

NHO CLAIM KRABY'S GOLDEN HANDSHAKE AGREEMENT WAS BASED ON A MISCALCULATION

According to the NHO a mistake was made when calculating Pål Kraby's golden handshake agreement when the NHO was established in 1989: instead of receiving a pension amounting to 66% of his pensionable salary Kraby in fact received his entire pensionable salary (see press summaries of 14, 15, 21, 25/5 & 11/6). Because Kraby had insisted in contributing towards a good pension scheme, he had a high pensionable salary amounting to well over Kr 1 m. This meant that after he signed the agreement in 1989 with the NHO he received Kr 400-500,000 more than he was entitled to. NHO Vice President Torvild Aakvaag has said that Kraby must have realised that a mistake had been made. He says that the NHO's Working Committee will now discuss whether or not they will ask Kraby to pay back the surplus payments.

The NHO has now decided to postpone the appointment of its new President until its ordinary AGM on 25 November, and will in the meantime consider a wide range of proposals received from members relating to its future structure. Aakvaag has agreed to act as President until the AGM, but has announced that he is no longer a candidate for the Presidency. (Aft p. 24; Arb pp. 6 & 11; DN pp. 1 & 12)

TROLL CONTRACT GOES TO AKER & KELLOGG

As forecast on 10 June (see press summary of same date), Norske Shell has now announced that the Kr 4 bn Troll contract has been awarded to Aker Engineering and the American company M W Kellogg. It has been calculated that Aker will be responsible for 75% of the contract. The land-based plant will cover an area of 360,000 sq. meters and the gas-treatment plant will be capable of receiving 84 million cubic meters of gas per day. The gas will be dried and compressed and piped to Zeebrugge in Belgium and Emden in Germany. Around 350 people will be employed on the planning and procurement operations - two-thirds of these will be based in Asker (Oslo) and one-third in London. Once the detailed planning operations have been completed the follow-up work will be directed from Bergen. If all goes according to plan the detailed project work should be completed before the end of 1993, and construction work should be finished during the spring of 1996. (DN p. 28; Aft p. 26)

NORWAY'S CURRENT ACCOUNT SHOWS A SLIGHT DEFICIT

Figures presented by the Central Bureau of Statistics show that Norway had a Kr 200 m deficit in its current account in January 1992, compared to a surplus of almost Kr 4.4 bn in January 1992. This deterioration is primarily due to an increase in dividends paid out by Norwegian companies to foreign shareholders. Exports of goods and services showed a surplus of around Kr 6 bn, which represents a Kr 1.5 bn reduction on last year's figures. Norway's net foreign debt was reduced by Kr 175 m in January, and amounted to Kr 63.5 bn at the end of the month. (Aft p. 23; DN pp. 4 & 8)

POOR RESULTS FOR UNI STOREBRAND

UNI Storebrand's results for the first four months of the year were far worse than expected by even the most pessimistic analysts. Its ordinary profit of Kr 26 m was Kr 411 m down on its figures for the same period in 1991. Aftenposten reports that in order to satisfy new statutory requirements relating to insurance allocations, UNI will need to set aside around Kr 1 bn before the end of the year. There are in reality only two ways open for the group to find extra capital: a) expanding its equity capital by issuing new shares; or b) increasing its earnings. Alternative a) is the most likely option since alternative b) is hardly realistic in view of the group's poor results. (Aft p. 23; Aft ev.ed. 11/6 p. 5; DN pp. 1, 7 & 19; Arb p. 11)

MUNICIPAL WORKERS' STRIKE: NO GOVERNMENT INTERVENTION YET

The Government decided yesterday that it would not intervene at this stage in the municipal workers' strike by opting for compulsory arbitration (see yesterday's press summary), despite considerable pressure from both the municipalities concerned and the Norwegian Association of Local Authorities. (Aft p. 25)

ENCOURAGING OIL FIND FOR HYDRO IN VISUND FIELD

The Petroleum Directorate has reported that production tests conducted by Norsk Hydro on the Visund field (west of Sogne Fjord) have produced encouraging results, and the chances of developing the field now appear promising. (Aft p. 29; DN p. 28)

VIETNAMESE OIL FIELD DEVELOPMENT: HYDRO WINS THROUGH TO FINAL ROUND

Norsk Hydro has been informed by the Vietnamese state oil company, PetroVietnam, that it has won through to the final round in the competition between 9 consortiums to develop one of Vietnam's largest oil fields. The Statoil/BP alliance has lost out. Norsk Hydro is cooperating with the Japanese Marubeni Corporation in the Vietnamese sector. If the two companies are awarded the contract Norsk Hydro will be the operator. (Aft ev.ed. 11/6 p. 8)

POLITICAL, MILITARY AND GENERAL

BERGE SAYS GOVERNMENT COULD NOT SURVIVE ANTI-EC PARTIES' OBSTRUCTIVISM ON EC REFERENDUM

Labour Party deputy leader Gunnar Berge has told the farmers' newspaper *Nationen* that Mrs Brundtland would resign as Prime Minister if the anti-EC Centre and Socialist Left Parties refused to accept that a simple majority in a referendum on EC membership was binding. Mrs Brundtland has previously said that she would not make a vote over an EC application into a vote of confidence, and that she would accordingly not consider that she would have to resign if the referendum result went against membership. Berge is now saying that if the referendum result goes in her favour by a simple majority and the anti-EC parties refused to accept this then Mrs Brundtland would have no alternative but to resign. (Dag p. 5; VG p. 8)

CONSERVATIVE PARTY LEADER EXPLAINS HER VIEWS ON MAASTRICHT

Conservative Party leader Kaci Kullmann Five has responded to an attack on the Maastricht treaty by former State Secretary in the Syse government (and fellow Conservative) Kjell Hanssen in yesterday's *Aftenposten*. Hanssen argued that Maastricht was "a monster" which had gone too far too fast and bore the stamp of Delors's vision of a European superstate. He urged the Labour and Conservative Party leaderships to recognise that Norway had no wish to see a Europe which was a federation but preferred the model of a group of national states which needed to cooperate. He also pressed Mrs Brundtland and Mrs Five to acknowledge that the often-touted "democratic deficit" of the EC was a good thing which would keep authority in the national states rather than ceding it to the European centre and that "subsidiarity" meant that the EC should be subsidiary to its member states. The Conservative Party's view hitherto has been that Maastricht was a good thing. Mrs Five today agrees with Hanssen on his detailed points but disputes that Maastricht was set to lead to a European superstate. (Aft p. 7)

PERSONAL SECRETARIES BECOME POLITICAL ADVISERS

A proposal to dispense with the title "Personal Secretary" in favour of "Political Adviser" is included in the Government's proposals for the Revised National Budget, which is expected to be agreed by the Storting at the end of next week. The Government has concluded that the title of Personal Secretary in a ministerial office is too confusing. (Aft p. 7)

HIGH TURNOVER OF PARTY YOUTH LEADERS

Aftenposten reports that of the party youth organisations only the Young Conservatives and the Young Liberals (*Unge Venstre*) are not facing wholesale changes in their leadership this year. The top three in the Progress Party youth organisation resigned at its National Conference in February. The leader and deputy leader of the Christian People's Party's youth organisation will step down at its National Conference on 19 June. The leader, deputy leader and Secretary General of the Labour Youth League (AUF) will not seek re-election at its Conference on 1-4 October. The leader and secretary of the Young Socialists will step down at its Conference, and possibly also its deputy leader. Young Conservatives leader Jan Tore Sanner will stand for re-election at their National Conference starting on 26 June. (Aft p. 7)

GOVERNMENT STOPS RAUFOSS EXPORTS TO US

A leader in VG notes that the Government has now turned down Raufoss's application for a licence to export three components for M-72 missiles to the US (see press summary of 4/6). The Government has previously stopped the export to the US of the missiles themselves. VG criticises the decision, arguing that it is absurd to prevent Norwegian industry from delivering arms components to Norway's NATO partners. (VG p. 2)

SYSE DENIES AMBASSADORIAL AMBITIONS

Former Prime Minister Jan P Syse denies to *Aftenposten* that he is after a job as Norwegian Ambassador to Rome or Bonn (see yesterday's press summary). (Aft p. 7)

JUSTICE COMMITTEE LIKELY TO RECOMMEND STRONGER RULES ON IMMIGRANTS

Aftenposten reports that Justice Minister Kari Gjesteby will succeed in winning majority support in the Storting's Justice Committee for the introduction of stricter rules governing immigrants in Norway (see press summary of 4/5). It is now clear that a majority on the Committee support the establishment of a fingerprint register for all who seek residence in Norway. There is also a majority for the proposal to make foreigners who refuse to reveal their identities subject to "indefinite" imprisonment. At present foreigners in this position can be imprisoned for only two weeks. The new proposal would allow for imprisonment for up to twelve weeks. Every year about 340 (15%) of individuals who are denied residence in Norway defy the decision and stay here. Of these, 80% have to be expelled. Ms Gjesteby comments that the fingerprint register will make it easier to discover whether foreigners have sought asylum under different identities before and whether they have resided in any other country. (Aft p. 7)