

# Rådgivende Ingeniørers Forening RIF

## The Norwegian Association for Consulting Engineers

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*Kompetanse  
skaper  
kvalitet*



**Ari Soilammi, deputy CEO at RIF**

# Coronavirus: Impact in Norway

The perfect Norwegian storm,

- Coronavirus + national and international shutdown
- Dramatic fall of the oil price
- Low NOK exchange rate + dependency on imports
- Very high private mortgage level, sensitive to falling property prices
- Unemployment rate more than doubled since february

but luckily we have pretty good clothing:

- ✓ Very low infection and death rates – among the lowest in Europe
- ✓ The «oil fund»: 10.000 billion NOK invested internationally
- ✓ Resilient banks + low unemployment before the crisis
- ✓ Schools, kindergartens, businesses opening up – slowly



# Coronavirus: Impact on member firms

## RIF's member firms:

- Upholding full production even with 95% working from home office
  - ✓ Investments in digitalization are paying off in an unexpected way
- Falling project reserves – great worry about the second half of 2020
- Some furloughs – approx. 5%
- Some firms have implemented broad pay cuts
- Few student summer jobs and general recruiting falling
- RIF 6 month market outlook - just in: Worst drop in expectations since the crisis in the 1990's



# Coronavirus: RIF assisting member firms

- RIF have published and/or provides:
  - ✓ Legal advice for contracts
  - ✓ Legal advice for employers
  - ✓ PR and leadership advice for crisis management
  - ✓ Best practices on contagion management
  - ✓ Advice on cost reductions



# Coronavirus: Clients

- Frequent meetings (every 2-3 weeks) and/or letters written to all major public clients
  - ✓ Roads, railways, airports, defence, hospitals, etc
  - ✓ Regional public authorities
  - ✓ Mayors of every city and municipality in Norway (354)
- Corona-contract work group – joint effort with clients, contractors, consultants
- News articles in construction media every week
- Close cooperation with the Architects association in Norway
- ✓ Client dialogue has never been better



# Coronavirus: The government

- The whole construction industry joined forces, published a broad action plan
  - Crisis packages so far are aimed at worst hit businesses (not construction)
- Waiting for a revised national budget mid-May
  - A lot of public building and infrastructure projects in the pipeline (finance?)
- Some good news:
  - ✓ RIF met with state secretaries for infrastructure and buildings – we are getting positive signals from the politicians on investments and innovation
  - ✓ 125 million NOK from the transportation minister earmarked consultancies
  - ✓ 700 million NOK frame agreement on road planning pushed out early to market

