

# PLURIACTIVITY AS A STRATEGY FOR EMPLOYMENT IN RURAL NORWAY

by

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## DEFINITION AND PROBLEMS

Pluriactivity, the traditional employment adaptation in rural Norway, has kept its foothold in rural areas. The types of job combinations have however changed radically, from 'fishermen farmers' and similar kinds of adaptation, to a majority of 'white collar farmers'. This change has been accelerated by new forms of work sharing in the household between men and women. From a political point of view the dominant tendency for a long time was to look upon pluriactivity as a traditional adaptation which would vanish as modernization progressed. Over recent years this point of view has changed. Contrary to former policies, projects and policies are now trying to discover how to stimulate pluriactivity.

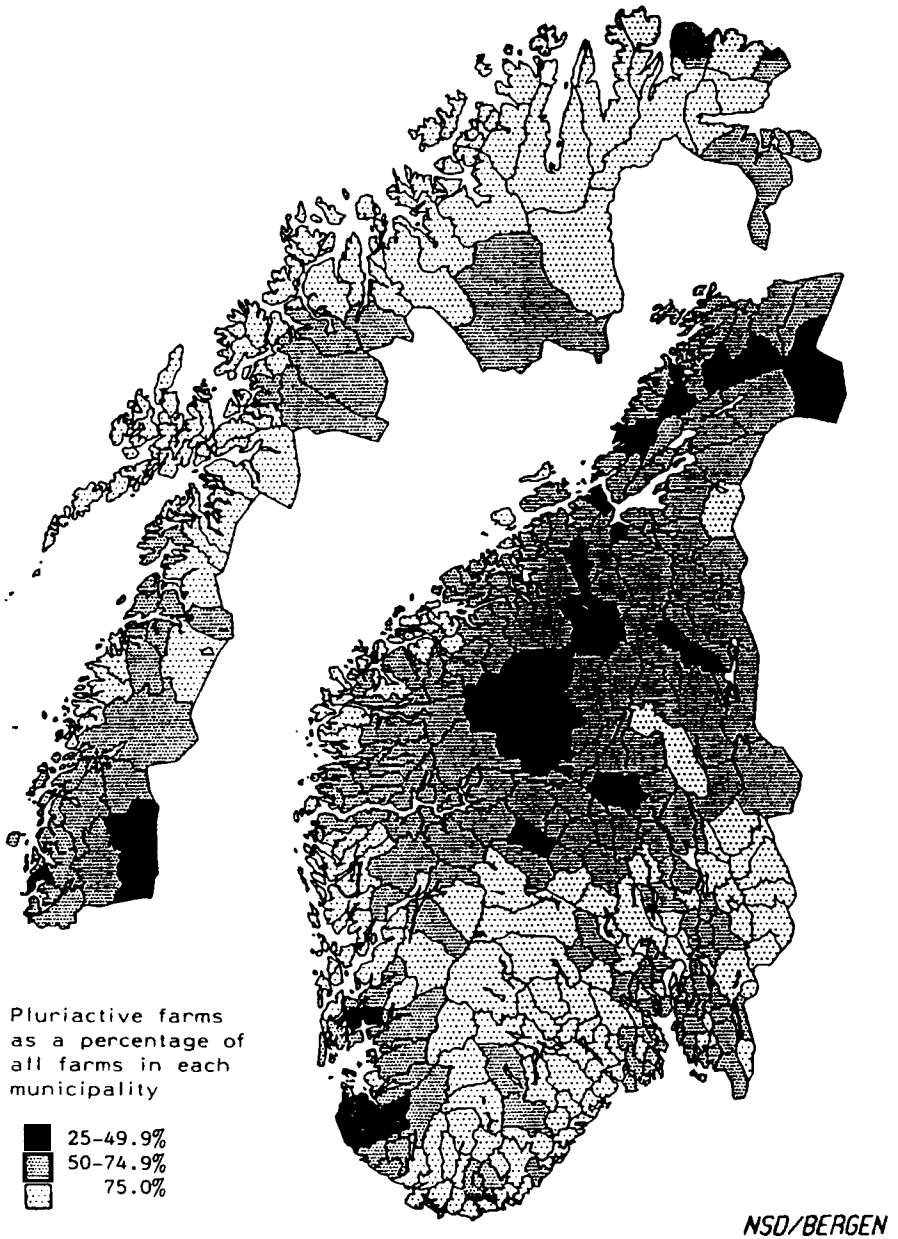
In this paper the following definition of pluriactivity in rural areas is used: *the diversification of activities carried out by one household on and off the holding in order to secure the household's economy and welfare.*

By using the notion pluriactivity instead of part time farming, attention is drawn to the *total activity* of the household. This household view is necessary to capture important changes that are taking place in rural Norway today. Emphasis is also placed on how households are adapting to policies and projects which try to stimulate pluriactivity. What is the origin of these projects, and is it possible to stimulate pluriactivity by these means?

## PLURIACTIVITY: THE MAIN AGRICULTURAL ADAPTATION IN NORWAY

In large parts of Norway where fishing and forestry had a central role, nearly all farmers were pluriactive. After the Second World War there was a move towards so called *family farms*, that is to say farms with no activity off the farm. This development was stimulated by agricultural policies, yet in spite of these policies two out of every three farms are still pluriactive.

FIGURE 1. Geographical distribution of pluriactive farms



Source: Hetland, 1984. The map is based on data from the Census of Agriculture and Forestry 1979.

The map shows the geographical distribution of pluriactive farms. Along the coast and in areas with forestry three out of every four farms are still pluriactive. We have also smaller areas dominated by family farms (Figure 1).

There is no indication of pluriactive farms declining more rapidly than family farms. On the contrary, recent evidence suggests that a growing proportion of farms are dependent on off farm incomes, earnings originating from different forms of occupational pluralism. According to data from the census of agriculture, the proportion of family farms dropped from 39 per cent in 1949 to 31 per cent in 1979. Therefore it is of great interest to look at the most recent developments in pluriactive farms. On the basis of our household studies we developed the following typology for the various forms of pluriactivity (Hetland, 1984):

1. *Family* farms with no activity outside agriculture (agriculture includes in this case forestry on the same holding, fur farming and farm tourism)
2. *Traditional* division of labour organized so that the man works off the farm and the wife is at home. She is responsible for farm work when he is away. The man assists in busy seasons and whenever he is at home
3. *Complex* division of labour meaning that both spouses are employed off the farm and both share in farm work
4. *Modern* division of labour organized so that the woman has paid employment off the farm, the husband being at home and responsible for farm work
5. *Single* farmers working both on and off the farm
6. Farmers receiving a *pension*

Until the mid-1960s traditional division of labour was the rule on all kinds of farms. Between 1969 and 1979 important changes occurred in the categories of traditional and complex division of labour (Table 1). In this

TABLE 1. *Proportion of pluriactive farm households in 1969 and 1979*

	1969 %	1979 %
1. Family	33.1	30.7
2. Traditional	37.1	25.8
3. Complex	4.1	15.1
4. Modern	1.4	3.1
5. Single	7.2	8.1
6. Pension	17.1	17.2
Total	100.0	100.0

*Source:* Hetland, 1984. The table is based on data from Census of Agriculture 1969 and Census of Agriculture and Forestry 1979

regard it is also interesting to note that these changes occurred among both young and middle aged farmers (Figures 2 and 3).

FIGURE 2. Pluriactive farm households in relation to farmer's age, 1969

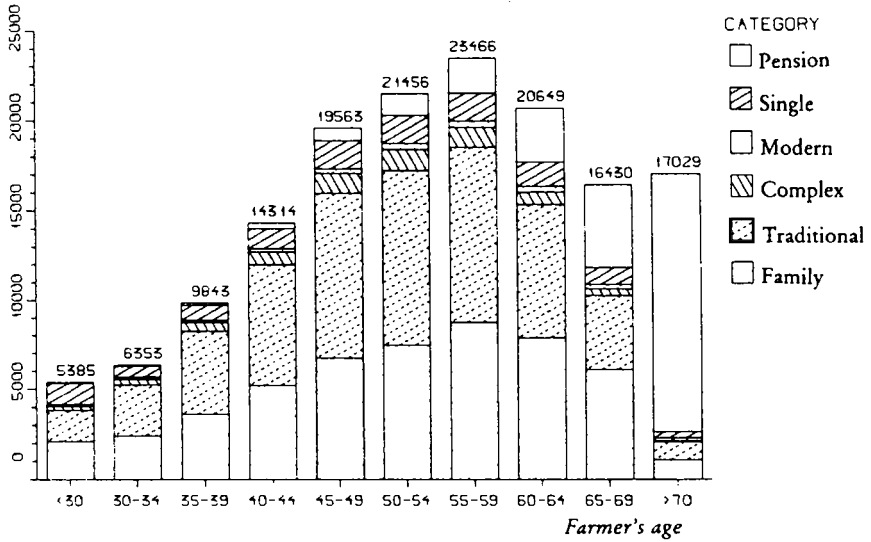
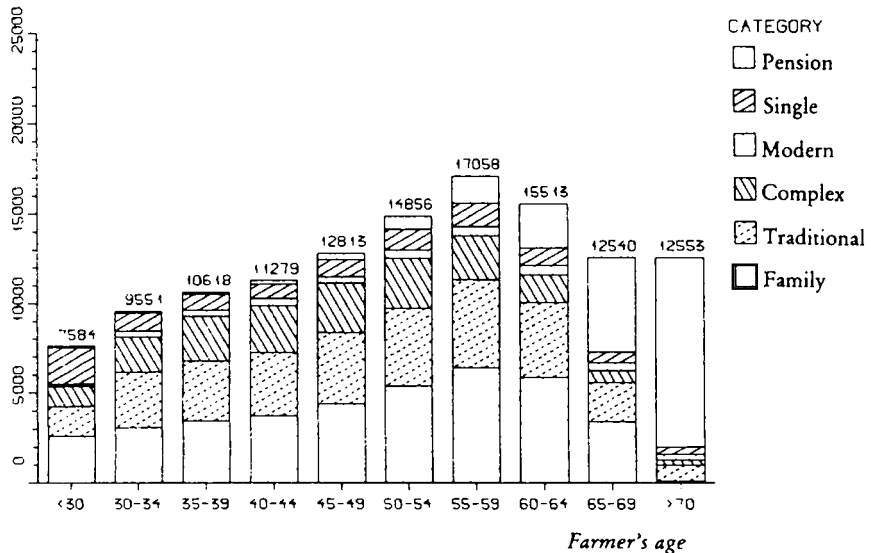


Figure 3. Pluriactive farm households in relation to farmer's age, 1979



POLICIES AND DEVELOPMENT PROJECTS WITH EMPHASIS ON  
PLURIACTIVITY

Problems like overproduction in agriculture, people moving out of marginal areas and rising unemployment in many parts of Norway, have aroused interest in pluriactivity. How can pluriactivity be stimulated? This question has been raised by several policy making institutions and the focus has been on investment needed on the farm.

Concerning investment, three aspects are of particular interest:

1. Earlier it was common to have a combination of, for example, fishing and farming. This is rather difficult today because of the high cost of investment. The investor has to make up his mind whether he wants to be a fisherman or a farmer. In any case, if the household invests in a new farm building or a fishing boat, one can almost be certain that the investment will mean a job for the husband, and if he chooses to become a fisherman, one can be quite sure (Hetland, 1983).
2. If the woman is supposed to be the farmer, she will face a lot of obstacles, both within the household, as the husband may have other plans for investment, and in relation to the State Bank of Agriculture, as the husband as a rule has a regular salary. She will therefore find it difficult to obtain a subsidized loan.
3. If the household has made the decision to invest, much capital is needed. After investment, large sums are needed to pay off interest and the loan. To make payment possible, a well known strategy is for the women to become pluriactive off the farm.

These last two points can be illustrated with some data. In a European context nearly all Norwegian farms are small. If we look at farm structure measured in *annual work units* (one annual work unit (AWU) equals 1975 working hours per year with an average input of technology), we find that 57 per cent of all farms provide work for less than one AWU. In the eyes of the State Bank of Agriculture all farms with less than one AWU are pluriactive farms. In 1980 814 farmers were receiving subsidized loans and grants-in-aid from the State Bank of Agriculture to finance new cowsheds and so on. Only 6.3 per cent of these farmers had less than one AWU. This situation makes it almost impossible for pluriactive farmers to obtain the necessary capital through the State Bank of Agriculture. 345 pluriactive farms were recommended in 1980 by the local agricultural authorities for a loan from the Bank, but only a few loans were granted. The investment plans, however, illustrate the adaptations preferred (Table 2).

As Table 2 shows there is a move from a complex to a modern division of labour in the investment phase. One consequence of investment is that planned change would result in a reduction of farms with complex division of labour from 28.7 per cent to 10.2 per cent and an increase in farms with modern division of labour from 8.7 per cent to 26.1 per cent.

TABLE 2. *Pluriactive farms in the investment phase*

		Before investment (%)			
		Traditional	Complex	Modern	Total
After investment according to plans (%)	Traditional	33.6	2.6	–	36.2
	Complex	–	10.2	–	10.2
	Modern	5.8	13.6	6.7	26.1
	Family	23.2	2.3	2.0	27.5
	Total	62.6	28.7	8.7	100.0

Source: Hetland, 1984

As already emphasized, few pluriactive farms benefit from subsidized loans and grants-in-aid from the State Bank of Agriculture. An alternative strategy is to use private savings for investment. The Regional Taxation Law makes it easier to establish one's own investment fund. Former surveys show that pluriactive farmers use this option to approximately the same degree as family farmers. One option which many pluriactive farmers did use, was to invest money earned in another occupation in the farm. By doing this they gained a tax reduction but from 1986 the Regional Taxation Law is being tightened, which means that pluriactive farmers have lost this possibility of reducing their taxes to some extent.

To gain more experience with rural pluriactivity in relation to policy, the Norwegian Government established four development projects in 1977. These projects were located in the municipalities of Bø in Vesterålen, Hamarøy, Halså and Vanylven. The main aim of these development projects was to get experience with pluriactivity as means to maintain the population in areas dominated by small farms (NOU, 1985).

Forty-three farms joined the projects which lasted for a period of five years. The Government made it possible to invest both on the farm and in activities off the farm, for example in aquaculture and a firm of plumbers.

During this period the direct employment effect to the project were 11.5 jobs (1 job = 1 AWU). If the grants-in-aid to the whole project are divided among the 11.5 jobs, we find that every new job cost NOK. 574,000 (about US \$ 80,000) in establishment. If family farms had been given priority the same amount of money would have created eight jobs (NOK. 826,000 per job). It seems therefore that grants-in-aid are used more effectively if the money is put into pluriactivity.

When starting the project, the institutions involved had chosen to establish part time employment in selected industries. Fishing and fish processing industry were selected in Bø, forestry in Halså, manufacturing industry in Vanylven and the service sector in Hamarøy. This also created problems, however, as the people who joined the projects had their own preferences and also because this initiative was based on the assumption that the husband was the active person in the labour market. Only 11 out of 43 farms chose an adaptation that corresponded with the pre-determined type of part time employment. On the 43 farms 8 chose part time employment in fishing, fish processing industry and forestry, 8 in manufacturing industry, 15 in construction and 12 in the service sector. Taking a closer look at the households, there were 3 having a modern division of labour, 22 having a traditional division of labour and 14 which preferred a complex division of labour.

This development project created 43 different pluriactive adaptations. But will these remain stable? So far some of the farmers employed on a part time basis in manufacturing industry have had problems keeping their employment part time. Employers in some firms want employees to work full time. This problem is a familiar one for pluriactive farmers. For this reason, therefore, they seldom choose employment in manufacturing industry. The next type of instability is connected with division of labour in the farm household. So far several farms are in a process of changing from traditional and complex to modern division of labour. This development has several aspects which are discussed in the last part of this article.

#### PLURIACTIVITY: RESPONSE TO CHANGE OR TRADITION?

Why are two out of every three farms still pluriactive? The motives for pluriactivity have changed during the course of history and in a macro-perspective we could speak of three (overlapping) periods:

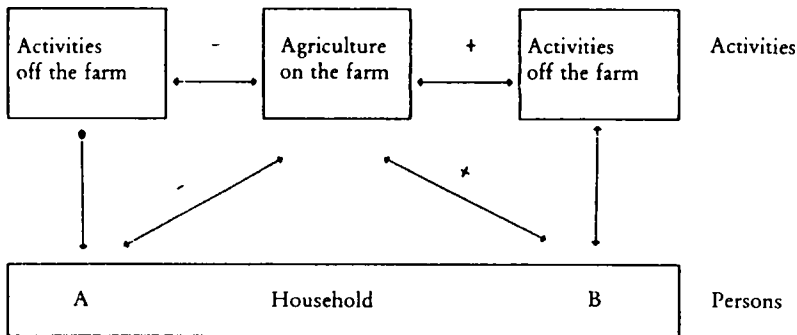
1. The period of *subsistence economy*. In this long period the main motive was to secure the household's economy and welfare. Pluriactivity was also important in order to reduce the risks of specialization.
2. The period of *commercialisation and specialization*. The risks of specialization are reduced by technology and also by social welfare payments. Many farmers work off the farm in order to be able to invest in farming.

3. Agriculture as a *social foothold*. In this latest period the social values connected with the farm as a place to live have been put into focus. Many 'farmers' have more or less full time work off the farm. Much of the investment which they make is not put into the farm in order to keep up an occupation but to keep up a property and a place to live.

Policy makers are still more or less concerned with the investment problems which were so important in period 2. The long term development however, is closely connected with local possibilities to create activities off the farm. In former times the eldest son inherited the farm. He also continued his father's activities off the farm, whether it was fishing or something else. This kind of 'inherited adaption' no longer exists. Today the young people prefer jobs off the farm which correspond with their personal and private interest, education and so on.

So far the marginal regions have had great difficulties handling these problems. Small farms in marginal regions are closing down faster than those in more central regions. The trend in development has turned from a situation where agriculture had great influence on which activities were possible off the farm to one where activities off the farm are deciding which activities are possible on the farm. Figure 4 elaborates this.

FIGURE 4. *A model of the pluriactive household*



For person A activities off the farm and farming are competitive. Person A will therefore not engage in farming more than necessary. For person B activities off the farm and farming are complementary. He therefore will balance these two fields of activity. To more and more households however, there is seldom a balance to be achieved between activities on and off the farm.

The development of specialization can also be reversed. One example from a local fishing community illustrates this (Hetland & Myrseth, 1979). In this fishing community situated in the municipality of Karlsøy, there had been a change from fishermen farmers to professional fishermen on



longliners, fishing on the great banks far from the local community. In the season the longliners were out fishing for periods of approximately a fortnight at a time. More and more capital was put into fishing and at last the owners of the longliners found it more economical to move their base from the local community of Karlsøy to a larger port (Tromsø). The fishermen and their families had to make a choice, whether to continue fishing, which meant moving to Tromsø, or to quit the longliners and thereby trying to find another local alternative. Some young men and boys moved to Tromsø. Most of the married men, however, who already had their own homes on Karlsøy, preferred to stay. These households turned pluriactive again, combining small scale fishing, agriculture, small jobs and pensions.

This example of reversed specialization is however rare and not representative of the main trend in rural Norway today. Some of the main questions are connected with the role of farm women. During the last decade we have experienced great change in the role of farm women; legal action has been taken to give women equal rights in inheritance for instance. At the same time, however, women are leaving or are excluded from the agricultural arena. The nature of social relationships between pluriactivity and the role of women in farming are complex and have many ramifications. Leaving aside the economic problems which were mentioned earlier, special attention is paid to four aspects of this relationship: local social networks, education, regular salaries and pension rights, and pluriactivity as part of the household cycle.

A substantial proportion of local marriages are today between a man from the local community and a woman from another community. Very often she has no background in farming. A large and growing number of women therefore have no initial social network in the local community and will often want to establish their own social network by taking a job off the farm. Since most of the new jobs have been created in the community social services, it has so far been possible to obtain a job which provides wide social contacts for the women in question.

Vocational training is one of the main forces behind the development of women's pluriactivity off the farm. Looking at the households established in agriculture after 1970, about 30 per cent of the females had vocational training in comparison with the decade before 1970 when only about 15 per cent had vocational training. This growth had not yet ceased and seems to be one of the most important factors determining the future of agriculture. In the last decade the growth in the area of community social services has prevented the exodus of young women from many local communities. This has, among other things, also made it possible to recruit new couples to small farms in marginal areas.

Many social rights are directly connected to wage work; pension rights, payments during the first eighteen weeks after birth and payments during

sickness, to mention just a few. If women are only involved in farm work, it is possible to split the income between both spouses to secure the above-mentioned pension rights for both of them. But farm income is small on most pluriactive farms, which results in the income not being split between the spouses. The man is then credited with the total household income, both on and off the farm. Usually, as far as the women are concerned, the only way to alter this situation is to take regular paid work off the farm.

Pluriactivity is not a static adaptation but varies with the household cycle. There is therefore a link between the different stages in development of the household (establishment, expansion, stabilization, breaking up and stagnation) and the tendency to become pluriactive.

In the near future we will face two quite different situations:

1. A growing number of women recruited to farms through marriage will want a job off the farm
2. A growing number of farms will be inherited by women.

So far the development projects and agricultural policies have only just realised this situation. To meet demands on the labour market, the phenomenon of pluriactivity therefore only indicates how important it is to establish an inter-sectoral policy for regional development.

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#### ABSTRACT

Pluriactivity, the traditional employment adaptation in rural Norway, has kept its foothold in rural areas. The types of job combinations have however changed radically from 'fishermen farmers' and similar kinds of adaptations to a majority of 'white collar farmers'. This change has been accelerated by new forms of work sharing between farmers and their wives. From a political point of view the dominant tendency for a long time has been to look upon pluriactivity as a traditional adaptation which will vanish as modernization progresses. Over recent years this point of view has changed. Contrary to former policies, projects and policies now try to discover how to stimulate pluriactivity.

In this paper the main focus is on how households are adapting to these kinds of policies and projects.

## RÉSUMÉ

La pluriactivité est un mode traditionnel d'adaptation dans la Norvège rurale, et elle est toujours présente actuellement. Les combinaisons ont cependant changé en passant des 'fermiers-pêcheurs' et de formes semblables à une majorité d' 'agriculteurs-cols blancs'. Ceci a été stimulé par de nouvelles formes de répartition du travail entre les hommes et les femmes. Au plan politique, la tendance a longtemps été de considérer la pluriactivité comme un phénomène traditionnel qui devait disparaître avec les progrès de la modernisation. Mais ce point de vue est en train de changer: désormais des projets et des politiques s'efforcent au contraire de développer cette pluriactivité. Cet article analyse précisément la manière dont les familles s'adaptent à ces projets et ces politiques.

## KURZFASSUNG

Mehrfachbeschäftigung als traditioneller Weg der erwerbsmäßigen Anpassung im ländlichen Norwegen hat ihre Bedeutung im ländlichen Raum behalten. Die Typen der Erwerbskombinationen haben sich jedoch stark verändert, von Landwirten und Fischern und ähnlichen Formen der Anpassung zu einer Mehrzahl von Landwirten mit einem Zweitberuf als höherwertige Dienstleistungs- oder Verwaltungstätigkeit. Diese Veränderung wurde durch neue Formen der Arbeitsteilung zwischen Landwirten und ihren Ehefrauen beschleunigt. Von einem politischen Standpunkt aus herrschte lange Zeit die Tendenz vor, Mehrfachbeschäftigung als einen traditionellen Weg der Anpassung zu sehen, der im Zuge der Modernisierung verschwindet. In den letzten Jahren hat sich diese Sichtweise geändert. Im Gegensatz zur früheren Politik wird nun mit Projekten und politischen Maßnahmen untersucht, wie Mehrfachbeschäftigung gefördert werden kann. In diesem Beitrag wird das Schwerkraft darauf gelegt, wie sich die Haushalte bei diesen Maßnahmen und Projekten anpassen.

## ERRATUM

re. C. REBOUL, *Land Reform and Soil Fertility in Eastern Europe and the USSR*, SOCIOLOGIA RURALIS Vol. XXVI (2), 160-169

Translation from the original French into English may have led the reader to misunderstand one of the central conclusions of the author. This relates in particular to the third sentence of the Abstract: 'The social determinants of these practices have been socialist agrarian reforms...'. The author would like to rephrase this as follows: 'Post-war reforms, resulting in an egalitarian redistribution of land and means of production among agriculturalists, have introduced systems of mixed farming, which in principle were most favourable to maintaining soil fertility. The excessive concentration and specialisation of agricultural enterprises in the 1970s, however, had a contrary effect. Maintaining soil fertility has suffered from an organization primarily aimed at the full utilisation of large scale farm machinery'.

With our apologies to the author,

The Editors