

Monetary policy and the Norwegian economy

Governor Ida Wolden Bache

Board of the United Federation of Trade Unions (Fellesforbundet)

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Norges Bank's role in economic policy

The relationship between wage growth, inflation and interest rates

How Norges Bank takes into consideration the objective of high and stable employment





Pål Longva

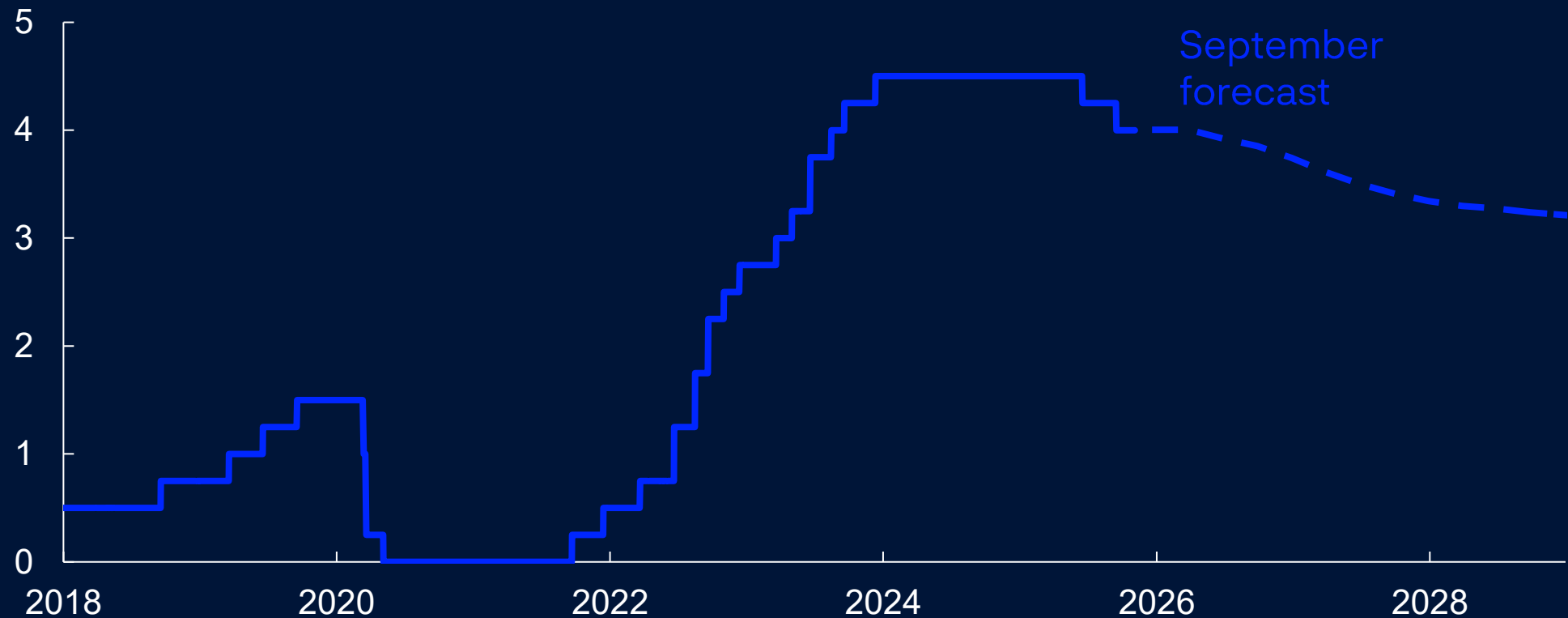
Steinar Holden

Ida Wolden Bache

Ingvild Almås

We raised the policy rate sharply and rapidly

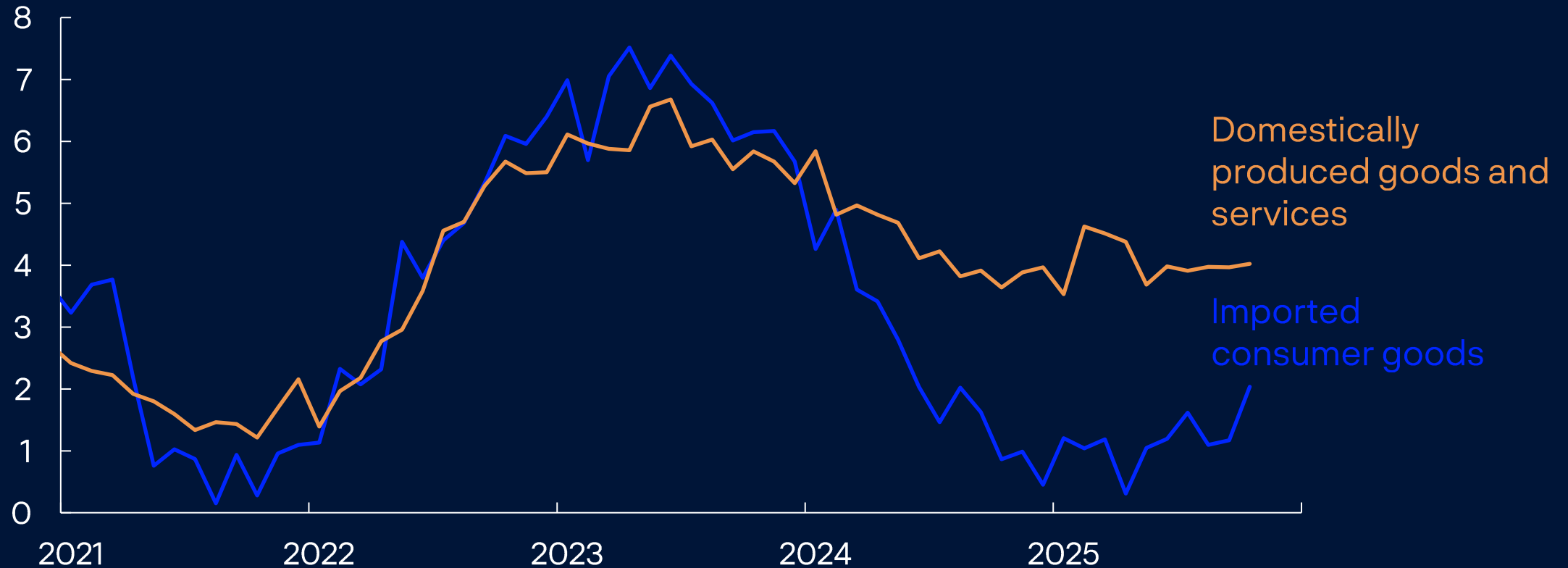
Norges Bank's policy rate. Percent



Source: Norges Bank

Domestic prices are still rising rapidly

Consumer prices. Twelve-month growth. Percent



Source: Statistics Norway

Norges Bank's role in economic policy

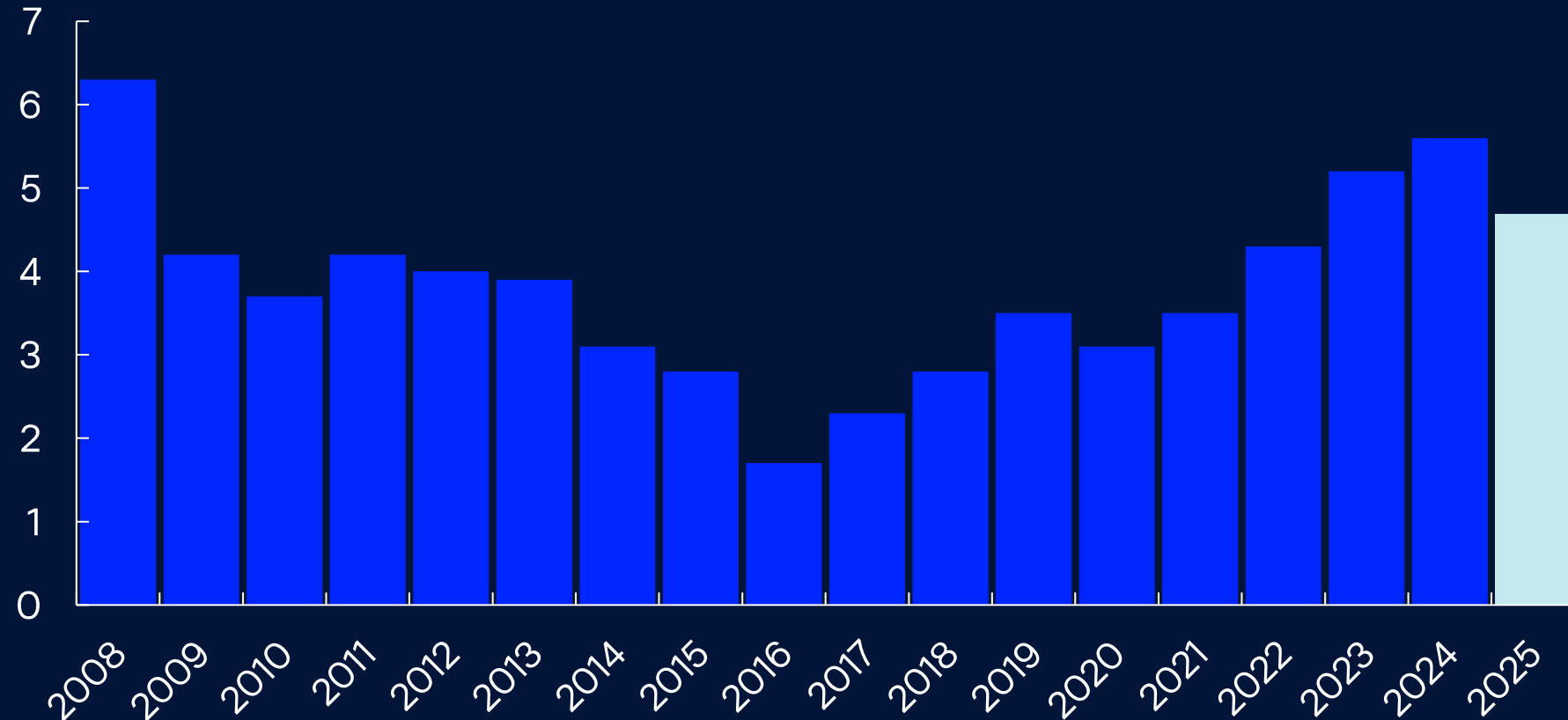
The relationship between wage growth, inflation and interest rates

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Wage growth has been high in recent years

Wages. Annual change. Percent



Sources: Statistics Norway
and Norges Bank



Norges Bank

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Unemployment has increased from a low level

Unemployment as a share of the labour force



Sources: Norwegian Labour and Welfare Administration (Nav) and Statistics Norway

More people employed than before the pandemic

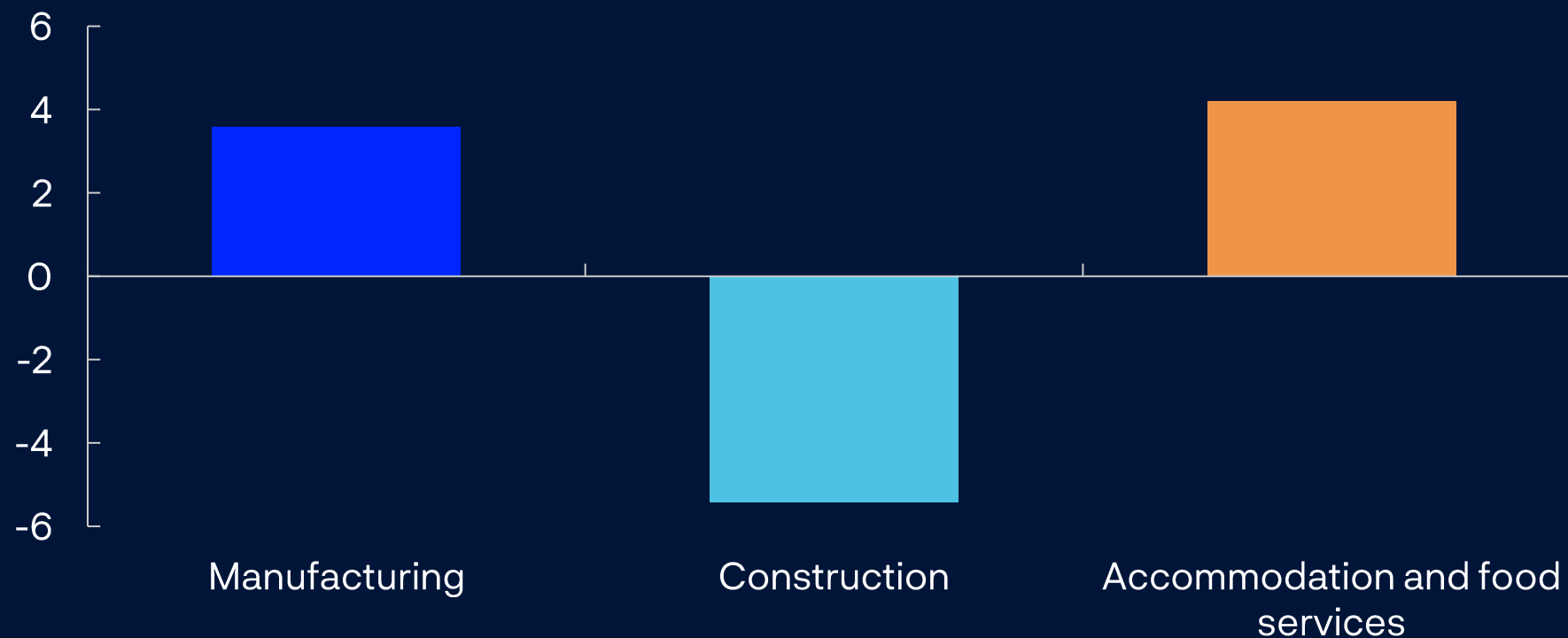
Employment to population ratio. Aged 15 – 74. Percent



Sources: Statistics Norway
and Norges Bank

Construction was hit hard by the interest rate increases

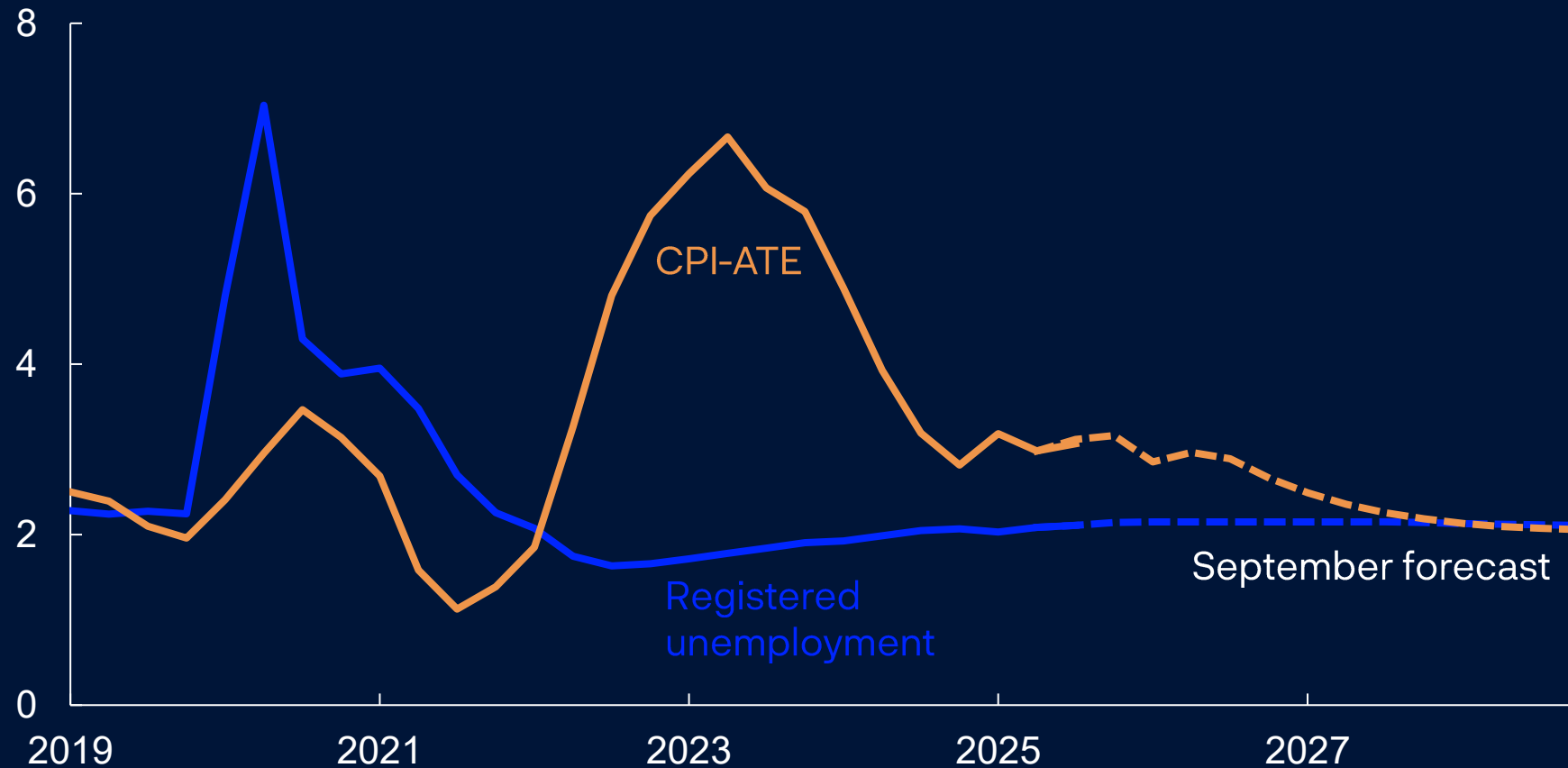
Change in employment, Q4 2022 - Q2 2025. Percent



Source: Statistics Norway

Inflation down to target without a large increase in unemployment

CPI-ATE. Four-quarter change. Registered unemployment. Percent



Sources: Norwegian Labour and Welfare Administration (Nav), Statistics Norway and Norges Bank

A wide-angle landscape photograph taken from an elevated position, looking down over a city and out towards a large body of water. The sky is a mix of light blue and warm orange, indicating sunset or sunrise. The city below is densely packed with houses and trees, many of which have yellow and orange autumn foliage. The water in the background is calm, reflecting the light from the sky. The overall mood is peaceful and scenic.

Thank you!