



Sweden: Developments in working life 2016

[Developments in working life in Europe:
EurWORK annual review 2016](#)

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Political context affecting working life aspects

No information.

The government(s) in office during 2016

Government 1	
In office since / to	October 2014 -2018
Name of the head of government (prime minister / chancellor / ...)	Stefan Löfven
Name all the parties that are forming this government	Social Democratic Party & The Green Party
List the changes in the composition of the government in 2016	<p>No changes of parties.</p> <p>Changes of ministers; A government Reshuffle 25 May 2016:</p> <ul style="list-style-type: none"> - Åsa Romson (Minister for Climate and the Environment) leaves the government. Isabella Lövin's mandate as a Minister extends to include not only International Development Cooperation but now also Climate. In addition, Lövin is appointed Deputy Prime Minister (but does not substitute for the Prime Minister). - Newly appointed ministers: Karolina Skog (Minister for the Environment), Peter Eriksson (Minister for Housing and Digital Development), and Ann Linde (Minister for EU Affairs and Trade).
Additional comments	<p>How to integrate newly-arrived immigrants on the Swedish labour market has been one of 2016's most important political discussions. As a response to this, the government made Mikael Damberg (Minister for Enterprise and Innovation) responsible for looking into how new, low-skilled jobs can be created in Swedish industry. In addition, Ylva Johansson's mandate widened (from only including employment), giving her the new title Minister for Employment and Integration.</p>

Elections and referenda

There were no elections or referenda in 2016.

Forthcoming significant elections or political events in 2017

No forthcoming significant elections or political events in 2017

Reactions from the social partners on new government's working life policies

Not relevant

Developments in social dialogue and collective bargaining 2016

Major developments in national/peak-level social dialogue 2016

Changes affecting the social dialogue actors and institutions in 2016

Representativeness

There have been no major changes in the way in which representativeness of social partners is regulated or assessed.

Major developments affecting the main actors

Union competition for members

In Sweden, trade unions are to a large extent demarcated by sectors. In 2016, the trade union Unionen, which organises white-collar workers in the private sector, [received criticism for recruiting members outside of its sector \(in Swedish\)](#). The criticism has mainly been based on the concern that competition for members between unions enables employers to pick and choose which collective agreement to sign. However, Unionen has stated that this has by no means been a conscious strategy from their side.

Legislative or institutional changes to the main social dialogue institutions

There were no significant changes to the main social dialogue institutions.

Changes in the social dialogue processes

An alternative to collective agreements

The Swedish Federation of Business Owners (Företagarna) proposed a new type of declaration to serve as an alternative to collective agreements – an [ansvarskodex \(or 'responsibility code'\) \(in Swedish\)](#). According to the Federation, collective agreements are not adapted to the modern labour market and six out of ten enterprises with less than 50 employers do not have a collective agreement. The purpose of the code is thus to enable companies to show that they are responsible employers, but without the many burdens that come with a collective agreement. The code, which is planned to be launched early 2017, has received criticism for being damaging for employees as well as for employers.

Main social dialogue topics and outcomes in 2016

Themes	Description of issue	Main result
General labour market topics		
Job creation, reduction of unemployment	How to integrate newly-arrived immigrants (and to some extent also long-term unemployed) on labour market.	Continuing debate on low-skilled jobs, e.g. the preparation for ' matching employment '. In start-up process.
Active labour market policies	How to integrate newly-arrived immigrants (and to some extent also long-term unemployed) on labour market.	Continuing debate on low-skilled jobs.

Benefits (unemployment, sickness schemes)	No major issues debated in this area.	
Taxation and non-wage related labour costs	No major issues debated in this area.	
Pension reforms	Flexible retirement schemes demanded by white-collar unions. Discussions on how to make people stay longer in work (background: demographic transitions).	Agreements reached in some areas, debate to be continued. A possible raise of the retirement age. Varied reactions from social partners, consultation on-going.
Labour market participation of different groups	Political discussions on how to increase labour-market integration for newly-arrived immigrants (and to some extent also long-term unemployed).	A fast-track for newly-arrived teachers introduced. A widened mandate for The Minister for Employment: direction of the social integration policies.
Working life related themes		
Wage setting systems, including the setting of minimum wages	Political discussions in light of the relatively high number of newly-arrived immigrants.	Debates on whether to introduce low-paid forms of employment for low-skilled workers. Debate not finished.
Working time regulations	In Feb., pilots and cabin crew went on strike (separately) in light of their inability to reach agreements with the employers.	New agreements reached. Most importantly in the form of changed working time regulations. No significant changes in legislation.
Terms and conditions of employment, including different forms of contracts	A proposal regarding whether collective agreements should be a requirement to enter public procurements (background: wage dumping and poor working conditions).	Proposal was voted down. Disappointment among several trade unions.
Health, safety and well-being at work	Increased attention for the importance of organisational and social work environment. In the past five years, a significant increase in the reported cases of work-related disorders due to stress and bullying.	New work environment legislation introduced. Increased employer responsibility for psychosocial health at work.
Work-life balance related themes, incl. family leaves	Discussions on how to produce a more equal division between	A third month of parental leave appropriated for

	parents' utilisation of parental leave.	each parent introduced.
Skills, training and employability	How to facilitate newly-arrived immigrants' (and to some extent also long-term unemployed) integration on the Swedish labour market.	Debate on low-skilled jobs continues.
Any other relevant themes/topics addressed in the national level/peak level social dialogue	An unusually heated bargaining round, partially due to that the coordination by the Swedish Trade Union Confederation (LO) broke down in Oct. 2015.	In March, a New Industrial Agreement was signed, valid for one year only. Preparations for the new bargaining round coming up in 2017, consultation on-going.

Examples of selected significant social dialogue debates

A heated bargaining round and a new one soon coming up.

2016's bargaining round was a heated one, something that led to workers in several sectors going on strikes. The social partners' inability to reach agreements was partially a result of the breakdown of the Swedish Trade Union Confederation's (LO) coordination in October 2015, which occurred in light of the disagreements on how to resolve the issue of lagging wages in the female dominated sectors. In March 2016, a New Industrial Agreement was signed, only within hours before the last one was set to expire and with most agreements signed only for a one-year period. Because of the many one-year agreements, around 500 collective agreements – covering around 2,700,000 workers - are to be re-negotiated in the beginning of 2017. The preparatory process – for instance in the form of the partners exchanging demands – started already in the end of 2016 with employers suggesting significantly lower wage increases than the unions. The former emphasises the need to improve Swedish competitiveness and relate this to the debate on wages - arguing that high wages do not protect the national competitiveness - something that is hardly a new line of conflict in these negotiations.

Debate about labour-market integration and proposal of decreased entry-level wages.

As a response to the relatively high numbers of newly-arrived immigrants, creation of low-skilled jobs and decreased entry-level wages have been high on 2016's political agenda. Mikael Damberg (Minister for Enterprise and Innovation) was given the task to investigate how new low-skilled jobs – also called 'simple jobs' – can be created in Swedish industry. This has been met by both positive and negative reactions. The Swedish Trade Union Confederation's (LO) Negotiating Secretary Torbjörn Johansson, argues that while there is a need for more simple ways to enter the labour market, there is no need for more simple jobs, as these could contribute to lowered wages as well as poorer conditions in those sectors that would be affected. The Confederation of Swedish Enterprise, welcomed the news that the government is looking into how to create more low-skilled jobs, but argue that wage levels are too high and thereby not sustainable considering the number of jobs now required. The social partners, who have been encouraged to discuss the issue, recently abandoned negotiations concerning simple jobs after the discussions had come to a stand-still.

In addition, some political parties – particularly the Centre Party and the Christian Democrats – has advocated for decreased entry-level wages to increase the employment rate for newly-arrived immigrants. The Swedish Trade Union Confederation (LO) strongly criticised these suggestions, emphasising that it is not the role of politicians to decide on proper wages for different occupations.

During the spring 2017, the Swedish Trade Union Confederation (LO) has announced a proposal for a new form of employment called 'utbildningsjobb, or 'education jobs'. The jobs would target people aged 25-45 and without a degree from upper secondary school and little or no working experience. The employment form entails regular employment, and parallel education (outside the workplace). This form of employment would actually include lower wages, at least for a period, in order to incentivize employers to hire. In June 2017, the Confederation of Swedish Enterprise expressed their willingness to negotiate the terms of such a solution with LO.

Sectoral and company level social dialogue 2016

No important changes in the legislation or the institutions.

Main developments - other than wages and working time - from important collective agreements or bargaining rounds

Deviations from the wage norm

Because of the lack of coordination by the Swedish Trade Union Confederation's (LO) – as mentioned above - several different unions (the ones for Building Workers, Electricians, Painters, Building Maintenance Workers, and Service and Communication Employees) chose to disregard the cost mark of the Industrial Agreement, a very rare occurrence in the Swedish labour market model.

Examples of innovative collective agreements (at any level) made during 2016

No examples of innovative collective agreements for 2016.

Policies and actions to address pay-inequalities

The recent public debate on pay gaps at the workplace

Pay inequalities is a common topic in Swedish debate on labour policy. But the main focus is generally on inequalities across all sectors and occupations, and less so on the workplace level. When it is discussed, it is [mainly in terms of gender equality](#).

Positions regarding the posted workers directive

Positions of trade unions

Swedish trade unions are very much in favour of revising the Posting of Workers Directive. The Swedish Trade Union Confederation (LO) has expressed it would make it a lot easier for the Member states to defend themselves against low-wage competition. However, together with the Swedish Confederation of Professional Employees (TCO) and the Swedish Confederation of Professional Associations (Saco), LO has [proposed a number of changes to the revision](#) (in Swedish). In short, the unions wish that the Directive, aside from covering free movement of services and the freedom of enterprise, should be widened to also include protection of workers. In addition, the unions want a clarification of the member states' exclusive competence when it comes to remuneration levels and greater transparency with respect to the autonomy of the social partners.

Positions of employers organisations

Swedish employers' organisations are generally opposed to the proposed revision. The Swedish Confederation of Enterprise (Svenskt Näringsliv) has [argued that the revision could mean that labour from other countries is shut out, affecting both workers and companies](#). The revision would make posting riskier and would most likely result in fewer postings in a time when there is a need for better mobility on the internal market. Furthermore, given the housing shortage in Sweden and the great need to build more, foreign construction companies must be able to work in Sweden.

Position of the government

Much like the unions, the government is in favour of revising the Directive. Prime Minister Stefan Löfven stated that the [proposal is in line with the government's position](#). In addition, the Minister of Employment stated that the most important part of the revision was the change from 'minimum rates of pay' to just 'rates of pay', as this could also include other elements such as bonuses, allowances or pay increases according to seniority.

Pay gaps at the workplace

Evidence

The Institute for Evaluation of Labour Market and Evaluation Policy (IFAU) published two reports on the gender pay gap 2015-2016. One of the [reports looked into the effects of parental leave on wage development for men and women in Sweden from 1998 to 2008](#). The results indicated that the glass ceiling was more present for white-collar workers than for blue-collar workers. The second report dealt with the [indirect effect of care leave for women's and men's respective wage trends](#). The results indicated that care leave was associated with lower wage levels up to 13 years after the birth of the first child. This result was particularly apparent for men and men's wage trend.

A [report by the Equality Ombudsman](#) from 2016 looked into how employers work to discover, to remedy and to prevent unfounded pay inequalities between men and women at the workplace. The report showed vast differences in how employers had understood their monitoring role in accordance with the Discrimination Act (2008:567). However, the report did not include any info on frequency of cases of unfounded inequalities or anything about trends.

There are no inspectorates that regularly monitor pay gaps at the workplace, only in general. The National Mediation Office's annually reports on the gender pay gap. In 2015 the gap was 12.5%, a decrease with 0.7 percentage points from the previous year. The largest gap is found in the county councils, which are responsible for delivering health care services.

When controlling for occupation, sector, education, age and working time the gap was 4.6%. With such a calculation, the largest gap is found among white-collar workers in the private sector.

Policies to address pay inequalities at the workplace

From January 2017, it is mandatory for all employers to conduct an annual mapping of wages at the workplace. The mapping should include an analysis of the following:

- Policies on wage and other employment conditions used by the employer
- Pay in-equalities between men and women performing the same tasks
- Pay in-equalities between men and women performing equivalent tasks (in terms of demands and responsibility)
- Pay in-equalities between tasks that are female-dominated and not female-dominated (if the non-female-dominated tasks are less demanding but pay better)

The purpose of the analysis is to reveal structural discrimination at the workplace the employer needs to deal with. For workplaces with 10 or more people, the analysis has to be documented.

Social partner's involvement in addressing pay inequalities at the workplace

The Swedish social partners, particularly the employees' organisations, are very involved in the debate on pay inequalities, and the gender wage gap was an important topic in the 2016's bargaining round. Many organisations also work to raise awareness. For instance, the Swedish Trade Union Confederation (LO) annually publishes their "[Equality Barometer](#)" covering a vast array of labour conditions from a gender perspective. Several trade unions are also advocating for the right to fulltime employment (which would go a long way in reducing the wage gap) as well as for improved equality in the parental insurance, so as to decrease the negative effects from parenthood, adversely affecting women. Furthermore, the social partner are generally invited to comment on legislative proposals addressing labour-related inequalities.

Nothing relevant to report.

Promoting the reconciliation of working families and caregivers

Recent policies

Reform of parental leave to increase equality

In November 2015, after an extended political debate, the Parliament decided on a third month of parental leave appropriated for each parent. In other words, out of the total 480 days of parental leave that parents receive for each child, 90 days – instead of the former 60 days - are now reserved for each parent, meaning that these days cannot be transferred to the other parent (as is the case with the remaining 300 days which the parents can divide between each other as they wish). This decision came into effect in January 2016 and it is a measure to increase gender equality both at the Swedish labour market and in terms of domestic responsibilities, but also to strengthen the right of children to both parents. It has hitherto not been reported which – if any – effects this third month for each parent have had on how parents distribute their parental leave. However, according to the [Social Insurance Agency](#) (Försäkringskassan), the second month of this kind that was introduced just over a decade ago significantly increased the extent to which fathers utilised their parental leave.

In December 2016, the 'gender equality bonus' (Jämställdhetsbonusen) was abolished. This was a bonus of 50 SEK for every day that the parent who had utilised least of the parental benefits took out parental leave (after the days reserved for each parent had been taken out). The background to this change is that the gender equality bonus did not produce the results aimed at by the legislators.

Rights to request special working time arrangements, place of work etc.

Combining work and childcare

While there have been no recent policies in this area, the trade union Unionen has been engaged in the issue on how to facilitate the combination of employment and parenthood and has also released a [report](#) (in Swedish) in which they investigate the aspects that white-collar workers in the private sector experience as most important for combining work and parenthood. The report also looks into how the opportunity to combine these two roles functions today. The results show that one of the most important aspects is the ability to influence one's own working hours, that meetings are not scheduled at times when children are to be left or collected at pre-school, and to have the opportunity to home-based work, which are [some of the aspects that Unionen strives for](#) (in Swedish). The report further shows that most parents experience that these aspects at large are fulfilled. In addition, the report

brings up the phenomenon of ‘vobba’ – meaning to work from home while at the same time taking care of a child being ill (instead of the original ‘vabba’ which means taking the whole day off) - something that has received much attention in labour policy debate the last couple of years. The main reason for parents to work while at the same time taking care of their children is simply to manage finishing their working tasks on time. The flexibility that vobba offers may facilitate for many parents, but it may also end up in an inadequate engagement, both on the child at home and on working tasks, which risk causing more stress for the parent in the end.

The role of collective agreements

Almost all collective agreements include [a clause on Parental wage](#) (in Swedish), which is an addition to the regular parental insurance (paid by the Social Insurance Agency). The regular parental insurance generally means that you receive 80% of your wage during parental leave. With a collective agreements, the employer adds another 10%, meaning workers receive 90% of their wage while on leave.

Some collective agreements also regulate teleworking, although this is quite rare.

WORKING PAPER

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