

COUNTRY BACKGROUND: SWEDEN

> National Context

> Legal and Industrial Relations Context

The main agreement that governs collective bargaining between employers and trade unions in Sweden is the Saltsjöbadsavtalet, which was established in 1938. This agreement grants employers and trade unions the authority to determine wages and employment conditions through collective agreements. In Sweden, there is a strong tradition of self-regulation through collective bargaining, where social partners negotiate and set the terms and conditions of employment. Historically, collective bargaining primarily took place at the central level until the 1980s. However, during a period of economic instability caused by financial market deregulation, high inflation, and stagnant real wage growth, there was a shift in bargaining from the central level to the sectoral level. This shift aimed to address the specific needs and circumstances of different industries and sectors. In recent years, there has also been an increasing trend of bargaining taking place at the local level, where negotiations occur within individual workplaces or organizations. This decentralization of bargaining allows for more tailored agreements that reflect the unique conditions and requirements of each workplace. Overall, collective bargaining plays a significant role in shaping labour relations and employment conditions in Sweden, with a historical emphasis on self-regulation and a shift towards sectoral and local-level negotiations.

> Legal Acts

Minimum wage	no
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Contr. requirements	yes
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Working time	yes
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Leave provisions	yes
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Health & welfare	yes
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Pensions/ Old-age	yes
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> National Legislation

In Sweden, the employment relationship between employees and employers in both the public and private sectors is regulated by the Employment Protection Act (LAS 1982:80). This act outlines different types of employment and establishes rules regarding termination of employment. The Codetermination Act (MBL 1976:580) governs collective agreements and the rights of employees to trade union representation and membership. It sets out the framework for negotiations and conflict resolution between employers and trade unions. It also grants employees the right to join a trade union or employers' organization. To ensure compliance with labour laws and regulations, the Swedish Work Environment Authority (Arbetsmiljöverket) serves as the labour inspectorate. They oversee the enforcement of the Work Environment Act (AML 1977:1160) and the Working Hours Act (ATL 1982:673). These acts address workplace safety, health, and working hour regulations. The Saltsjöbadsavtalet, established in 1938, is the main agreement that governs collective bargaining between employers and trade unions in Sweden. This agreement grants employers and trade unions the authority to negotiate and determine wages and employment conditions through collective agreements. It provides a framework for social partners to engage in negotiations and reach agreements that shape the terms and conditions of employment. Collective bargaining plays a crucial role in the Swedish labour market, allowing employers and trade unions to collaborate and establish fair and mutually beneficial agreements regarding wages, benefits, and working conditions.

Maternity, paternity	yes
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Sick leave	yes
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Vocational training	yes
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COUNTRY BACKGROUND: SWEDEN

> Actors

> Trade Unions

- > In Sweden, the right to join a trade union is governed by the Codetermination Act. Since the Saltsjöbadsavtalet agreement in 1938, trade unions and employers have had the authority to negotiate wages and working conditions through collective agreements. The Swedish industrial relations system is built on trust and mutual understanding, with a strong tradition of self-regulation through collective agreements. The government's role in legislation is limited, and there is no formal procedure for recognizing employers' or employees' organizations. Instead, decisions regarding participation in bargaining processes are typically based on established customs and practices.
- > At the peak level, there are three main social partner organizations: the Swedish Trade Union Confederation (LO), the Swedish Confederation of Professional Employees (TCO), and the Swedish Confederation of Professional Associations (Saco). These organizations indirectly engage in collective bargaining and represent the interests of their affiliated trade unions and professional associations.

- > There are approximately 60 trade unions in Sweden, with the majority being members of one of the three major trade union confederations mentioned above. These confederations play a significant role in representing workers and negotiating collective agreements on their behalf.

> Coverage

Number of members (in 1000s)	3,051 (2020)
Density (%)	69 (2020)

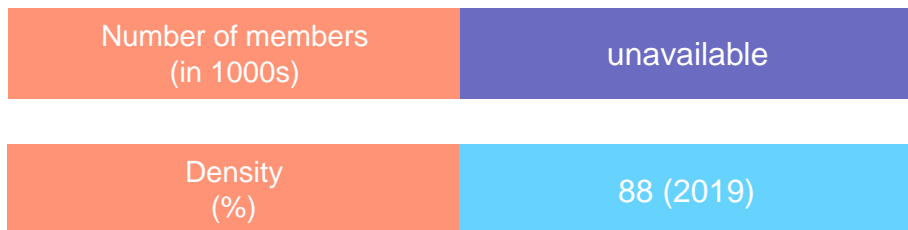
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> Actors

> Employer Organizations

- > Membership in an employers' organization in Sweden is voluntary, typically requiring the signing of a collective agreement, although there are exceptions, such as in the commerce sector. There are three main confederations: one for the private sector and two for the public sector.
- > The largest private employers' organization in Sweden is the Confederation of Swedish Enterprise (Svenskt Näringsliv), which represents approximately 60,000 small, medium, and large companies employing around 1.9 million workers. Most employers who have a collective agreement with their employees are also members of an employers' organization. In cases where an employer wishes to sign a collective agreement without joining an employers' organization, they have the option to enter into a voluntary extension agreement (hängavtal) directly with the trade union. This allows the employer to have the benefits of a collective agreement without formal membership in an employers' organization.

> Coverage



> Workplace-Level Employee Representation

- > Trade unions are the predominant form of employee representation in Sweden and are present in most workplaces where collective agreements exist. They can be found as local representatives or as local branches of larger trade unions. Health and safety committees are also common in workplaces, taking the form of a safety representative, a regional safety representative, or a safety committee. The role of health and safety representatives or committees is to ensure that employers adhere to work environment regulations, including physical and psychological aspects. According to the Work Environment Act (1977:1160), workplaces with five employees or more are required to have a health and safety representative. In addition to trade unions and health and safety representation, employees have the right to have representatives on the boards of private companies with at least 25 employees. This right aims to provide insight and influence over the board's work and is regulated by the Board Representation (Private Sector Employees) Act (1987:1245).

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> Collective Bargaining

> Nature of Collective Bargaining Laws

The Codetermination Act (MBL 1976:580) in Sweden is a legislative framework that regulates various aspects related to collective agreements, trade union representation, and the right to join trade unions or employers' organizations. It establishes rights and obligations for employees, employers, and their respective representative bodies during negotiations and conflicts. Under the Codetermination Act, the rights of employees to be represented by trade unions and participate in collective bargaining are protected. It ensures that employees have the freedom to join trade unions and be represented by them in negotiations with employers. The Act also outlines the rights and responsibilities of employers' organizations and trade unions during the bargaining process. Additionally, the Codetermination Act provides guidelines for resolving conflicts and disputes that may arise between employers and employees or their representative bodies. It sets out procedures for mediation, arbitration, and other forms of dispute resolution.

> Levels of Collective Bargaining

National	Yes, existing
Sectoral	Yes, dominant
Company	Yes, important

> Involved Parties

Bipartite

> Coverage

Density (%)	90 (2019)
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> Duration

- > Collective agreements typically have a duration of one to three years. Negotiations begin a few months prior to the agreement's expiration. In cases where an agreement cannot be reached, a mediator is involved. If a new agreement is not reached after the expiration, both employers and trade unions have the option to engage in industrial action.

All data current as of 22 June 2023



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> Data Sources

Eurofound, 2023, Living and Working in Sweden. Retrieved on: 07.06.2023, from: <https://www.eurofound.europa.eu/country/sweden>

ILO, 2011, TRAVAIL Legal Databases – Conditions of Work and Employment Programme. Retrieved on: 07.06.2023, from: https://www.ilo.org/dyn/travail/travmain.sectionReport1?p_lang=en&p_structure=2&p_sc_id=1368&p_sc_id=1694&p_sc_id=1390&p_sc_id=1717&p_countries=REG4&p_start=1&p_increment=10