negotiation with government and employers ... lengthening the period of paid leave to 26 weeks and adding superannuation contributions".9

Prime Minister Malcolm Turnbull should now therefore fully commit to not pursuing cuts to existing paid parental leave entitlements. This is a proposal for which there is no mandate, which is economically irresponsible as it does not enable parents to manage necessary disruptions to their working lives, which will impede workforce participation and which will make it harder to achieve rises in the rates of female workforce participation in Australia.

A coherent paid parental leave policy now needs to be confirmed so that parents can predict and plan their lives. After further evidence of how the existing paid parental leave program is working emerges, then further rational evolution of the policy can occur on the basis of this evidence A coherent paid parental leave policy now needs to be confirmed so that parents can predict and plan their lives.

The latest research indicates the extent to which new mothers will be worse off if the current proposed reduction of paid parental leave is allowed to proceed. The cuts would amount to a loss of between 4.07 and 6.76 weeks of average living costs for mothers in various occupations. The cuts would also strip away government-provided paid leave for parents to spend with their new-born children to much less than the 26 weeks which is recommended as necessary for those babies' good health and wellbeing.<sup>10</sup>

### PATERNITY LEAVE

The evidence about how the addition, to the paid maternity leave arrangements introduced in 2011, of a minimal paternity leave component from 2013 – badged as Dad and Partner Pay (DAPP) – meanwhile indicates some advances but still considerable inadequacies.

The independent evaluation report finds that "overall...DAPP has cemented a soft norm of fathers taking two weeks' leave around the time of a birth" of their child, it has made fathers more resolute in insisting on their right to take parental leave following the birth of their child, and it has made both employers and co-workers more accepting of fathers taking that leave. DAPP has slightly increased the time new fathers spend away from work in the first two months of their child's life, by one day to eleven days. It has also seen fathers use DAPP instead of other paid leave, so they can retain that other leave to use at a later date.11 However, only 36 per cent of those eligible received the payment in its first year of operation. Men have been more likely to take DAPP if they work in the public sector, know other men who have taken parental leave, or do not hold traditional gender role attitudes. 12

Related doctoral research by Monash University social work lecturer Samone McCurdy, meanwhile (also published while Northern Lights was in production), found that over 86 per cent of fathers are more likely to take paid parental leave if it is paid at replacement rates of pay, compared to only 10 per cent when it is paid at the national minimum wage, which is what is offered under the current arrangements. McCurdy's findings come from a survey of 951 fathers and semi-structured interviews with 14 couples who are parenting at least one preschool child in the home, in order to establish what prevents men from becoming primary carers and what would enable them to do so. Her findings showed that "fathers...are keen to contribute as primary caregiver and believe in having equal access to paid leave to do so. However, they are limited in their care contributions as a result of their primary earner status in the family". This particular barrier now needs to start being dismantled as part of further paid parental leave policy development. McCurdy's research also found that only 16 per cent of fathers believe they are as fully accepted in the role of carers as mothers are in the workplace. 13

In March 2016 new international comparative research claimed that only 2 per cent of Australian men as yet take paid parental leave, compared with more than 40 per cent of men in some Nordic countries. That research also confirmed how fathers who care for their children are more likely to stay involved in that relationship as their children grow up. It confirmed that children with fathers who participate more in childcare and family life have better cognitive and emotional outcomes, as well as better physical health. Fathers who engage more with their children also report greater satisfaction with their own lives, and better physical and mental health.<sup>14</sup>

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### LEARNING FROM OTHER ELEMENTS OF SWEDEN'S LEADING ROLE IN REDUCING CHILD POVERTY AND IMPROVING CHILDREN'S WELLBEING

Northern Lights proposed that Australia pick up other Swedish ECEC policies, in particular by adopting new, place-based approaches in disadvantaged areas which feature multi-faceted child health, parenting and employment programs such as those pursued in Sweden.

Discussions have proceeded on the outline of further details of practically successful, local

programs of this type in Sweden. The idea is that these can inform the introduction and trial of further, new place-based approaches, which are very purposeful and experimental, in particular locations which the Australian Early Development Census (AEDC) and other data identify as disadvantaged, so as to help overcome those neighbourhoods' disadvantage, building on the beginnings which Australian governments have made in this direction.

It is now necessary to map in greater detail the emerging landscape, in which, for example, one not-for-profit organisation has formed a partnership to develop two new children and family centres in Melbourne's outer northern suburbs. The purpose of these centres is to deliver holistic support, such as kindergarten and long day care, playgroups, allied health services, maternal and child health facilities, financial inclusion, and work and learning support.

They will do this by establishing, integrating and delivering innovative new services for families and children in the local municipality and by developing and demonstrating new, place-based approaches to tackling poverty and disadvantage in urban growth corridors, using an early intervention framework. The involvement of another not-for-profit organisation, the Melbourne City Mission, in opening an early learning hub in a low socio-economic status western suburb of Melbourne, another, similar example of place-based initiatives which have recently emerged for children.

However, any actual reference to, and learning from, Swedish approaches in the design of these programs and other place-based research and early years data consolidation initiatives is still very undeveloped.

This is highly unfortunate as Sweden, with its infant mortality rates little more than half those of Australia – and the Nordic nations as a whole, with their average child poverty rates little more than half those of Australia – must be the benchmark for any serious efforts to change children's chances for the better here.

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# SCHOOLS AND EDUCATION

### MORE EQUITABLE SCHOOLS FUNDING, BETTER VALUING OF A QUALITY TEACHING PROFESSION AND MORE EFFECTIVE PROVISION OF VOCATIONAL EDUCATION IN SCHOOLS (LEARNING FROM FINLAND)

Northern Lights argued for more equitable schools funding, better valuing of a quality teaching profession and more effective provision of vocational education in schools (learning from Finland). The Gonski Report has gained much legitimacy in Australia in part because it draws on the evidence of Finnish schools' successes. While the current Liberal Party-led national government continues to try to deny the fifth and sixth years of schools funding proposed by Gonski – and has since September 2016 begun to explicitly discredit the Gonski recommendations – the resistance to this remains robust because of that legitimacy and evidence.

Also of importance is the fact that, in August 2016, the Victorian Government announced that future teachers will need to meet higher entry standards, explicitly referring to the fact that educationally high-performing Finland takes in "the top 10 per cent" of achievers to be school teachers. Teachers who want to work in Victorian schools could therefore soon

have to achieve higher formal academic results and also display high levels of intellectual curiosity and strong interpersonal skills. This will be part of an overhaul of teacher education in a bid to attract more talented candidates to the profession and to boost its value and status. The proposals follow concerns about the declining formal academic entry requirements of students embarking on teaching degrees.

The Victorian Government is now consulting on those proposed reforms and it will announce changes soon which will come into effect in 2018. It is suggesting graduate-only entry into teaching courses and more consistent mentoring and induction programs for teachers. The Australian Education Union supports the higher entry requirements. The Contribute to the damaging public narrative around teaching, and negatively impact efforts to attract talented candidates and [to] thus improve student learning, the government's paper says. 18

This initiative responds to, and learns from, the benefits which Finland's approach of valuing a highly qualified teaching profession brings to its society and economy.

The Finnish approach to vocational secondary education is also relevant to further development and design of the new 'Tech Schools' initiative taken by the Victorian Government. Australian political parties have often put forward ideas during election campaigns, over recent decades, to re-open technical schools, and to emphasise vocational education options and apprenticeships. There has long been a debate about striking the right balance between 'vocational' and what is sometimes referred to as more general or 'academic' education at secondary level in Australian schools. While it was necessary and desirable to stop streaming at an early age along socio-economic class lines as occurred with the old 'Tech Schools' it is widely felt that there has been a loss since then of appropriate recognition and appreciation of the different, but equally valid, strands of secondary school learning. This loss has been detrimental to the development of the talents of those young people who are interested in manual trades such as plumbing, electrical, carpentry and engineering.

The Victorian Minister for Training and Skills has emphasised the Victorian Government's commitment of \$125 million to establish ten new 'Tech Schools' in different parts of urban and rural

Victoria which will deliver general and industry-specific vocational programs to secondary school students. The plan is for these 'Tech Schools' to work in partnership with schools, TAFEs and universities to provide students with the skills and capabilities required by local industries. The 'Tech Schools' aim to help Victorian students get a head start they need in their careers, in industries which have the highest prospects for growth.<sup>19</sup>

Important in shaping the Victorian Government's view has been the Knox Innovation, Opportunity and Sustainability Centre (KIOSC), a federally-funded Trade Training Centre in Melbourne's outer-eastern suburbs, which is considered a demonstration centre for the establishment of the new 'Tech Schools' because of the high standard of its facilities and programs, and its provision of pathways from Years 7 to 10.20

A community consultation process has been underway regarding the introduction of the new 'Tech Schools' which – very importantly – are not to be places of 'edutainment' but, rather, places which engage students in deep learning which leads them to a vocationally useful place.

Responsibility for the Victorian 'Tech Schools' initiative has now gone fully to the Minister for Education and the initiative remains in an early phase – which therefore means that the direction

that the initiative takes is still able to be influenced – with none of the new learning centres scheduled to actually open until 2017 and then 2018.

While the Victorian Government initiative is positive as far as it goes, and designing the 'Tech Schools' effectively will be very important so they become exemplars for expanded provision, the current plan is only to establish ten 'Tech Schools', all of which will be separate from actual existing secondary schools. This means that the changes will be marginal to the operations of the more than 2000 secondary schools in Victoria, rather than integrated into those schools in a way which will give many individual students new vocational learning opportunities. There is greater capacity for the 'Tech Schools' project to connect with existing positive programs in Victorian schools, such as at Sunshine's Harvester Technical College, as was discussed in Northern Lights.

In order to now follow through on the design and implementation of the 'Tech Schools' to improve the balance between 'vocational' and more general or 'academic' education for Victoria's secondary students, further research is needed which will clearly illustrate the lessons for the Victorian Government's initiative from Finland's world-leading and very equitable approach to vocational education. The research should obtain and provide further statistics on the extent of permeability between the vocational and general education streams in Finnish upper secondary schools; and on

the higher proportions of girls there who enter non-traditional trades like vehicle technology.

There is another dimension of the policy agenda on 'skills' in the Nordic nations, arising from pioneering progressive work done by Swedish municipal unions which cover local government employees – who are mainly women workers – to identify, redefine and formally recognise particular attributes of workers which were previously not recognised as skills. This is also relevant to identifying the skills needed for higher quality provision of Early Childhood Education and Care and for better recognition and reward of the people who work in that profession. One of the most recent educational initiatives from Finland which has been reported is to reduce the emphasis on learning cursive handwriting in schools so as to move with technological realities and the need to learn keyboard skills from an early age.21 Collaborative classroom practices, where pupils work with several teachers simultaneously during their studies, continue to be emphasised; as does the approach whereby modules are designed and implemented locally and pupils are involved in planning them.

There is also a new teaching approach whereby conventional 'subjects' will be complemented with cross-subject 'topics' or "phenomenon" teaching.<sup>22</sup> As a result, some students may increasingly be taught cross-subject topics such as the European Union, which merge elements of economics, history, languages and geography.

# INCREASING REVENUE

### INCREASING REVENUE INCLUDING THROUGH GREATER TAXATION AND REGULATION OF NATURAL RESOURCE WEALTH (LEARNING FORM NORWAY)

Apart from tentative steps towards tackling negative gearing,<sup>23</sup> which were at least continued by the Labor Opposition in the 2016 election campaign, the recent developments in national politics whereby ideas for a higher GST and other methods of raising more revenue in Australia, which were initially canvassed by the new prime minister, Malcolm Turnbull, but which were then abruptly shelved, repeat a pattern in Australia. That pattern involves short-term horizons making it seem too hard to talk about taxation reform for fear of scare campaigns which might turn sections of the electorate from one political party or another. Rational, longer-term policy perspectives make it obvious however, that the problem of inadequate revenue in Australia needs to be tackled.

There is therefore very little as yet to report on Australia's learning from Norway's effective approach to raising much-needed national revenue. However, concerns about inadequate taxation of new liquefied natural gas (LNG) projects which are now developing off the coast of Western Australia are directing attention back to the need for more effective, Norwegian-style resources taxation.

A book has been published this year which gives fuller documentation and analysis for Australians of Norway's achievements in building up its sovereign wealth fund for national benefit.<sup>24</sup> This presents a cogent case for what Australia can learn by revisiting resources taxation to tackle its own revenue deficiency: a contribution which will, in time, have positive effect.

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# FURTHER PRIORITY POLICY AREAS

# FURTHER PRIORITY AREAS OF NORDIC ACHIEVEMENT NOMINATED BY POLICY ACTORS FOR AUSTRALIA TO LEARN FROM

### **URBAN DESIGN**

One additional priority policy area identified is better, healthier and more natural urban design. It is very well known that Australia's most iconic building, the famed Sydney Opera House, with its representation of sails on the harbour, was designed by the Danish architect Jørn Utzon last century. It is less well known that one of the key personnel who was involved in shaping Copenhagen's deservedly lauded urban design – Danish architect Jan Gehl - has had significant influence on improving the design of the city of Melbourne this century. Gehl has helped Melbourne to become a city more oriented towards people through his approach to urban design, which gives priority to active public spaces and the movement of pedestrians and cyclists, so as reduce the impact of cars and to improve vitality.

Gehl emphasises that four key characteristics – mixed-use, human scale, diversity and affordability – are central in good urban design and planning. His work seeks to restore the public realm in city

spaces, reversing the ways in which those have been commodified and privatised, to prevent the overshadowing predominance of high-rise buildings, to increase the variety of physical and social interactions, and to better connect to the water.<sup>25</sup> Melbourne now needs to further implement this approach, and add to the partial progress which it and some other Australian cities have made, to prevent its further urban sprawl and to more evenly spread its population density.

Copenhagen has also been an inspiration in the work of Australian medical researcher Alessandro Demaio, who argues that the key to beating chronic diseases, including obesity, is to make it simpler to live well. Demaio advocates Australia's learning from Denmark's capital city to ensure: affordable fresh fruit close to public transport, more investment in bicycle infrastructure, and an end to so-called food deserts where a car is the only way to reach healthy eating options.<sup>26</sup> He also emphasises Copenhagen's strict rules restricting the buying of residential property for investment purposes.<sup>27</sup>

These very effectively prevent housing affordability problems from becoming as severe as those which young people, in particular, now suffer in the large Australian cities.

### **BALANCED REGIONAL DEVELOPMENT**

Another policy is support for more balanced regional development. Positive benefits have been noted of Norway's policy to encourage medium-sized cities outside its capital city. Geelong is a medium-sized city in Victoria which is now trying to adjust to the departure of the Ford motor company from manufacturing by creating an employment future within that region rather than having a flight of individual workers into enforced early retirement or to other places where they will lose their family and geographical connections. One decision which will help Geelong adapt this way is that it has been made home to the National Disability Insurance Scheme (NDIS).

Similarly, some specific proposals have been put forward to reduce excessive centralisation in New South Wales, and the congestion and housing affordability problems which this causes, by pointing to the potential of a state government program which encourages families from Sydney to move to regional centres. Ben Spies-Butcher argues that one industry which is driving jobs growth – and indeed which he claims has created more new jobs than any other sector since the year 2000 – is health care and social assistance. He regards the rise of

care as the biggest economic story of our time – yet it is one which is rarely celebrated. Health and other care services add directly to wellbeing, help to build communities and provide quality jobs with career prospects, he argues. Importantly, those jobs are decentralised, so that an increase in health and education spending can help to revitalise places in which mining and manufacturing employment has declined. Because care and education are delivered according to need, they can naturally cluster outside the big cities. Often the same centres in need of more care workers are those with high local unemployment.<sup>28</sup>

Creating more jobs in health care, social assistance and community services would also, of course, be a positive step towards the much higher employment levels which Sweden and the other Nordic nations already have in those sectors, which contributes to those nations' rates of higher workforce participation than Australia.

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### WORKPLACE DESIGN

Another policy area emphasised for further valuable lessons from Nordic nations is **better workplace design**. This requires more participatory design of technology; taking into account aesthetics, ergonomics, and nature – including at the very least having natural light in people's work environments, but, preferably, fully expressing the principles of 'biophilia' in order to improve employees' mood and therefore their productivity and so as to bring Australia closer to the Nordic nations' comparatively high levels of satisfaction and democracy in workplaces.

These points emerged in interviews with Danishborn Professor of Design at Swinburne University, Gitte Lindgaard, who is another Scandinavian thinker who has worked in Australia on the sociotechnical ideas for work redesign which were discussed in *Northern Lights*. Those ideas were most fully explored in Australia in Adelaide, in the era of Premier Don Dunstan. The Nordic nations' emphasis on positive work design and industrial democracy start from the premise that it is part of human nature to be active, not idle; and that people want fulfillment and self-expression in their working lives, and not to merely work as a tedious necessity in order to have 'a life' which exists totally outside work.

Data in the Australian Prime Minister Malcolm
Turnbull's 2015 innovation statement showed that
the Nordic nations rate much higher than Australia in

their extent of encouraging innovation, research and development.<sup>29</sup> However, that report, like political discussion in Australia generally, does not follow through to identify the reasons for this, including that the Nordic nations have a better basis of employment security than there is in Australia; and that there is much greater co-operation in Norway between unions, employers and government. Indeed, the government led by Mr Turnbull's Liberal Party campaigned in the Australian national election campaign in the lead-up to 2 July 2016 with a general slogan of achieving 'innovation': yet at the same time it had explicitly called the election in hostility towards trade unions. No nation can reach its full innovation potential when it is at war with its own organised workers.

Following its very narrow re-election, the government's vague slogan of 'innovation' is unlikely to achieve much unless efforts are now made to foster more co-operative participation by employees, as occurs in the Nordic countries. A live, interactive presentation given from Oslo to an audience in Melbourne during the Australian national election campaign by Anthony (Tony) Kallevig, research manager of the Norwegian confederation of trade unions, therefore made some particularly timely points. He put forward ideas about how governments, employers, and working people through trade unions can co-operate more with each other in order to now actually realise greater innovation in Australia.

His presentation demonstrated how employees, with their unparalleled experience and insights, are the greatest source of potential upon which we now need to draw if we are to actually achieve innovation in Australia. 'Employee-Driven Innovation' involves, from a basis of employment security, democratic participation by workers and cooperative encouragement of their informed insights into problem-solving. Good employers or managers need to encourage employees to take risks with new ideas, in an atmosphere of teamwork and trust, and to not let people compete for recognition because, when co-workers stop sharing information, this hampers an organisation's innovative ability.

Crucially, Kallevig used the word 'alienation' and emphasised the importance of good employers and managers acting to prevent the denial of their employees' imaginative impulses and thereby to prevent those employees' 'alienation' from a meaningful role at work.<sup>30</sup>

All his points, including the importance of employees feeling secure in their employment if innovation is to be fostered, are supported by leading Norwegian scholars of work.<sup>31</sup> Collaboration, or co-operation, or 'constructive engagement', by unions and their

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members does not mean unions being 'tame cat' or doing lazy deals with employers. Rather, good trade union leaders need to be independent and democratically in touch with their members. This is particularly the case now that divisive 'Taylorist' management strategies have re-emerged in digital form, leading to excessive work intensification. While there has been a breakdown of old centralised hierarchies in favour of networks, there are new problems which the more individualised work patterns produce, including isolation; and there are new difficulties in regulating those.

Another policy area is greater emphasis on both the prevention of crime and the rehabilitation of persons convicted of crimes. I analyse this separately in a forthcoming journal article.

### **FOREIGN AID**

Sweden and Norway's past leadership in foreign policy and in the provision of extensive and high quality **foreign aid** have also previously been highlighted as exemplary. Australia is one of the laggards in meeting the United Nations Millennium Development Goals. Australia's national government – whichever of the major political parties is in office – regularly cuts the already meagre foreign aid budgets.

Australia's ungenerous overall contribution of foreign aid contrasts with the high rates of donations after the Boxing Day 2004 tsunami, because that event was clearly visible closer to home and it was felt that the disaster's effects could have easily reached here. Therefore, education about how provision of foreign aid can make a real tangible difference for people close to us both geographically and otherwise will be important in building more public support for the provision of more Australian government foreign aid to poor nations in the future.

### **ASYLUM SEEKERS**

Australia has become paradoxical in that it is a very multicultural nation and yet it has become very hostile to **asylum seekers** who attempt to arrive by boat. Again, public education about the difficulties which drive desperate people to seek

asylum by these means, and tackling myths about their motivations with more facts, will be essential to restore the international standing of Australia as a good citizen in this sphere of policy.

Data from the United Nations High Commissioner for Refugees (UNHCR) indicates that Sweden has the highest per capita extent of asylum seeker applications of all the world's rich nations. All the four main Nordic nations – Sweden, Denmark, Finland and Norway – have many more per capita asylum seeker applications than does Australia, which stands at only number 25 in this ranking.32 The practical difficulties which arise from large influxes of refugees to nations like Sweden will be solved by other wealthy nations now doing more to accept their fair share of people in dire need who are fleeing persecution and crisis, and by educating local people – as is done in Sweden – about the crises which those people have fled. The difficulties will not be solved by rich nations turning their back on those people, by pretending that they do not exist, or by admonishing the nations like Sweden which are currently leading the way in fulfilling their humanitarian responsibilities.

### **FEMINIST FOREIGN POLICY**

The current Foreign Minister in Sweden's Social Democratic Party government, Margot Wallström, meanwhile, has espoused a "feminist foreign policy". She has declared that:

"Gender equality is still a vision, not a reality. Sweden's feminist government wants to make this vision a reality.

Gender equality is a goal in itself. But it is also essential for the achievement of the Government's other overall objectives, such as peace, security and sustainable development.

This is why gender equality and human rights efforts must continue unabated.
But we must also go one step further. And we are doing this by making Sweden the first country in the world to pursue a feminist foreign policy.

...Countless women and girls still experience a blatant lack of rights, representation and resources. Sweden's feminist foreign policy will help to achieve concrete results that enhance both gender equality and the full enjoyment of human rights by all women and girls.

Focus areas...[i]n 2016...include strengthening the human rights of women and girls in humanitarian settings and combating gender-based and sexual violence in conflict and post-conflict situations.

The potential of women and girls as actors will also be highlighted within the framework of peace processes, peace support operations and sustainable development efforts."33

This is another Nordic policy initiative from which Australia now needs to learn.

# CLOSING REMARKS

One of the general points which has emerged in discussion of *Northern Lights* is the importance of emphasising that a major political fact of our time is that all wealthy English-speaking countries have worse economic inequality than the Nordic nations. The income distribution of the Nordic nations overall is twice as equal as America's. Australia is in between.

Many egalitarian reformers are continuing a historical tradition of seeking to reduce inequality in Australia by pointing to the proven value of Nordic policies such as public investment in Early Childhood Education and Care, provision of extensive paid parental leave, and equitable schools funding which brings excellence. These efforts to reduce economic inequality by showing the benefits of adopting different policies, learning from the experiences of the Nordic nations, are not an attempt to simplistically "transplant" things. It is not as if we are sitting down with a blank page and asking if there are any things that we can now start to learn from Scandinavia and Finland.

It is important to emphasise again that English-speaking nations have already been influenced through – for example – the creation of ombudsman positions, children's commissioners, some paid parental leave: and the spread of the ban on hitting children, from its origins in Sweden in 1979 to 34 other nations in the world so far including New Zealand. Australia can be the next country to adopt that ban; and it can entrench the Gonski funding reforms, while some states of Australia can join Alberta Province in Canada to become parts of a more multicultural nation influenced by Finland's stunning education policy successes.

Success in these endeavours – and in any or all of the policy areas discussed here – requires continued efforts by activists who are informed by comparative international analysis.



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