

CODEBAR – project

Decentralised Bargaining in Sweden¹

Mia Rönmar and Andrea Iossa²

Country Report nr.7 in the CODEBAR-project; final version in open access on the project's website:
[CODEBAR - AIAS-HSI - University of Amsterdam \(uva.nl\)](https://codebar.uva.nl/)

'Comparisons in decentralized bargaining' (CODEBAR). This project is co-financed by the European Commission, Agreement VS/2020/0111 (Improving expertise in the field of industrial relation). The Commission is not responsible for the authors' view in this report, nor for any use that may be made of the information it contains.

¹ This study has received ethical approval by the Swedish Ethical Review Authority (project title: *Decentraliserade kollektivavtalsförhandlingar i Sverige*, dnr 2021-01918).

² Professor at the Faculty of Law at Lund University and Senior Lecturer at Kristianstad University, respectively. We would like to thank the interviewees for generously sharing their time, knowledge, and experience with us. – The interviews were carried out during autumn 2021 and early 2022, and this report, in principle, covers developments until 15 February.

Executive Summary

The starting point for this study, carried out within the framework of a comparative and multidisciplinary research project (CODEBAR), is a general trend in many EU Member States towards decentralisation in collective bargaining.

The aim of this report is to analyse local collective-bargaining and decentralisation trends in Sweden. The report focuses on three case studies in the manufacturing, retail, and public sectors, respectively, the institutional and legal framework of collective bargaining and employee representation, and trends in and debates on decentralisation in collective bargaining. Each case study includes one company/organisation that is integrated into the Swedish multi-level collective bargaining system, namely *Axis Communications AB*, *IKEA Svenska Försäljnings AB*, and *Health Care in Region Skåne*. The case studies were selected to enable a cross-country comparative analysis covering the private and public sectors of the labour market as well as blue-collar and white-collar/professional employees, and to reflect an interesting variety in terms of decentralisation, key topics, and current pressures in collective bargaining.

The case studies explore and analyse various aspects, including:

- sector and company/organisation characteristics and the interplay between collective bargaining at cross-sectoral, sectoral, and local levels;
- legal scope, and outcomes of local collective bargaining;
- employer and trade-union strategies and needs for local collective bargaining, processes, and everyday practices;
- social-partner relations and interaction between collective bargaining on the one hand, and employee representation, information, consultation, and co-determination on the other; and,
- current pressures, including implications for Swedish collective bargaining resulting from the European Commission's proposal for a Directive on adequate minimum wages in the EU, a new Swedish cross-sectoral, social-partner agreement on security, transition, and employment protection, and the COVID-19 pandemic.

This report combines a legal-analytical method with a socio-legal approach, and an integration of labour law, industrial relations, and collective-bargaining perspectives. In the case studies, analysis of collective agreements at cross-sectoral, sectoral, and local levels is combined with analysis of interviews with social-partner representatives to gain further insights into views and strategies of employers/employers' organisations and trade unions, and various aspects of local collective bargaining.

The Swedish labour law and industrial relations system is built on autonomous collective bargaining, a tradition of social partnership, and strong legal rights and industrial-relations practices of employee representation and information, consultation, and co-determination. Collective bargaining fulfils a multitude of functions, apart from the core function of regulating wages and other terms and conditions of employment. Collective agreements have both a normative and a mandatory effect. There is no statutory minimum wage or system for extension of collective agreements. Collective agreements are concluded at three levels: the national, cross-sectoral level; the national, sectoral level; and the local level. The so-called 'industry mark' links wage increases in the Swedish labour market to wage increases set by national, sectoral collective agreements in the industrial export sector, and functions as a cross-sectoral mechanism for collective-bargaining coordination.

Employee participation is carried out within a single-channel trade-union system, where trade unions both negotiate and conclude collective agreements, and take part in information, consultation, and co-determination at workplace level. The elaborate regulation of information, consultation, and co-determination in the (1976:580) Co-determination Act is complemented by important collective-bargaining regulation on cooperation and co-determination at cross-sectoral, sectoral, and local levels.

Since the 1990s, Sweden has experienced a strong decentralisation and individualisation trend, resulting in ‘organised decentralisation’ with an emphasis on local and individual bargaining within a framework of national, sectoral, and multi-employer collective bargaining. Frequently, local and individualised wage-setting is integrated into and is a precondition of national sectoral collective bargaining, as in all three cases studied here, although to varying degrees. Thus, the case studies reflect an existing variety as regards decentralisation in wage-setting across the Swedish labour market. In terms of the typology developed by the National Mediation Office in Sweden, the manufacturing-sector case study covers decentralised to quite centralised wage-setting mechanisms (structures 2–5), the retail-sector case study covers quite centralised to centralised wage-setting mechanisms (structures 5–6), and the public-sector case study covers very decentralised to partly centralised mechanisms (structures 1–4).

In conclusion, the Swedish collective bargaining system is stable, and remains characterised by a large degree of ‘organised decentralisation’, with the national, sectoral collective agreement maintaining its key function. There is no trend towards increased ‘disorganised’ or disruptive decentralisation. Indeed, there are possibly even some signs of centralisation or at least measures aimed at increased centralisation and coordination between the levels of collective bargaining. This report highlights both commonalities and differences among the manufacturing, retail, and public sectors, respectively, when it comes to industrial relations, challenges and potentials in collective bargaining, and decentralisation. In all sectors, there is a crucial interplay between labour law and industrial relations, and between the legal scope for and practical use of local collective bargaining, respectively. Furthermore, employee representation, and information, consultation, and co-determination at local level are also of great importance for the successful negotiation and practical implementation of local collective bargaining. The activities of local trade-union representatives are of particular importance in this context, and a challenge facing several sectors of the Swedish labour market is to ensure that these activities continue and retain their vitality in the future.

1. Introduction

The starting point for this study, carried out within the framework of a comparative and multidisciplinary research project (CODEBAR),³ is a general trend in many EU Member States towards decentralisation in collective bargaining.

The aim is to analyse local collective-bargaining and decentralisation trends in Sweden in the context of the labour law and industrial relations system that is characterised by autonomous collective bargaining, and in view of multi-level regulation and current pressures at EU and national levels. The study focuses on three case studies in the manufacturing, retail, and public sectors, respectively, the institutional and legal framework of collective bargaining and employee representation, and trends in and debates on decentralisation in collective bargaining.

The case studies explore and analyse several different aspects, including:

- sector and company/organisation characteristics and the interplay between collective bargaining at cross-sectoral, sectoral, and local levels;
- legal scope, and outcomes of local collective bargaining;
- employer and trade-union strategies and needs for local collective bargaining, processes, and everyday practices;
- social-partner relations and interaction between collective bargaining on the one hand, and employee representation, information, consultation, and co-determination on the other; and,
- current pressures.

The case studies – and the manufacturing, retail, and public sectors – were selected to enable a fruitful comparative analysis between the various national contexts represented in the broader CODEBAR research project. Furthermore, from a Swedish perspective, these key sectors cover both the private and public sectors of the labour market, and blue-collar and white-collar/professional employees. These sectors also reflect an interesting variety in terms of decentralisation, key topics, and current pressures in collective bargaining. Each case study includes one company/organisation that is a member of an employers' organisation, and thus integrated into the Swedish collective bargaining system, namely *Axis Communications AB* in the manufacturing sector, *IKEA Svenska Försäljnings AB* in the retail sector, and *Health Care in Region Skåne* in the public sector. These companies/organisations were contacted and invited to participate in the study after recommendations from representatives of employers' organisations in the relevant sectors.

This report combines a legal-analytical method, i.e. analysis of so-called legal sources in order to clarify and systematise the content of Swedish and EU labour law, including collective bargaining (Van Hoecke, 2011), with a socio-legal approach, and an integration of labour-law and industrial-relations perspectives (Ludlow & Blackham, 2015). The materials subjected to study are legislation, preparatory works, collective agreements, case law, legal doctrine, reports and policy documents, industrial relations research, and company-specific materials.

In the case studies, analysis of key collective agreements at cross-sectoral and sectoral levels and examples of local collective agreements is combined with analysis of interviews with social partner representatives. The interviews provide further insights into *inter alia* the views

³ CODEBAR: *Comparisons in decentralised bargaining: towards new relations between trade unions and works councils?*, research project funded by the European Commission, DG Employment, Social Affairs and Inclusion, and coordinated by Dr Frank Tros at AIAS-HSI, University of Amsterdam, see further <https://aias-hsi.uva.nl/en/projects-a-z/codebar/codebar.html>.

and strategies of employers/employers' organisations and trade unions, various aspects of local collective bargaining, and the content, interpretation, and implementation of collective agreements. Twenty-three semi-structured interviews were conducted with representatives and spokespersons in the relevant employers' organisations and trade unions at cross-sectoral and sectoral levels, as well as with representatives of employers and trade unions in the selected companies/organisations (see further Section 9 List of interviews).⁴

The outline of this report is as follows. Section 2 presents the institutional and legal framework of collective bargaining and employee representation. Section 3 discusses trends and debates on decentralisation in collective bargaining. Sections 4, 5, and 6 present and analyse three case studies in the manufacturing, retail, and public sectors, respectively. Section 7 contains a concluding analysis, including a comparison of the three case studies.

2. Institutional and Legal Framework of Collective Bargaining and Employee Representation

2.1. Introduction

The aim of Section 2 is to introduce, explain and analyse the institutional and legal framework of collective bargaining and employee representation in Sweden from a multi-level perspective.

The Swedish labour law and industrial relations system is based on self-regulation through autonomous collective bargaining, social partnership, and the strong legal rights and industrial relations practices of employee representation and information, consultation, and co-determination. The cornerstone of Swedish collective labour law emerged through the interaction and negotiations between the social partners at the outset of the 20th century. Today, the content of Swedish collective labour law is set through interplay between labour-law legislation and collective bargaining within an international, EU/European and constitutional law framework (including ILO Conventions, the European Convention of Human Rights, The European Social Charter, the EU Charter of Fundamental Rights, and the Swedish Instrument of Government) (for example, Rönmar, 2019; Carlson, Edström & Nyström, 2016; Ahlberg & Bruun, 2017).

2.2. Collective bargaining

Important functions of collective bargaining in Sweden are to create a peace obligation and social truce; regulate wages and employment conditions; adapt the statutory regulation to sectoral or company needs and conditions; protect individual employees; complement the statutory social security system; promote active labour-market policy and labour-market inclusion of specific groups; regulate and facilitate negotiations and other collaboration

⁴ Owing to the COVID-19 pandemic, the majority of the semi-structured interviews were held online. The interview questions were sent to the interviewees in advance, together with some background information about the study. After the interview, the answers were summarised in writing and sent to the interviewees, who were provided with an opportunity to make corrections and clarifications. Preliminary results from the study were presented at a digital seminar (national workshop) with the interviewees, who were later provided with an opportunity to read a final draft of the report and comment on the possible need for clarifications in relation to the facts of the case studies.

between the social partners; and supervise and enforce employment conditions (Rönmar, 2019).

Collective agreements constitute an important legal source. The majority of an employee's terms and conditions of employment, including wages, are regulated by collective agreements (Adlercreutz, 1954; Bruun, 1979; Hansson, 2010). There is no minimum-wage legislation or system for extension of collective agreements. In principle, this means that in workplaces not covered by a collective agreement, no minimum wage applies (cf. Hayter & Visser, 2018). However, in practice, almost complete coverage of collective bargaining has been achieved, as the collective bargaining coverage rate is about 90 percent (see also Section 3.2).

Collective bargaining is regulated by the (1976:580) Co-determination Act (MBL) (Government Bill prop. 1975/76:105, Bil. 1). A collective agreement is statutorily defined as 'an agreement in writing between an organisation of employers or an employer and an organisation of employees about conditions of employment or otherwise about the relationship between employers and employees' (Section 23 MBL).⁵ Within its area of application, a collective agreement is legally binding, not only for the contracting parties to the agreement but also for their members (Section 26 MBL). In addition, an employer bound by a collective agreement is obligated to apply this agreement to all employees, irrespective of trade union membership (Källström & Malmberg, 2019: 186 ff.; Christensen, 1983; Labour Court judgements AD 1977:49 and AD 2014:31).

A collective agreement has both a normative and mandatory effect (Section 27 MBL). Unless otherwise provided for by the collective agreement, employers and employees being bound by the agreement may not deviate from it by way of an individual employment contract. Such a contract is null and void, and breaches of the collective agreement are sanctioned by the payment of economic and punitive damages (Sections 54 and 55 MBL).

Since the 1990s, a clear trend has emerged towards individualisation and 'organised decentralisation' of industrial relations and wage-setting in Sweden (Traxler, 1995; Lyhne Ibsen & Keune, 2018; Thörnqvist, 1999). Thus, collective bargaining is characterised by 'organised decentralisation', and an emphasis on local and individual bargaining within a framework of national sectoral and multi-employer collective bargaining (see also Section 3).

Collective agreements are entered into at different levels. There are three main categories of collective agreements in Sweden: *national cross-sectoral collective agreements* (also referred to as main or master agreements), regulating aspects such as pensions, collective action and industrial peace, cooperation and co-determination, and restructuring and transitions; *national sectoral collective agreements*, forming the core of the collective bargaining system and regulating wages and terms and conditions of employment; and *local collective agreements* (Källström, Malmberg & Öman, 2019: 81 ff.).

The scope for local collective bargaining is set by collective agreements at higher level, i.e. by national cross-sectoral and sectoral collective agreements. A local collective agreement may not deviate from collective agreements at a higher level (cf. Section 27 MBL; Malmberg *et al.*, 2018: 245 f.; Labour Court judgement AD 1997:45). In most cases, sectoral collective agreements set only minimum standards, allowing employers, trade unions, and employees to

⁵ According to Section 23 para. 2 MBL an agreement shall be deemed to be in writing also when its contents have been recorded in approved minutes or where a proposal for an agreement and acceptance thereof have been recorded in separate documents (see further Section 2.4 and Malmberg *et al.*, 2018: 128 f. on the relation in this context between the conclusion of a local collective agreement and primary negotiation according to Section 11 MBL).

agree on better terms and conditions of employment by way of a local collective agreement or individual employment contracts (Malmberg, 1997: 144 ff.).

Local collective agreements are used to implement and operationalise the national sectoral collective agreements, for example, as regards wage negotiations and wage setting (see also Section 3.3). Local collective agreements can also regulate other terms and conditions of employment, such as working time and working-time allocation, selection of employees to be dismissed in redundancy situations,⁶ and cooperation and co-determination issues (Malmberg *et al.*, 2018: 186 f.).

Local collective bargaining within the framework of national cross-sectoral or sectoral collective bargaining is conducted under a peace obligation. Local collective bargaining negotiations, i.e. negotiations at company/organisation level, are commonly carried out by the employer and the local club of a sectoral trade union (in the absence of a local trade union club, a district (a regional section of the trade union, serving members at various companies/organisations) can participate in negotiations). Depending on the size of the company/organisation and its geographical and organisational structure, local collective agreements can be concluded at different levels of the company/organisation – at the overall company/organisation level or at a specific plant, site, or department – and the local collective agreements can cover the whole or part of the company/organisation. Through their internal by-laws, orders of delegation, and other rules, the trade union and the employer/employers' organisation can determine who can legally represent the organisation and conclude a collective agreement, the level at which a local collective agreement can be concluded, or whether the conclusion of a local collective agreement needs prior consent from a higher level (Källström, 1979).

Another type of local collective agreement is an application agreement (a so-called *hängavtal*), i.e. a collective agreement concluded between a local trade union and an employer who is not a member of an employers' organisation, thus obliging the employer to apply the provisions of the relevant national, sectoral collective agreement. The resort to application agreements is also a tool for extending minimum wage protection to workplaces not covered by national, sectoral collective bargaining. According to the yearly report of the National Mediation Office, a total of 4,246 application agreements were concluded in 2020 (Medlingsinstitutet, 2021), while 3,181 were concluded in 2021 (Medlingsinstitutet, 2022). The case studies in this report do not include application agreements, as the case studies focus on companies/organisations that are members of employers' organisations and integrated into the Swedish collective bargaining system. Furthermore, an unorganised employer can conclude 'independent' company agreements (*företagsavtal*) with a local trade union.

Most Swedish labour law legislation is semi-compelling (*semidispositiv*), and allows for deviations by way of collective bargaining, both to the advantage and detriment of individual workers. The employer may also apply such collective agreements to employees who are not members of the contracting trade union, as long as they are engaged in work to which the collective agreement refers (Sigeman & Sjödin, 2013: 188). The statutory act would specify the provisions that are semi-compelling and the level at which a collective agreement must be concluded (cf. Section 2 of the (1982:80) Employment Protection Act and Section 4 of the (1976:580) Co-determination Act). Furthermore, there is a ban against collective agreements deviating from rights afforded by EU law (the so-called *EU-spärr*).

There is no statutory regulation on the use of referendum or any other form of vote by the employees at the local workplace level in connection with the conclusion of a collective

⁶ Thereby deviating from statutory rules on employment protection and principles of seniority, a so-called *avtalsurlista* (see also Section 3.4).

agreement. Collective bargaining is based on the idea of representative democracy and individual employees at the workplace are not required to confirm or ‘ratify’ a collective agreement.

In the cross-border and posting context (following important and much-discussed Swedish national, and EU legal developments, including the *Laval* case from the Court of Justice of the European Union (Case C-341/05) and a series of national, including Swedish, and EU legislative reforms) specific and more restrictive rules on collective action and collective bargaining have been introduced (Iossa 2017). Furthermore, to increase transparency, trade unions are obliged to submit collective agreements that are potentially applicable to posted workers – so-called posting-work collective agreements (*utstationeringsavtal*) – to the Swedish Work Environment Authority (Section 9a of the (1999:678) Act on Posting of Workers). The subsequent revision of the Swedish legislation *Lex Laval*, in light of the revision of the (1996/71/EC) Posted Workers, has strengthened both the rights to engage in collective action and collective bargaining in the cross-border situation and the mechanisms for supervision and enforcement of collectively bargained conditions. At the same time, some of the rules introduced on the legal effects of collective agreements in cross-border situations depart from traditional rules in Swedish labour law that are applicable in domestic situations. This has been discussed both as a pragmatic legal adaptation and as an introduction of ‘alien’ and disruptive legal elements in the Swedish autonomous collective bargaining system (Rönmar, 2019).

2.3. Social partners, organisation of the labour market, and employee representation

Industry-wide industrial unions dominate in Sweden, and the trade union movement is centralised, with three top trade-union confederations: the Swedish Confederation of Trade Unions (*LO*), organising blue-collar employees; the Swedish Confederation for Professional Employees (*TCO*), organising white-collar employees; and the Swedish Confederation of Professional Associations (*SACO*), organising professionals with qualifications from higher education/university graduates (in SACO, the organisation in craft unions is important).

The Confederation of Swedish Enterprise (*Svenskt Näringsliv, SN*) organises the majority of private-sector employers. The Swedish Agency for Government Employers (*Arbetsgivarverket*) is the employers’ organisation for government agencies. The Swedish Association of Local Authorities and Regions (*SALAR*) (*Sveriges Kommuner och Regioner, SKR*) is the employers’ organisation for local governments, i.e. for regions and municipalities. Due to the constitutional and public-law principle of local self-government, the collective agreements concluded by SKR are so-called ‘recommendation agreements’, which every region and municipality then puts into force by signing collective agreements (Persson, 2013; Andersson *et al.*, 2014: 28 ff.; Källström, Malmberg & Öman, 2019: 82). In general, Swedish labour law and collective bargaining are characterised by a uniform and extensive personal scope, and a traditionally high degree of equal treatment of different categories of employees, such as blue- and white-collar employees and private- and public-sector employees. *PTK*, the Council for Negotiation and Cooperation, is a cross-sectoral council for negotiation and cooperation for 25 private-sector, white-collar and university graduates/professional trade unions, and *OFR*, the Public Employees’ Negotiation Council (*Offentliganställdas förhandlingsråd*) is a cross-sectoral council for negotiation and cooperation for 14 public-sector, white-collar and university graduates/professional trade unions. Professional Associations in Trade and Services (*Akademikerförbunden inom Handel och Tjänster, AHT*) is a collaboration among SACO-affiliated trade union federations in the private sector, and

Professional Alliance (*Akademikeralliansen*) is a collaboration among SACO-affiliated trade union federations in the public sector.

Employee participation is channelled through trade unions and their representatives, at local and national levels, in a single-channel system. Trade unions both negotiate and conclude collective agreements on wages and other terms and conditions of employment, and take part in information, consultation, and co-determination at workplace level. There are no works councils (except for health and safety committees at large workplaces, complementing the working environment activities of so-called safety officers (*skyddsombud*), appointed by the local trade unions that are bound by a collective agreement with the employer or the employers' organisation).⁷ In general, the assignment of employee representatives has no link to a staff threshold. If at least one of the employees (or a former employee) at the workplace is a member of a trade union, rights to negotiation and collective bargaining will be put in place. However, in principle, rights of information, consultation, and co-determination are provided only to trade unions as employee representatives, and not to individual employees. There are only limited rights of information and consultation for individual employees, such as rights regarding written information on terms and conditions of employment, and dismissal or summary dismissal for personal reasons (Rönmar, 2008). The traditional organisational structure of Swedish trade unions, their large membership and strength, and the evolving relationship between industrial relations and the labour-law system have prevented an emergence of non-unionised bodies of employee representation at local company level. The result is the establishment of a strict, single-channel system of employee representation (Pietrogianni and Iossa, 2017).

An employer is often bound by collective agreements in relation to an LO-affiliated, TCO-affiliated, and SACO-affiliated trade union (and sometimes also in relation to the trade union for managers, *Ledarna*), respectively. As these collective agreements cover different work and groups of employees, they are not seen as competing collective agreements. Consequently, employee representation is normally performed separately by several trade unions at the workplace.

Swedish trade unions are voluntary, non-profit organisations. There is no specific legislation for such organisations or labour market organisations in general. A trade union is an association of employees, and under its by-laws, the union is charged with safeguarding the interests of the employees in relation to the employer (Section 6 MBL). There are minimal formal requirements for forming a trade union, and recognition of trade unions is automatic. As regards their internal affairs, trade unions enjoy extensive freedom of self-regulation.

There are no statutory or common-law procedures or criteria for determining the representativity of trade unions.

All trade unions enjoy the same basic statutory rights to freedom of association, general negotiation, collective bargaining, and collective action. Instead of establishing certain procedures or criteria for representativity, Swedish law affords privileges to so-called *established trade unions*, i.e. trade unions that are currently or customarily bound by a collective agreement with the employer (or the employers' organisation). Established trade unions organise the majority of employees in the Swedish labour market.

In practice, owing to the principles of labour-market organisation, the dominance of nationwide industrial unions, and the policies and practices of the central trade-union confederations and the Confederation of Swedish Enterprise, there are only a few so-called

⁷ See Chapter 6 of the (1977:1160) Work Environment Act.

minority trade unions, with a nationwide syndicalist trade-union movement represented by the SAC confederation and the Swedish Dockworkers Union as two exceptions.⁸

2.4. Information, consultation, and co-determination

There is an elaborate regulation of employee representation and information, consultation, and co-determination in the (1976:580) Co-determination Act (MBL) and complementary collective agreements.

The primary aim of the (1976:580) Co-determination Act is to enable an increased element of cooperation and co-determination for employees and trade unions in the area of the managerial prerogative. The employer is obliged to keep the established trade union continuously informed of the manner in which the business is developing with respect to production and finance, and as to the guidelines for personnel policy (Sections 18–22 MBL). The right of information is vital to the trade union's possibilities to influence the employer's decision-making.

Within the framework of the (1976:580) Co-determination Act, one can distinguish among three different types of bargaining and negotiations: collective bargaining intended to regulate matters concerning the relationship between the negotiating parties by means of collective agreement (Section 10 MBL, disputes of interest), negotiations in legal disputes (Section 10 MBL, disputes of rights), and cooperation negotiations aiming at giving employees and trade unions information about and influence over the employer's managerial decisions (Sections 11–13 MBL). The workplace level plays a central role. Negotiation starts first at the local level. If agreement cannot be reached, negotiation continues at the national level. Before the tripartite and specialised Labour Court (*Arbetsdomstolen*) can deal with a legal dispute, local and central negotiations must have been conducted and must have failed. As a result of this rule, an overwhelming number of disputes are resolved through negotiation between the parties (Julén Votinius, 2016).

All trade unions (with at least one member, or prior member, at the workplace) enjoy a statutory right of general negotiation with the employer on any matter relating to the relationship between the employer and a member of the trade union (Section 10 MBL). Established trade unions enjoy far-reaching rights of information, primary negotiation, and co-determination. According to Section 11 MBL on primary negotiations, the employer is obliged to initiate negotiations with the trade union before making decisions regarding important alterations in the employer's activities and business, such as restructuring, redundancies, work organisation changes and appointments of new managers, or the employment conditions or employment relationship of a member of the trade union, such as transfers and working-time changes. In addition, when the established trade union requests it, the employer is obliged to negotiate with the trade union before making other decisions regarding a member of the trade union (Section 12 MBL). According to the legislative

⁸ 2017 and 2018 saw a development related to collective action and collective bargaining arising out of a local industrial conflict and long-standing, intra-union conflict between the Swedish Dockworkers Union and the LO-affiliated federation, the Swedish Transport Workers Union, in the harbour of the city of Gothenburg. This development related *inter alia* to issues regarding industrial peace, the aim of collective action, and trade union pluralism and competition. Subsequently, a statutory reform changed some of the rules of collective action in the (1976:580) Co-determination Act, clarifying and restricting the right to collective action of trade unions not bound by collective agreement, and in legal disputes (Government Bill prop. 2018/19:105). The legislative reform was based not on the proposals put forward by a designated Government Inquiry, but on the negotiated proposal presented by key social partners on both sides of the Swedish labour market. This development can be analysed in terms of both a strengthening of autonomous collective bargaining and a counteraction of trade-union pluralism.

preparatory works, the employer is obliged to negotiate with the trade union in this way, whenever the decision at hand is such that the trade union would likely be interested in negotiating. In addition, the employer is obliged to negotiate in this way with a trade union to which the employer is not bound by a collective agreement, before making decisions dealing with important alterations in the employment conditions or relationships primarily affecting one or more of the trade union's members (Section 13 MBL). As for the timing, negotiation must take place before the employer makes a decision. The negotiation initiative must be taken at such a time as to ensure that the negotiation becomes a natural and effective part of the employer's decision-making process. When it comes to the form and performance of the negotiation, the parties must attend the negotiation, state and motivate their position, and listen to the other party's information and arguments supporting their position. Even if the aim of the negotiation is to reach an agreement, the parties are under no obligation to compromise. There is no 'duty to bargain in good faith' or to conclude a collective agreement (even if the parties actually agree on an issue). A violation of these obligations is sanctioned with economic and punitive damages (Sections 54 and 55 MBL).⁹

Representatives of established trade unions are given paid time off for their assignment, and according to the (1974:358) Act on Trade Union Representatives, they enjoy far-reaching protection against dismissal, deteriorated terms and conditions of employment, and harassment from the employer.

The right to general and primary negotiations is complemented by other provisions in the area of co-determination, such as provisions on priority of interpretation (a right to decide *ad interim*, for example, in disputes on the employee's obligation to work, Section 34 MBL) and a limited trade-union right of negotiation and veto in cases where the employer wants to engage a particular person to perform certain work on her behalf, without such a person becoming an employee of the employer (this includes engaging temporary agency workers, Sections 38 and 39 MBL).

In addition, important regulation on cooperation and co-determination is found in collective agreements at cross-sectoral, sectoral, and local levels.

EU Directives in the area of employee representation have been relatively easily implemented into Swedish law and integrated with Swedish industrial relations. Compared to EU law provisions, rights to information, consultation, and employee participation in Swedish law are generally stronger and more extensive, for example as regards the degree of influence, the subject matter, and the timing (Rönmar 2008; Sjödin 2015).

3. Trends and Debates on Decentralisation in Collective Bargaining

3.1. Evolution of 'organised decentralisation'

The aim of Section 3 is to introduce, explain, and analyse the main characteristics, relevance, trends, and debates on decentralisation in collective bargaining in Sweden.

The debate on decentralisation of collective bargaining in Sweden has revolved mainly around the question of collectively bargained wage-setting mechanisms. This issue is also of importance due to the absence of statutorily set minimum wages (see Section 2). The trend

⁹ Sections 21 and 22 MBL regulate the scope for a duty of confidentiality in relation to information and consultation (Malmberg *et al.*, 2018: 163, 179 ff).

towards decentralisation of collective bargaining started back in the 1970s, when employers' organisations began to lobby against some of the most centralised elements of the Swedish labour law and industrial relations system, such as the tripartite bodies involved in cross-sectoral wage-setting negotiation. This has been described as a move towards a 'decorporatisation' of industrial relations, aimed at breaking the alliance between the trade-union movement and the Social-Democratic Party (Baccaro and Howell, 2017: p. 150). The Basic Agreement (*Saltsjöbadsavtalet*), a national, cross-sectoral collective agreement signed in 1938 between LO and the Swedish Employers' Federation (SAF, now SN) indicated a wage-setting mechanism linked to the national cross-sectoral and sectoral levels of bargaining. At the national, cross-sectoral level, the top trade union confederations and employers' organisations negotiated the range for possible wage increases across the national labour market, and at the national sectoral level, the sectoral trade unions and employers' organisations negotiated and set the wages within the range set at the cross-sectoral level.

At the end of the 1970s, the arguments and actions undertaken by SAF and its affiliated employers' organisations were more easily accepted as a way to manage and recover from the economic crisis that hit Sweden. The necessity of containing wage drift and the ensuing inflation led to widespread acceptance of the need to abandon the central, cross-sectoral level of wage negotiations (Anxo, 2011; Kjellberg, 2017).

The result was an 'organised decentralisation' of collective bargaining, and a shift to a wage-setting mechanism linked to the national sectoral and the local/company levels of bargaining. One example of this shift was the signature of a separate collective agreement in 1983 between the engineering and metallurgical employers' organisation, the Association of Swedish Engineering Industries (*Teknikföretagen*, named *Sveriges Verkstadsförening* at that time) and the trade union of metallurgical workers IF Metall, the largest sectoral trade union affiliated with LO (Thörnqvist, 1999; Ahlberg & Bruun, 2005; Baccaro and Howell, 2017).

In the beginning of the 1990s, SAF decided to withdraw its representatives from the central cross-sectoral bodies of wage negotiations and other corporatist committees, with the exception of the Labour Court (Elvander, 2002). At about the same time, an additional and more critical economic crisis also hit Sweden, leading to a round of collective negotiations in which the ensuing collective agreements froze and deescalated wage increases (Anxo & Niklasson, 2006).

In the aftermath of the crisis, the social partners in the industry sector agreed in 1997 on a new cross-sectoral collective agreement, the Cooperation Agreement on Industrial Development and Wage Formation (*Samarbetsavtal om industriell utveckling och lönebildning*) or simply the Industrial Agreement (*Industriavtalet*). The agreement's objective was to foster the competitiveness of Swedish industry in a globalised economy. The question of wage-setting and collective-bargaining decentralisation was key. The Industrial Agreement contributed to the stabilisation and organisation of the wage-setting mechanism linked to the national sectoral and local/company levels (Ahlberg & Bruun, 2005). Thus, the Industrial Agreement confirmed the abandonment of wage negotiations at the national cross-sectoral level. The national, sectoral collective agreement became a framework agreement, which indicated wages for the newly employed in the sector and set guidelines for wage increases at company level. The Industrial Agreement both emphasised the key role of the national sectoral collective agreement in the system and increased the relevance of negotiations at local company level, particularly in terms of wage-setting.

With the 1997 Industrial Agreement, the social partners also introduced a mechanism to ensure that salaries on the labour market would not increase at a percentage higher than the growth of the national economy. This mechanism – called the 'industry mark'

(*industrimärket* or *märket*) – anchors the wage increase of Swedish employees in various sectors of the labour market to the wage increases set by national, sectoral collective agreements in the industrial export sector. It uses the degree of international competitiveness of the Swedish economy as a way to control the inflation caused by wage increases and to keep the Swedish economy competitive. Thus, the ‘industry mark’ has a normative effect in other sectors, as trade unions and employers’ organisations adopt the ‘industry mark’ as the ‘norm’ for wage increases (Medlingsinstitutet, 2020; Kjellberg, 2019b).

The trend towards ‘organised decentralisation’ of collective bargaining in wage-setting continued with the introduction of so-called ‘figureless collective agreements’ (*sifferlösa kollektivavtal*) in which the determination of wage and wage increases is delegated entirely to the local company level of negotiations, and often to individual negotiations between the manager and the employee (Ahlberg & Bruun, 2005).

The decentralisation of wage-setting has proven a boost to recovery paths at the time of crisis (Lallement, 2011). The possibility for trade unions and employers to set wage levels at local company level – combined with the possibility to deviate from many statutory provisions by means of collective agreement – has been indicated as one of the factors that has enabled the Swedish economy’s swift recovery (Glavå, 2010). Furthermore, there have been no attempts to introduce more ‘destabilising’ reforms of collective bargaining in Sweden, as in some other European countries (Iossa, 2019).

3.2. Collective bargaining and industrial relations characteristics and statistics

In the yearly report for 2021 on collective bargaining, wage-setting, and industrial relations developments, the National Mediation Office (*Medlingsinstitutet*) concludes that there are about 50 sectoral trade-union federations and 50 employers’ organisations that have signed around 650 national, sectoral collective agreements; these agreements are currently applied in the labour market (Medlingsinstitutet, 2022). In 2020, the number of national, sectoral collective agreements was around 700 (Medlingsinstitutet, 2021). In the yearly report for 2009, the number of collective agreements reported was about 650 (Medlingsinstitutet, 2010), while in the report for 2014, the number increased to 682 registered national, sectoral collective agreements (Medlingsinstitutet, 2015).

In Sweden, the trade-union organisation rate is still high compared to the other European countries – despite a significant drop in the last 10 years (Kjellberg, 2019a, updated in 2022). The yearly report of the National Mediation Office for 2021 indicates that the overall trade-union organisation rate was almost 70 % and the employers’ organisation rate was about 90 %. There are, however, important differences between sectors and groups of employees. In 2020, among blue-collar employees, the rate was 61 %, while among white-collar employees it was 73 %. Moreover, among blue-collar employees, the rate was 72 % in the public sector (with a 15 % drop between 2006 and 2020) and 57 % in the private sector (with a 17 % drop between 2006 and 2020). The rate has been steadier among white-collar employees: 69 % in the private sector (data unvaried in comparison with 2006) and 81 % in the public sector (with an 8 % drop between 2006 and 2020). Further variations apply across the sectors: for instance, among blue-collar employees in the large manufacturing sector, the organisation rate in 2020 was 73 %, while in the retail sector it was 52 % (Medlingsinstitutet, 2022: 168–169).

However, the year 2020 saw a slight increase in the trade-union organisation rate compared to the previous year. For instance, the rate increased by almost 4 % among the blue-collar employees employed in the public sector and by almost 6 % in the retail sector (Medlingsinstitutet 2020: 225) – two of the sectors discussed in our case studies. Since the pre-pandemic year of 2019 the Swedish Municipal Workers’ Union (the blue-collar public

employees trade union) and the Commercial Employees' Union (the blue-collar retail employees trade union) have increased their membership with 14,000 and 4,000 members, respectively (Medlinginstitutet, 2021: 158). The overall numbers concerning the coverage of collective agreements in 2020 (expressed in terms of percentage of employees covered by a collective agreement) on the labour market are as follows: 85 % in the private sector and 100 % in the public sector, which results in a 90 % average coverage (see Kjellberg, 2019a, updated in 2022). These shares have been relatively stable since the early 2000s and the percentage of collective-agreement coverage in the private sector throughout the past two decades has oscillated between peaks of 85 % (in 2009, 2012, 2014, and 2015) and a low mark of 81 % (in 2000). In the public sector, the coverage has been stable at 100 % (see Kjellberg, 2019a, updated in 2022). In absolute numbers, the total of employees covered by a collective agreement (in the private sector) increased from 2,244,200 in 2010 to 2,519,700 in 2020, including 108,000 employees covered by application agreements (*hängavtal*) (Kjellberg, 2019a, updated in 2022).

3.3. Sectoral variation in decentralised wage-setting

In relation to sectoral variation in wage-setting, the National Mediation Office has outlined a typology including seven structures of collective-bargaining provisions on wage-setting. This framework describes the degree of decentralisation in wage-setting from least to most centralised. In the yearly reports of the National Mediation Office, these structures are related to various sectors of the labour market and key sectoral collective agreements (Medlingsinstitutet, 2021: 244; Medlingsinstitutet, 2018: 219 ff.). This typology also reflects how collective bargaining in Sweden is characterised by 'organised decentralisation'. The seven structures are as follows:

1. Local wage-setting without centrally specified ranges

This structure is the least centralised, and here the national, sectoral collective agreement is a 'figureless collective agreement'. Wage levels are determined entirely at the local level without national intervention. At the local level, the parties can agree on wage levels that are higher or lower than the level indicated by the sectoral parties. In the salary revision, the new salary is set either by the local parties or in conversations between the manager and the employee. – This structure is reflected in national, sectoral collective agreements of relevance for the case study in the public sector, including the collective agreements on wages and terms and conditions of employment concluded between SKR and the Swedish Association of Health Professionals (*HÖK 19*) and between SKR and the Professional Alliance (*HÖK T*).

2. Local wage-setting with a fallback clause (*stupstock*) set at central level

The wage ranges are determined at the local level, but the national, sectoral collective agreement contains mandatory provisions on the wage levels that come into force if the local parties cannot agree. In the salary revision, the new salary is set either by the local parties or in conversations between the manager and employee. – This structure is reflected in national, sectoral collective agreements of relevance for the case studies in the manufacturing and public sectors, including the collective agreement on wages and terms and conditions of employment concluded between the Association of Swedish Engineering Industries and the Swedish Association of Graduate Engineers (*Teknikavtalet/Sveriges Ingenjörer*) and the collective agreement on wages and terms and conditions of employment concluded between SKR and the Swedish Medical Association (*HÖK 20*).

3. Local wage-setting with a fallback clause (*stupstock*) set at central level concerning the size of the wage ranges and some form of individual guarantee

The wage ranges are determined at the local level, but the national, sectoral collective agreement contains mandatory provisions on the wage levels, and indicates an individual guarantee stating that a guaranteed minimum wage increase will take effect if the local parties cannot come to an agreement on wage increases. In the salary revision, the new salary is set either by the local parties or in conversations between the manager and the employee. – This structure is reflected in national, sectoral collective agreements of relevance for the case study in the manufacturing sector, including the collective agreement on wages and terms and conditions of employment concluded between the Association of Swedish Engineering Industries and Unionen (*Teknikavtalet/Unionen*).

4. Salary pot without individual guarantees

The national, sectoral collective agreement determines the ranges for wage increases in the form of a salary pot. The local parties are free to determine the distribution of the pot. Through local collective agreements, the parties can decide whether the salary pot will be distributed equally among the employees or instead distributed individually on the basis of individual conversations between the manager and the employee. – This structure is reflected in national, sectoral collective agreements of relevance for the case study in the public sector, including the collective agreement on wages and terms and conditions of employment concluded between SKR and the Swedish Municipal Workers' Union (*HÖK 20*).

5. Salary pot with either individual guarantees or a fallback clause (*stupstock*) on individual guarantees

The national, sectoral collective agreement determines the wage range for increases in the form of a salary pot, while distribution takes place at local level. Nevertheless, there is a centrally agreed, individual guarantee on wage increases, in the form of either a guaranteed minimum wage increase for individual workers or a fallback clause on an individual guarantee that enters into force if the local parties fail to reach an agreement. – This structure is reflected in national, sectoral collective agreements of relevance for the case studies in the manufacturing and retail sectors, including the collective agreement on wages and terms and conditions of employment concluded between the Association of Swedish Engineering Industries and IF Metall (*Teknikavtalet/IF Metall*) and the collective agreement on wages and terms and conditions of employment concluded between the Swedish Trade Federation and Unionen (*Handelns tjänstemannaavtal*).

6. General increase and salary pot

In this structure, the national, sectoral collective agreement both sets a general mandatory wage increase for all employees in the sector and determines a salary pot to be distributed at local level through local agreements negotiated by the local parties. – This structure is reflected in national, sectoral collective agreements of relevance for the case study in the retail sector, such as the collective agreements on wages and terms and conditions of employment concluded between the Swedish Trade Federation and the Commercial Employees' Union (*Detaljhandel* and *Lager- och E-handel*, respectively).

7. General increase

In this structure, wage increases are set at national, sectoral level and apply to all employees covered by the sectoral collective agreement. There is no accommodation for wage negotiations at the local level. This is the most centralised structure and exists in sectors such as construction, transport, local transport, and security-guard services.

Collective agreements are usually registered at the National Mediation Office. According to the yearly report, 644 registered national, sectoral collective agreements were registered in 2021. Of these collective agreements, 282 (43.8 % of the total of collective agreements) – covering about 1.621 million employees (43,3 % of total employees) – included decentralised mechanisms for wage-setting. The largest group included ‘figureless collective agreements’, 191 collective agreements covering just over one million employees. The remaining 91 collective agreements, covering around 610,000 employees, included fallback clauses for wage levels (*stupstock*) to be applied in case of failure of negotiations at local level. In the remaining 362 collective agreements, covering around 2.126 million employees, wage levels and wage ranges were defined at national, sectoral level, yet the degree of decentralisation varied depending on the sector (Medlingsinstitutet, 2022: 176).

It is interesting to note that the share of employees covered by a wage-setting mechanism according to structure 1, ‘Local wage-setting without centrally specified range’ (the one in which it is common to use ‘figureless collective agreements’), skyrocketed in the last decade: from 7 % as noted in the National Mediation Office’s yearly report for 2000 (the years after the conclusion of the Industrial Agreement; Medlingsinstitutet, 2001) and 8 % in the yearly report for 2009 (Medlingsinstitutet, 2010), to 23 % in 2014 (Medlingsinstitutet, 2015) and 29.7 % in 2021, corresponding to 27 % of the total of collective agreements registered (Medlingsinstitutet, 2022: 179). This increase is the result of a progressive shift of collective agreements from the ‘middle-range’ centralised structures (mostly structure 5), rather than from the most centralised structure (7). The use of structure 7 remained rather stable after an initial decrease (from 10 % of employees in 2000 to 6 % in 2009) and now covers around 313,000 employees, corresponding to about 8 % of the employees on the labour market (Medlingsinstitutet, 2022: 179).

3.4. Current pressures

The Swedish labour law and industrial relations system has always been faced with a variety of pressures. In this report, we analyse three such pressures that can have an impact on the Swedish collective-bargaining system (including local collective bargaining) and decentralisation: namely, the European Commission’s proposal for a Directive on adequate minimum wages in the EU; the new Swedish cross-sectoral, social-partner agreement on security, transition, and employment protection, together with related, future legislative reforms; and the COVID-19 pandemic.

In 2020, the European Commission presented a proposal for a Directive on adequate minimum wages in the EU (COM(2020) 682 final), with reference to Principle 6 of the European Pillar of Social Rights. The aim of the Directive is to establish a framework for setting adequate levels of minimum wages, and access of workers to minimum-wage protection, in the form of wages set out by collective agreements or, where it exists, in the form of a statutory minimum wage (Article 1). The Directive includes provisions on measures to promote collective bargaining on wage-setting (Article 4), and statutory minimum wages (including aspects of adequacy, variations and deductions, involvement of social partners, and

effective access of workers in statutory minimum-wage setting) (Articles 5–8), and monitoring and data collection (Article 10). Furthermore, the Directive includes guarantees for national systems of industrial relations built on autonomous collective bargaining, such as the Swedish and Danish industrial relations systems. Thus, Article 1.3. states that ‘[n]othing in this Directive shall be construed as imposing an obligation on the Member States where wage setting is ensured exclusively via collective agreements to introduce a statutory minimum wage nor to make the collective agreements universally applicable’.¹⁰

The proposal has been strongly and jointly opposed by the Swedish social partners, who see it as posing a fundamental threat to the Swedish collective-bargaining system, social-partner autonomy, and key principles of Swedish wage formation and mechanisms for wage-setting – including the absence of statutory minimum wages, the practice of ‘organised decentralisation’, and emphasis on local and individualised wage-setting. The social partners have collaborated and jointly lobbied against the proposal, for example in the context of the social-partner Labour Market Council for EU Affairs (*Arbetsmarknadens EU-råd*). In a joint report comprising a legal analysis of the proposal (LO, PTK & SN, 2020), the social partners argue that the proposal falls outside the legislative competence of the EU (cf. Article 153.5 TFEU). In addition, the report points to the future risk that the Court of Justice of the European Union will review and ultimately restrict the Swedish collective-bargaining system, principles for wage formation, and wage-setting mechanisms. This fear must be understood against the background of experiences from the *Laval* case (Case C-341/05), where the Court of Justice reviewed and imposed restrictions on the Swedish legislation on posted work, collective action, and collective bargaining in light of the freedom to provide services (see also Section 2.2). Furthermore, the European Commission’s proposal for a Directive to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms (COM(2021) 93 final) has met with similar opposition, and for basically the same reasons.

Originally, the Swedish government also opposed the proposal for a Directive on adequate minimum wages in the EU. However, in late 2021, after intensive negotiations, the government accepted the Council common position on the Directive. Negotiations continue between the Council and the European Parliament on the content and adoption of the Directive.

In autumn 2020, after cross-sectoral negotiations, the Confederation of Swedish Enterprise and PTK concluded a new Swedish cross-sectoral, social-partner agreement on security, transition, and employment protection. At this point and after having participated in the negotiations, LO chose not to join the agreement. Later, two trade unions affiliated with LO – IF Metall and the Swedish Municipal Workers’ Union – and then LO as such joined the

¹⁰ Furthermore, Article 1.1. states that the Directive ‘shall be without prejudice to the full respect of the autonomy of the social partners, as well as their right to negotiate and conclude collective agreements’, and Article 1.2. specifies that the Directive ‘shall be without prejudice to the choice of the Member States to set statutory minimum wages or promote access to minimum wage protection provided by collective agreements’.

agreement.^{11 12} This social-partner agreement is not focused on collective bargaining, but could have implications for social-partner relations and decentralised collective bargaining.

The cross-sectoral social-partner agreement contains a draft for a new cross-sectoral collective agreement (a so-called main agreement, *huvudavtal*), which will be concluded if certain conditions are met – including a requirement that the government must propose and the parliament must adopt new legislation on employment protection, transition support, and transition study aid. Once the cross-sectoral collective agreement has been concluded, employers' organisations and trade unions in various sectors of the Swedish labour market can approve and join the main agreement. The agreement entails substantively strengthened support for transition and life-long learning, of importance for both individual employees' competence development and the competence provision of Swedish companies and the overall labour market. The new law would strengthen collectively bargained transition support and extend such support through legislation to companies and employees not covered by collective bargaining. In addition, a new form of study aid, so-called transition study aid (*omställningsstudiestöd*), would be introduced to enable and support employees' life-long learning and general competence provision (Government Bill prop. 2021/22: 176).

In response to employer interests, the reform of the (1982:80) Employment Protection Act entails, for example, some reorientation as regards the notion of objective grounds for dismissal, revised rules for selection of employees in redundancy dismissals, and new procedures for dismissal disputes, aimed at reducing costs for employers. In addition, and in response to trade-union interests, the reform includes, for example, restrictions on the use of fixed-term employment contracts and quicker transitions from fixed-term to permanent employment, and a new main rule on full-time employment. Furthermore, a new mandate and semi-compelling element is introduced into the (1982:80) Employment Protection Act, which allows only the top social-partner organisations at cross-sectoral level to deviate from some of the key elements of the statutory employment protection regulation by way of collective bargaining, including interpretation of the notion of objective grounds for dismissal.

The new Swedish cross-sectoral, social-partner agreement on security, transition, and employment protection can be seen as a strengthening of the autonomous collective-bargaining system and social partnership. However, the social-partner agreement, along with its decisive influence on the legislative process and the substantive content of the legislative reform, has also been criticised against the background that not all social partners – for example, the public-sector employers' organisations, including the Swedish Association of

¹¹ See Svenskt Näringsliv samt PTK, *Partsöverenskommelse om trygghet, omställning och anställningsskydd*, 2020-12-04 (med bilaga 1 utkast till Huvudavtal om trygghet, omställning och anställningsskydd och bilaga 2 Principöverenskommelse om Parternas gemensamma krav på staten), and Svenskt Näringsliv samt LO, *Partsöverenskommelse om trygghet, omställning och anställningsskydd*, 2021-11-10 (med bilaga 1 utkast till Huvudavtal om trygghet, omställning och anställningsskydd, bilaga 2 Principöverenskommelse om Parternas gemensamma krav på staten och bilaga 3 utkast till Kollektivavtal om omställningsförsäkring för arbetare).

¹² The political parties that formed a government coalition after the 2018 general election signed the so-called January Agreement (*Januariavtalet*) as a basis for the alliance; the agreement listed the actions and areas in which the government should intervene. One such area was employment protection reform, which was addressed in a parallel process of a government inquiry and negotiations among the social partners. In spring 2020, the government inquiry presented a proposal to revise the (1982:80) Employment Protection Act (Government Inquiry Report SOU 2020:30). In autumn 2020, some of the social partners involved in the negotiations reached an agreement on employment protection and other core labour-market issues. The government chose to base future legislative reforms on this cross-sectoral social-partner agreement instead of the proposal by the government inquiry (in relation to the legislative process, see also Government Inquiry Report Ds 2021:17; Law Council Referral, January 2022; Law Council Opinion, March 2022; and Government Bill prop. 2021/22: 176).

Local Authorities and Regions, and some public sector trade unions – were part of the negotiations and the agreement (cf. Opinion by the Law Council, March 2022).

The COVID-19 pandemic has affected all sectors of the Swedish labour market. The social partners and collective bargaining have played a key role in the handling of the pandemic. The social partners, at cross-sectoral, sectoral, and local level, have engaged in various measures and activities, including postponement of the ordinary rounds of negotiations on national sectoral agreements; temporary re-negotiations and adaptations of national, sectoral agreements in force to assist local social partners and address the extraordinary situation of the pandemic; the conclusion of thousands of local collective agreements on short-time work;¹³ lay-offs and redundancy dismissals, supported by collective agreements on transitions and restructuring; crisis-management agreements in the public sector, of particular importance for the public health-care sector; proactive and protective measures in the area of disease control and working environment; and transition to remote work and work from home for large groups of white-collar and professional/university-graduate employees. Furthermore, the government has substantially increased investment in financial support to employers; unemployment and sickness insurance; employment services and labour market measures; and higher education and training (Johansson & Selberg, 2020; Kjellberg, 2021).

4. Case Study: the Manufacturing Sector and *Axis Communications AB*

4.1. Characteristics of the manufacturing sector and the company

The manufacturing sector is composed mainly of medium- and large-size companies. The sector includes a large variety of industries, business areas, and activities, such as electronics manufacturing and tech industry – to which *Axis Communications AB* belongs – automotive and metallurgical industries, chemical and pharmaceutical industries, paper, wood, and plastic production industries, food and beverage industries, and the textile industry. According to statistics issued by the Swedish Agency for Economic and Regional Growth (*Tillväxtverket*), the companies in the manufacturing sector represents 4.6 % of the total number of Swedish companies, and they also employ the largest share of employees on the private sector of the labour market, corresponding to 17.7 % of the total active workforce (*Tillväxtverket*, 2022). The metallurgical industry holds the largest share of employment within the sector (*Business Sweden*, 2018). The presence of traditionally strong organisations on both sides of the labour market and the significance of the manufacturing sector for the overall Swedish economy (especially in relation to exports and international competitiveness) make the industrial-relations dynamics in this sector particularly influential for industrial relations nationwide (*Müller et al.*, 2018; *Lyhne Ibsen et al.*, 2011). Thus, collective bargaining in the manufacturing sector has had and continues to have an important impact on collective-bargaining outcomes and trends in other sectors (see also Section 3.1). The manufacturing sector is covered by various national, sectoral collective agreements for blue-collar and white-collar/university graduate employees.

¹³ The first collective agreements on short-time work were concluded and implemented in the industry and manufacturing sector to deal with the effects of the 2008 and 2009 economic crisis. The short-time work scheme was later extended to the overall Swedish labour market and complemented by statutory regulation and state financial support; see the (2013:948) Act on Support for Short-time Work (cf. Kjellberg, 2019b; Glavå, 2010).

IF Metall is the largest blue-collar trade union in the manufacturing sector, and with 241,447 members, it is the second largest LO-affiliated trade union after the Swedish Municipal Workers' Union (Medlingsinstitutet, 2022). IF Metall organises employees broadly in the manufacturing sector and in various industries, with the exceptions of the paper and wood industries (organised by the Swedish Paper Workers' Union (*Svenska Pappersindustriarbetareförbundet*) and the Union for the Forest, Wood, and Graphic Industry (*GS-Facket*)), and food and beverage industries (organised by the Food Workers' Union (*Livsmedelsarbetareförbundet*)).

White-collar employees are organised by Unionen, affiliated with TCO. Unionen is the largest trade union for white-collar employees in Sweden, with 592,425 members in a wide variety of sectors in the private labour market, including the retail sector (Medlingsinstitutet, 2022) (see Section 5.1). University graduates in the manufacturing sector are organised mainly by the Swedish Association of Graduate Engineers (*Sveriges Ingenjörer*), which is the largest trade union affiliated with SACO with 133,723 members (Medlingsinstitutet, 2022). Blue-collar and white-collar/professional-university graduate trade unions in the private industry sector have formed a cross-sectoral body for cooperation, the Swedish Unions within Industry (*Facken inom Industrin*). This body was formed in 1996 and is tasked with the coordination of trade-union negotiating strategies within the framework of the Industrial Agreement and beyond (Facken inom industrin, 2016; Lyhne Ibsen *et al.*, 2011).

Employers in the manufacturing sector are organised mainly by various employers' organisations affiliated with the Confederation of Swedish Enterprise. The Association of Swedish Engineering Industries (*Teknikföretagen*) is the largest employers' organisation in the private sector, and examples of other employers' organisations include the Swedish Association of Industrial Employers (*Industriarbetsgivarna*) and Innovation and Chemical Industries in Sweden (*IKEM, Innovations- och kemiarbetsgivarna*). The manufacturing sector also include companies and businesses that are not affiliated with any employers' organisation. This is reflected by application agreements signed with trade unions, such as 253 with IF Metall, 51 with the Union for the Forest, Wood, and Graphic Industry, and 29 with the Food Workers' Union in 2021 (Medlingsinstitutet, 2022) (see Section 2.2).

As regards collective bargaining and decentralisation in wage-setting, and in terms of the typology of the National Mediation Office, the manufacturing sector covers decentralised to quite centralised wage-setting mechanisms (structures 2–5) (see Section 3.3).

Axis Communications AB (hereafter *Axis*) was founded in Lund in 1984 and is now part of the Canon group. *Axis* develops, produces, and sells network video and camera solutions, to be used *inter alia* in the areas of video surveillance, access control, intercom systems, and audio. *Axis* is a global company with headquarters in Lund; it also has offices and employees in 50 countries around the globe (along with a global network of partners in 179 countries). The company's strategies and policies in the area of human resources follow, for example, from the global *Axis Group Policy – Code of Conduct*, and strategies on sustainability and social responsibility are documented in the *Annual review & sustainability report* (*Axis Communications AB*, 2020).

This case study focuses on the site and headquarters in Lund, engaged in management, research and development (R & D), global marketing and sales, IT, human resources, and logistics. The *Axis* site in Lund has 2,500 employees, and *Axis* has a total global workforce of around 3,800 employees. Annual sales in 2020 amounted to 11.6 billion SEK. *Axis* has no production in Lund or Sweden; this takes place at various electronics manufacturing sites in different parts of the world (*Axis Communications AB*, 2020).

The majority of employees at *Axis* in Lund are white-collar employees and professional employees/university graduates, of which about one third are members of Unionen, one third are members of a SACO-affiliated trade union (primarily the Swedish Association of Graduate Engineers), and one third are unorganised. As there is no production in Lund, there are relatively few blue-collar employees there. The absolute majority of employees at *Axis* in Lund are permanently employed.

This case study of the manufacturing sector includes analysis of key collective agreements at national, cross-sectoral and sectoral levels and examples of local collective agreements provided by the employer representative at *Axis*, as well as analysis of interviews with social-partner representatives.

Axis was integrated into the Swedish collective-bargaining system relatively recently, when it joined the Association of Swedish Engineering Industries employers' organisation in 2008. Through this membership, *Axis* is bound by national, sectoral collective agreements on wages and terms and conditions of employment in relation to IF Metall (*Teknikavtalet IF Metall*, blue-collar), and in relation to Unionen and the Swedish Association of Graduate Engineers (*Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna*, white collar/professional-university graduates).

In addition, national, cross-sectoral collective agreements on transition (*Omställningsavtalet* between the Confederation of Swedish Enterprise and PTK for white-collar employees/professional-university graduates, and *Omställningsförsäkring* between the Confederation of Swedish Enterprise and LO for blue-collar employees) and on cooperation and co-determination (*Utvecklingsavtalet* between the Confederation of Swedish Enterprise, PTK and LO for all employees) are relevant for this case study, and for issues of local collective bargaining, social-partner relations, and the interaction of collective bargaining and information, consultation, and co-determination (the same holds true for *IKEA*, another private sector company; see Section 5).

Nine interviews of relevance for this case study have been carried out with the General Counsel/Director for Labour Law and the Expert on Employer Collaboration at the Confederation of Swedish Enterprise, the Policy Director at TCO, the Negotiations Secretary at IF Metall, the Head of Negotiations at Unionen, the Head of Negotiations at the Swedish Association of Graduate Engineers, an employer representative/HR Support Manager at *Axis* in Lund, a Chair of the Local Club of Unionen in Lund, and a Chair of the Local Club of SACO in Lund. – Thus, there are local trade union clubs for Unionen and SACO at the site in Lund, but there is no longer a local trade union club for IF Metall.

Axis is a representative of the key, dynamically developing tech industry sector in Sweden. At the same time, because *Axis* does not have production in Sweden (or a local trade-union club for IF Metall), this case study does not fully reflect all the issues in collective bargaining that are relevant for the broader manufacturing sector.

4.2. Local collective bargaining: legal scope, and outcomes

Basically, all interviewees in the manufacturing-sector case study state that the legal scope for local collective bargaining is clear and quite broad. Furthermore, in principle, the level of the collective bargaining system at which an issue is to be regulated is clear, and there are few or no perceived tensions between the different levels of the collective bargaining system. Provisions in the national, sectoral collective agreements (*Teknikavtalen*) for blue-collar and white-collar/professional employees, respectively, clarify areas in which there is scope for

local collective bargaining, for example in relation to wages and wage-setting processes, and working-time allocation.¹⁴

Wage-setting mechanisms in the manufacturing sector range from decentralised (in relation to professional employees organised in the Swedish Association of Graduate Engineers) to quite centralised (in relation to blue-collar employees organised in IF Metall). Although the provisions on wages and wage-setting processes differ in the national, sectoral collective agreements (*Teknikavtalen*), all agreements presuppose local wage-setting processes or collective bargaining, including (for white-collar and professional employees) elements of individual bargaining or conversations between managers and employees (see also Section 3.3).

The employer representative at *Axis* highlights how the regulation in *Teknikavtalet* comprises an important platform, which is complemented by local, practical solutions. For example, in the last wage revision process and in agreement with the local trade unions, the time plan set out in *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna* was revised and adapted to better fit the local needs of the company. The interviews with the local trade-union representatives at *Axis* also confirm a joint view of the local-level social partners: the wage review process is well-designed and works well.

In the interviews, the social-partner representatives at cross-sectoral and sectoral level point to typical substantive areas for local collective bargaining in the manufacturing sector, such as cooperation and co-determination,¹⁵ working time, working-time allocation in particular (including on-call (*jour*) and emergency work (*beredskapsarbete*)) and its related benefits, annual leave and other forms of leave, and selection of employees to be dismissed in redundancy situations (*avtalsurlista*).

In relation to local collective agreements, the Head of Negotiations at the Swedish Association of Graduate Engineers highlights the importance of synchronising the periods of application for local collective agreements with the period of application for the national sectoral, collective agreement, to ensure that the peace obligation resulting from concluded collective agreements does not limit future possibilities to use industrial action.

In redundancy situations, it is common for employers and both local blue-collar and white-collar/professional trade unions in the manufacturing sector to conclude local collective agreements on the selection of employees to be dismissed (*avtalsurlistor*), as a means to adapt or set aside statutory seniority rules based on length of employment and age (with a requirement for sufficient qualifications) (cf. Section 22 of the (1982:80) Employment Protection Act).¹⁶ Furthermore, the transition agreement for white-collar/professional employees (*Omställningsavtalet* between the Confederation of Swedish Enterprise and PTK) initially declares that the main idea of the agreement is that the company continuously sets aside economic funds to be used in connection with redundancy situations, thus allowing accommodation of the company's needs as regards the composition of the workforce as well

¹⁴ See, for example, *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna* (e.g. Arbetstidsavtal för tjänstemän, Löneavtal Unionen, and Löneavtal Sveriges Ingenjörer) and *Teknikavtalet IF Metall* (e.g. § 4 Arbetstid, and Löneavtal).

¹⁵ According to the Senior Director for Negotiation and Social Partner Relations at the Association of Swedish Engineering Industries, it is common at large companies to conclude such local collective agreements within the framework of the cross-sectoral collective agreement *Utvecklingsavtalet* between the Confederation of Swedish Enterprise, PTK, and LO.

¹⁶ Cf. also *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna*, § 12 Uppsägning, Mom 2 Uppsägning från arbetsgivarens sida, and *Teknikavtalet IF Metall*, § 1 Fredsplikt och förhandlingsordning, and § 9 Anställnings ingående och upphörande, Mom 2, Företrädesrätt och turordning.

as dismissed employees' demands for economic compensation and assistance in finding a new job. In a redundancy situation, this in turn implies an obligation for the involved parties to seek, at either party's request, to reach a local collective agreement on the selection of employees to be dismissed. The employer and the trade unions have a mutual responsibility to ensure that the remaining workforce enables the company to achieve productivity, profit, and competitiveness.¹⁷ – However, redundancies are very rare at *Axis*.

There are few local collective agreements at *Axis*; the company's employer representative has provided two examples.

One local collective agreement was concluded in 2015 and concerns the specific matter of fixed-term employment of students.¹⁸ *Axis* collaborates with Lund University, and the company site in Lund is also located close of the Faculty of Engineering (LTH) and the School of Economics and Management. According to this local collective agreement, *Axis* may conclude framework agreements on fixed-term employment contracts with students, according to which students can work 'on demand' and for an hourly rate during the university term (September–May). In addition, the collective agreement regulates terms and conditions for fixed-term employment of students during the summer (June–August). Another local collective agreement concluded in 2018 concerns working-time allocation, and more specifically, emergency work (*beredskapsarbete*).¹⁹ The agreement provides for additional paid leave as compensation for emergency work that an employee has carried out. Furthermore, the local collective agreement states that schedules on emergency work should be made well in advance. The use of emergency work at *Axis* should also be annually reviewed to ensure a good working environment for the employees.

4.3. Local collective bargaining: employer and trade-union strategies and needs, processes, and everyday practices

The representatives of the Confederation of Swedish Enterprise and the Swedish Association of Swedish Engineering Industries refer to an explicit strategy of promoting local collective bargaining, as well as individual agreements (where appropriate), on the basis of a well-functioning, profitable, and effective national, sectoral agreement. Furthermore, the Senior Director for Negotiation and Social Partner Relations of the Swedish Association of Swedish Engineering highlights the importance of long-term, cross-sectoral collective bargaining in areas such as transition, pensions, and insurances, to promote stability, enable workforce mobility, and counteract locking effects in the Swedish labour market.

The representatives of IF Metall and the Swedish Association of Graduate Engineers at the national, sectoral level emphasise the importance of a strong national, sectoral collective agreements with comprehensive regulation and good-quality terms and conditions of employment, and which in part may be improved upon and adapted through local collective bargaining. Unionen reports no explicit overall strategy in relation to local collective

¹⁷ In this context, the Head of Negotiations at Unionen points to joint social-partner reports on the practical consequences of seniority rules from 2011, which formed a basis for previous negotiations on a main agreement and thus also for the recent social-partner agreement on security, transition, and employment protection; see Sections 3.4 and 4.5 and Rudeberg & Hedlund, 2011; Rudeberg & Ingelskog, 2011.

¹⁸ See *Axis Communications AB samt SACO och Unionen, Överenskommelse visstidsanställa studenter på kortare tid*, cf. *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna*, § 3 Anställning, Mom 2 Anställning för viss tid.

¹⁹ See *Axis Communications AB samt Akademikerförening och Unionen@axis, Lokalt beredskapsavtal Axis Communications AB*, cf. *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna*, Förskjutnen arbetstid, jourtid och beredskapstjänst, D Riktlinjer rörande ersättning för beredskapstjänst).

bargaining, due to its membership and activities across various labour market sectors, with different traditions and cultures (including the retail sector; see Section 5). However, the Head of Negotiations emphasises two important strategic choices made in the mid-1990s: to strive for national, sectoral collective agreements with substantive regulation on terms and conditions of employment, and to prioritise collective bargaining before legislation. The National Bargaining Secretary of IF Metall refers to a report on the wage policy of IF Metall (IF Metall, 2018), and emphasises the importance of creating fruitful conditions for local collective bargaining and setting obligatory minimum standards, and using fallback clauses to safeguard the level of wages and terms and conditions of employment and counteract potential inequality in bargaining power.

According to the local employer representative, *Axis* has no formalised company strategy for local collective bargaining. Instead, emphasis is on a long-standing tradition of local solutions and direct dialogue and cooperation between managers and employees. Before *Axis* joined the employers' organisation in 2008, there were no local collective agreements or local trade-union clubs. According to the employer representative, the national, sectoral agreements function well, and at present, there is no need for further decentralisation by way of local collective agreements.

Likewise, the local trade-union representatives of Unionen and the Swedish Association of Graduate Engineers clarify that the national, sectoral collective agreement functions well and basically satisfies the needs of the trade unions and their members. The Head of Negotiations at the Swedish Association of Graduate Engineers confirms that this view is not uncommon in the manufacturing sector. The local representative of Unionen at *Axis* points to one explanation for this: namely, the fact that *Teknikavtalet* already is well-adjusted to the specific conditions of the tech industry and the rather homogenous group of tech companies to which *Axis* belongs. Furthermore, this trade-union representative highlights the need for careful assessment of all proposals for local collective agreements, and the agreements' substantive content and possible advantages or disadvantages, before concluding an agreement, to ensure that the position of the trade union and the employees is not weakened. Similarly, the local representative of the Swedish Association of Graduate Engineers emphasises the relative lack of bargaining experience at local level, and the importance of consulting trade-union representatives at the regional or national level before concluding any local collective agreement, with a view to confirming the legality of local collective bargaining and ensuring that the proposed local collective agreement will be advantageous for the trade-union members.

Furthermore, the social-partner representatives at cross-sectoral, sectoral, and local level point to a number of additional practical factors of importance for the promotion, negotiation, and successful conclusion of local collective agreements; these include a high trade unionisation rate and effective, continuous local trade-union representation with company-specific knowledge, especially through a local trade-union club; good and cooperative relations between local employers and trade-union representatives and between blue-collar and white-collar/professional trade unions; and knowledge and bargaining experience. In this context, both the Senior Director for Negotiations and Social Partner Relations at the Association of Swedish Engineering Industries and the Head of Negotiations at Unionen point to concerns and problems related to decreased social-partner activity at local level and a decreasing number of local trade-union clubs.

4.4. Social-partner relations and interaction of collective bargaining and employee representation, information, consultation, and co-determination

According to the interviewees in the manufacturing sector, social-partner relations are good at cross-sectoral and sectoral level and at *Axis*, and these relations are built on cooperation, trust, and respect. Some highlight that relations have improved in recent years, which has enabled advances such as the recent cross-sectoral social-partner agreement on security, transition, and employment protection. At company level, regular informal meetings of trade-union representatives with company management and HR staff are said to have contributed to improved relations. The industry and manufacturing sector is put forward as a long-standing and successful example of social partnership within the Swedish labour law and industrial relations system. The representatives of both employers' organisations and trade unions at the sectoral level emphasise the importance of the Industrial Agreement, and the common interests and joint social-partner collaboration on wider industry-related issues within this framework, as well as the design and implementation of the collectively bargained, short-time working scheme.

The representatives of employers' organisations and trade unions explain how the everyday practices of information, consultation, and co-determination – by way of the statutory regulation in the (1976:580) Co-determination Act and/or collective bargaining regulation on cooperation and co-determination – work well in principle, and build trust and negotiating experience. Furthermore, collective bargaining on the one hand and information, consultation, and co-determination on the other interact and mutually reinforce each other, especially at the local level, in the Swedish single-channel system of trade-union representation. There are no perceived tensions between local collective bargaining and information, consultation, and co-determination.

The interviews with the employer and trade-union representatives at local level reflect a focus at *Axis* not on local collective bargaining, but on frequent, well-functioning, and continuous cooperation through information, consultation, and co-determination; this approach also includes proactive work and collaboration in the area of health and safety. There are often joint meetings, for example, of the employer and the trade-union representatives of Unionen and the Swedish Association of Graduate Engineers regarding primary negotiation, cooperation, and co-determination. Preparatory meetings of the local trade-union clubs also provide a platform for informal collaboration and an exchange of knowledge and best practices.

4.5. Current pressures

The representatives of the employers' organisations and trade unions at the cross-sectoral and sectoral level in the manufacturing sector, as in the retail and public sectors, express concern about and strong opposition to the European Commission's proposal for a Directive on adequate minimum wages in the EU, which is seen as an intervention in the Swedish system of autonomous collective bargaining and wage-setting. Furthermore, several employer representatives also express serious concern about the European Commission's proposal for a Directive on equal pay and pay transparency, and state that this regulation risks destroying the established and successful Swedish system of wage formation and individualised wage-setting. The interviewees, especially on the employer side, also express a more general concern about increased legislative activity at EU level, which could ultimately interfere with social-partner autonomy or 'dictate' Swedish labour-market conditions.

Several of the interviewees in the manufacturing sector at cross-sectoral and sectoral level have been involved (as part of the frameworks of the Confederation of Swedish Enterprise,

PTK, and LO) in the cross-sectoral social partner negotiations that resulted in the recent agreement on security, transition, and employment protection. Interviewees highlight various implications of substantive provisions of the agreement, for example as regards employment protection and transition benefits, and discuss advantages and disadvantages from the perspective of employers, trade unions, and employees, respectively. The social-partner agreement is seen as strengthening autonomous collective bargaining and social-partner relations, as well as the cross-sectoral level of collective bargaining. Some trade-union representatives (at Unionen and TCO) also hope for a positive, indirect, and activating effect of the social-partner agreement on local trade-union representation and activities (see also Sections 3.4 and 7).

The interviewees at *Axis* report that the possible implications of the EU regulation on minimum wages and the cross-sectoral social-partner agreement on security, transition, and employment protection are not yet a subject of much discussion at the company level.

The representatives at cross-sectoral and sectoral level emphasise the far-reaching implications of the COVID-19 pandemic, and the importance of the local collective agreements on short-time work, building on collective-bargaining schemes first established in the industry and manufacturing sector. The conclusion of thousands of such local collective agreements within a very short time frame was made possible by an established practice and experience of cooperation and negotiation at local level.

Axis has fared relatively well in the COVID-19 pandemic and has not had to use lay-offs or short-time work. During the pandemic, a majority of white-collar and professional employees have worked remotely, and the ‘post-pandemic’ transition and return to work on-site have proven to be somewhat problematic and have caused tension. The employer representative at *Axis* emphasises company needs and business conditions, while the local trade-union representatives highlight the importance of trust and flexibility, and their members’ wishes to continue to work at least partly from their homes. They find the employer’s position to remote and home working to be somewhat ‘conservative’, and comment on the lack of constructive dialogue and cooperation on this issue. This is seen as surprising and frustrating, given the otherwise positive culture of cooperation and good social-partner relations at *Axis*. The trade-union representatives would prefer a local collective agreement or guidelines on distance work. In general, the Head of Negotiations at the Swedish Association of Graduate Engineers emphasises the important balance to be struck between managerial prerogative and collective bargaining in the context of distance work, and recommends that, if possible, local trade-union clubs should strive to set out rules in a local collective agreement (instead of in guidelines based on managerial prerogative) regarding the availability of and conditions for distance work.

5. Case Study: the Retail Sector and *IKEA Svenska Försäljnings AB*

5.1. Characteristics of the retail sector and the company

The retail sector in Sweden is composed mainly of large-sized companies and chains, both Swedish- and foreign-owned, but also includes a significant representation of small-sized companies and stores (Hultman & Elg, 2013). According to statistics issued by the Swedish Agency for Economic and Regional Growth (*Tillväxtverket*), the companies active in the retail sector represent 10.8 % of the total number of Swedish companies, and employ the second-largest share of employees in the private sector of the Swedish labour market after the

manufacturing sector (Tillväxtverket, 2022). The sector includes a wide variety of business areas and activities, including retail stores, wholesale industry, warehouses, grocery-store chains (with both private and cooperative businesses), e-commerce, and businesses in personal and beauty care. These business sectors are covered by various national, sectoral collective agreements for blue-collar and white-collar/university graduate employees.

Blue-collar employees in the retail sector are organised mostly by the LO-affiliated trade union, the Commercial Employees' Union (*Handelsanställdas Förbund*), and the third largest blue-collar trade union. It has 126,401 active members – of which 48,872 are men and 77,529 are women (Medlingsinstitutet, 2022). It operates, in principle, in all business included in the broad retail sector. White-collar employees are organised mostly by the TCO-affiliated trade union Unionen. University graduates in the retail sector are organised by various SACO-affiliated trade unions, which collaborate within the framework of the Professional Associations in Trade and Services (*Akademikerförbunden inom Handel och Tjänster, AHT*). The trade-union organisation rate in the retail sector is around 60 % in total (the trade-union organisation rate is 52 % for blue-collar employees, and 67 % for white-collar employees) (Medlingsinstitutet, 2022).

Employers in the retail sector are organised mainly by the Swedish Trade Federation (*Svensk Handel*) employers' organisation, which is affiliated with the Confederation of Swedish Enterprise, and which represents around 9,000 affiliated small-, medium- and large-sized private companies. The *Fremia* employers' organisation organises cooperative businesses, for example in retail and grocery-store businesses. It is not affiliated with the Confederation of Swedish Enterprise. The retail sector is also characterised by companies and businesses that are not affiliated with any employers' organisation. This is reflected by application agreements signed with trade unions, such as the Commercial Employees' Union: 216 application agreements in 2020 (Medlingsinstitutet, 2021) (see Section 2.2).

As regards collective bargaining and decentralisation in wage-setting, and in terms of the typology of the National Mediation Office, the retail sector covers quite centralised to centralised wage-setting mechanisms (structures 5–6) (see Section 3.3).

IKEA Svenska Försäljnings AB is part of the global overall IKEA group, and the brand is well-known around the world. IKEA was founded in 1943 in Småland by Ingvar Kamprad. *IKEA Svenska Försäljnings AB* (hereafter *IKEA*) is a large-sized company in the retail sector, with a focus on the sale of furniture and home interiors; it includes locations throughout Sweden, such as the headquarters in Helsingborg, a chain of twenty department stores (including restaurants and cafes), warehouses/logistics centres, and call centres, from Malmö in the south to Haparanda in the north. In 2021, *IKEA* annual sales amounted to 18 billion SEK. Globally, there are more than 460 *IKEA* department stores across 62 markets, and the overall *IKEA* group employs more than 225,000 employees around the world. The company's strategies and policies in the area of human resources follow, for example, from a set of 'IKEA values', *IKEA Employment Standards*, and a global *Code of Conduct* (Ingka, 2019).

This case study explores both overall company-level and local-level perspectives at *IKEA*, the Swedish branch of *IKEA Retail*, with around 10,000 employees.²⁰ *IKEA* employs blue-collar, white-collar, and professional/university graduate employees. In principle, white-collar and professional employees at *IKEA* have full-time positions, while to a large extent, blue-collar employees have part-time positions. In the department stores, about 45 % of blue-collar employees have part-time positions corresponding to 80 % working time, 10 % have part-time

²⁰ *IKEA Svenska Försäljnings AB (IKEA)* is part of Ingka Group, which consists of three business areas: *IKEA Retail*, *Ingka Centres*, and *Ingka Investments*. The overall *IKEA* group consists of *Inter IKEA Group*, *Ingka Group*, and *IKANO Group*.

positions corresponding to 50 % working time, and the remainder have so-called part-time weekend positions corresponding to 20 % working time. The majority of employees at *IKEA* are permanently employed.²¹

This case study of the retail sector includes analysis of key collective agreements at national, cross-sectoral and sectoral levels, and examples of local collective agreements provided by the employer representative at *IKEA*, as well as analysis of interviews with social-partner representatives.

Through its membership in the Swedish Trade Federation employers' organisation, *IKEA* is bound by a number of national, sectoral collective agreements on wages and terms and conditions of employment in relation to the Commercial Employee's Union (*Detaljhandelsavtalet*, for retail, blue-collar and *Lager- och E-handelsavtalet*, for warehouse and E-commerce, blue-collar), in relation to Unionen and Professional Associations in Trade and Services (*Handelns tjänstemannaavtal*, retail, white-collar/professional-university graduates), and in relation to the Hotel and Restaurant Workers' Union (*Restaurang- och caféanställda, Avtal*, restaurants and cafes in department stores, blue-collar).

In addition, national, cross-sectoral collective agreements on transition (*Omställningsavtalet* between the Confederation of Swedish Enterprise and PTK for white-collar employees/professional-university graduates, and *Omställningsförsäkring* between the Confederation of Swedish Enterprise and LO for blue-collar employees) and on cooperation and co-determination (*Utvecklingsavtalet* between the Confederation of Swedish Enterprise, PTK and LO for all employees) are relevant for this case study, and for issues of local collective bargaining, social-partner relations, and the interaction of collective bargaining and information, consultation, and co-determination (the same holds true for *Axis*, another private sector company; see Section 4).

Ten interviews of relevance for this case study have been carried out with the General Counsel/Director for Labour Law and the Expert on Employer Collaboration at the Confederation of Swedish Enterprise, the Policy Director at TCO, the Head of Negotiations at the Swedish Trade Federation, the Negotiations Secretary at the Commercial Employee's Union, the Head of Negotiations at Unionen, an employer representative/Co-worker Relations Manager at the overall company level at *IKEA*, a Chair at a Local Club of the Commercial Employees' Union (retail)/Central Coordinator, a Chair of a Local Club of the Commercial Employees' Union (warehouse and e-commerce)/Central Coordinator, and a Chair of a Local Club of the Hotel and Restaurant Workers' Union/Central Coordinator.

The local trade-union representatives who were interviewed are engaged in trade-union activity both at the overall company level and at local department store/warehouse level. The organisation of the trade-union representation at *IKEA* differs somewhat among the trade unions; for example, the Commercial Employees' Union is generally represented by a local club at each department store and warehouse, while Unionen is represented by one trade-union club at the overall company level.

IKEA is representative for large chains of department stores/stores in the retail sector in Sweden, and characterised by particularly high trade-union organisation rates, strong local trade-union activity, and a long-standing tradition of cooperation. Thus, this case study does not fully reflect all issues and challenges relevant for collective bargaining, employee representation, information, consultation, and co-determination in small-sized stores and companies in the retail sector, which are often characterised by lower trade-union organisation rates and weaker (or perhaps absent) local trade-union representation and activity.

²¹ Information from the interview with the employer representative at *IKEA*.

5.2. Local collective bargaining: legal scope, and outcomes

In principle, all interviewees in the retail-sector case study state that the legal scope for local collective bargaining is clear and of some size. In addition, it is basically clear at which level of the collective bargaining system an issue is to be regulated, and there are few or no perceived tensions between the different levels of the collective bargaining system. Provisions in the national, sectoral collective agreements for blue-collar, white-collar, and professional/university graduate employees, respectively, clarify in which areas there is scope for local collective bargaining, such as in relation to wages and wage-setting processes, and working-time allocation.²²

Wage-setting mechanisms in the retail sector range from quite centralised (in relation to white-collar/professional employees organised in Unionen and various SACO-affiliated trade unions) to centralised wage-setting mechanisms (in relation to blue-collar employees organised in the Commercial Employees' Union and the Hotel and Restaurant Workers' Union). Thus, the provisions on wages and wage-setting processes differ in the national sectoral collective agreements, but all include at least some elements of local wage-setting processes (see also Section 3.3).

The representatives of the employers' organisation and trade union at the national, sectoral level, i.e. the Head of Negotiations of the Swedish Trade Federation and the Negotiating Secretary of the Commercial Employees' Union, both highlight in the interviews that they have included various provisions and incentives in the national, sectoral collective agreement, *Detaljhandelsavtalet*, to further encourage the development of local wage-formation and wage-setting processes, including a possibility for local employers and trade unions to implement a local wage-revision process comprising individualised wage-setting, or to negotiate and implement a specific local, collective wage agreement.²³ However, in practice, such specific local, collective wage agreements are very rare, and no such local collective agreement is in force at *IKEA*, despite the existence of basic fruitful and practical conditions for local collective bargaining (see Section 5.3).

The employer representative at *IKEA* would welcome more local and individualised wage-setting. The interviews with the representatives of local blue-collar trade unions present a mixed picture, where individualised wage-setting is opposed (the local representative of the Hotel and Restaurant Workers' Union), or local wage-setting processes and local collective agreements are seen as important possible means to improve conditions set at the national, sectoral level (the local representative of the Commercial Employees' Union, Warehouse and E-commerce).

Furthermore, the Negotiations Secretary of the Commercial Employees' Union emphasises the way in which the 'industry mark' makes it difficult to increase wages and improve working conditions in the female-dominated, low-wage retail sector. In a report on wage policy, the Commercial Employees' Union also points to problems with the current system of wage coordination through the 'industry mark', and argues for increased coordination within LO and a more nuanced application of the 'industry mark' in order to adequately address the needs of labour-market sectors characterised by low wages (Handelsanställdas förbund, 2019).

²² See, for example, *Detaljhandelsavtalet* (e.g. § 6 Arbetstid, and § 7 Lön), *Lager- och E-handelsavtalet* (e.g. § 6 Avlöningsprinciper, and § 12 Arbetstid), *Handelns tjänstemannaavtal* (e.g. § 6 Jourtid, § 7 Beredskapstjänst, Bilaga 1 Avtal om arbetsbestämmelser för tjänstemän, and Bilagor 3–5 on different wage-setting models), and *Restaurang- och caféanställda, Avtal* (e.g. § 6 Ordinarie arbetstid).

²³ See *Detaljhandelsavtalet*, § 7.4.D. Lönerrevision med lokal förhandling, and Bilaga 1, Utökad lokal lönebildning inom handeln.

In the interviews, the social-partner representatives at cross-sectoral and sectoral level point to typical substantive areas for local collective bargaining in the retail sector, such as cooperation and co-determination,²⁴ working time, working-time allocation in particular and its related benefits, and selection of employees to be dismissed in redundancy situations (*avtalsurlista*). The Commercial Employees' Union has set up an internal rule, requiring local collective agreements on selection of employees in redundancy situations to be approved at the national, central level of the trade union.

The organisation and size of *IKEA* presents an opportunity for two-tier, local collective bargaining with the negotiation and conclusion of local collective agreements both at the overall company level and at the local department store/warehouse level. However, in practice, local collective agreements (which are rare) are concluded at the overall company level.

Thus, *IKEA* has few local collective agreements; the employer representative at *IKEA* has provided two examples.

One local collective agreement on cooperation and co-determination was concluded in 2008 at the overall company level within the framework of the cross-sectoral collective agreement *Utvecklingsavtalet* concluded by the Confederation of Swedish Enterprise, PTK, and LO.²⁵ This local collective agreement sets out common values and the practical organisation for cooperation and co-determination at *IKEA*. A key role is played by so-called Cooperation Groups (*samverkansgrupper*), composed of representatives of the employer and every trade union bound by a collective agreement, and put in place at both overall company and local level. The local collective agreement states that the Cooperation Group is the forum for information, consultation, and co-determination, according to both the collective agreement and the statutory regulation in the (1976:580) Co-determination Act. Furthermore, the agreement outlines the relation between these two regulatory frameworks, and clarifies, for example, that if an issue has been discussed and finally dealt with by a Cooperation Group or in a joint social-partner project, the employer is considered to have fulfilled the obligations of information and primary negotiation in the (1976:580) Co-determination Act.²⁶ A couple of the local trade union representatives at *IKEA* note that the cooperation agreement as such is somewhat outdated and in need of modernisation. At the same time, these representatives are basically content with the everyday practices of collaboration at local and overall company level (see further Section 5.4 regarding cooperation at *IKEA*).

Another local collective agreement was first concluded in 2020 (and extended several times), and concerns the specific matter of a temporary, extended, COVID-19 pandemic-related obligation of work for employees across existing collective agreement areas of application.²⁷ According to managerial prerogative, case law, and Swedish labour law principles, an employee's contractual obligation to work covers tasks that fall within the area of application of the collective agreement (cf. the '29-29 principle', Labour Court judgement AD 1929:29, and Rönmar, 2006). This local collective agreement allows the employer to order employees

²⁴ The Head of Negotiations at the Swedish Trade Federation highlights the fact that local collective agreements on cooperation and co-determination, within the framework of the cross-sectoral *Utvecklingsavtalet* collective agreement concluded by the Confederation of Swedish Enterprise, PTK and LO, are often concluded at large retail-sector companies such as *IKEA*.

²⁵ See *IKEA* samt Unionen, Handelsanställdas Förbund, Akademikerförbunden, och Hotell och Restaurang Facket, *Medbestämmandeavtal. Lokalt utvecklingsavtal*.

²⁶ *Medbestämmandeavtal. Lokalt utvecklingsavtal*, Section 2.

²⁷ See *IKEA Svenska Försäljnings AB* samt Handelsanställdas förbund, och Hotell- och restaurangfacket, *Överenskommelse om tillfällig dispens för utökad arbetsskyldighet över kollektivavtalsområdet*.

who work in cafés and restaurants and are members of the Hotel and Restaurant Workers' Union to carry out work within logistics departments (including pick-up and delivery), which falls within the area of application of *Detaljhandelsavtalet*, the collective agreement concluded with the Commercial Employee's Union. The contracting parties to this local collective agreement are *IKEA*, the Hotel and Restaurant Workers' Union, and the Commercial Employees' Union, and trade-union representatives at both national, sectoral level and company level were engaged in the negotiations. The employer needs to negotiate with the local trade unions to implement the agreement at a department store, and put forward reasons for the implementation, such as situations where many employees are on sick leave or in quarantine, or are dealing with a substantial and difficult workload. In the interview, the employer representative also points to the fact that *IKEA* had to close cafés and restaurants temporarily at the department stores due to restrictions mandated by the government and government agencies. The agreement also regulates how various collectively bargained and statutory provisions, for example on wages, overtime, and priority right to employment at a higher level of occupation, are to be applied in this context.

The issue of work across collective agreement areas of application is important for *IKEA*, and according to the employer representative, the company would like to apply similar flexible approaches and measures in their department stores on a regular basis – outside the context of the COVID-19 pandemic. The trade-union representatives at *IKEA* are more hesitant towards such initiatives, especially on a more permanent basis.

5.3. Local collective bargaining: employer and trade-union strategies and needs, processes, and everyday practices

In the retail sector, the employer representatives of the Confederation of Swedish Enterprise and the Swedish Trade Federation at the cross-sectoral and sectoral level refer to an explicit strategy of promoting local collective bargaining on the basis of a well-functioning national, sectoral agreement. The Head of Negotiations of the Swedish Trade Federation emphasises the desire to realise even more possibilities for local collective agreements.

The representatives of the Commercial Employees' Union²⁸ at the sectoral and local *IKEA* level highlight the importance of a strong national, sectoral agreement with good-quality terms and conditions of employment, which can be improved upon in part through local collective bargaining. The Negotiating Secretary points to the role of fallback clauses in collective agreements as a way to safeguard the level of wages, support local trade-union representatives, and counterbalance existing inequality of bargaining power. According to the employer representative at *IKEA*, there is no explicit company strategy on local collective bargaining. Furthermore, *IKEA* is represented in the negotiating delegations of the Swedish Trade Federation, and in this way may highlight sectoral needs and substantive issues, and potentially influence the negotiations on national, sectoral collective agreements and their outcomes.

Several practical factors impact on the promotion, negotiation, and conclusion of local collective agreements. The representatives of employers and trade unions at cross-sectoral, sectoral, and local level highlight the importance of good and cooperative relations between local employers and trade-union representatives.

At sectoral level, both employers and trade unions emphasise the heterogeneity of the retail sector, and the important difference between large companies, such as *IKEA*, and small companies and stores. The Head of Negotiations at the Swedish Trade Federation reports that

²⁸ For a presentation of Unionen's strategic viewpoints, see Section 4.3.

their member companies find it difficult to negotiate and conclude local collective agreements and use the legal scope provided by the national, sectoral collective agreement. One reason put forward by the companies is weak local trade-union representation and activity as well as the absence of local trade-union clubs. The Head of Negotiations highlights how, in the absence of a local trade-union club, it is more difficult to negotiate local collective agreements with representatives of a trade-union district who lack company-specific knowledge. The Negotiating Secretary of the Commercial Employees' Union also points to the challenge of lower trade unionisation rates and limited or no local trade-union activity in many small companies and stores in the retail sector. Furthermore, some companies and trade-union representatives in the retail sector are not interested in engaging in local collective bargaining; they are satisfied with applying the provisions of the national, sectoral agreement.

At *IKEA*, the trade-union representatives highlight the importance of training, leave, and other resources for trade-union representatives. Furthermore, they emphasise that local trade-union representatives must have knowledge, engagement, and integrity, and note the importance of organising regular local meetings for all trade-union members.

5.4. Social-partner relations and interaction of collective bargaining and employee representation, information, consultation, and co-determination

The interviews in the retail sector reveal that social-partner relations at cross-sectoral and sectoral level and at *IKEA* are generally good, cooperative, and respectful. Employer and trade-union representatives at sectoral level highlight the importance of their regular informal meetings – as well as meetings between collective-bargaining negotiations – and how employer and trade-union representatives are able to ‘separate the people from the problem’ to rise above conflicts of interest and personal differences. Representatives of employers and trade unions at all levels state that everyday practices of information, consultation, and co-determination work well, and build trust and improve social-partner relations.²⁹ In addition, collective bargaining on the one hand and information, consultation, and co-determination on the other interact and mutually reinforce each other. There are no perceived tensions between local collective bargaining and information, consultation, and co-determination.

The interviews with the employer and trade-union representatives at *IKEA* illustrate a focus on social-partner relations, at both overall company and local level, and frequent, well-functioning and continuous cooperation through information, consultation, and co-determination, instead of a focus on local collective bargaining. The local collective agreement on cooperation and co-determination (Section 5.2) is key to information, consultation, and co-determination at *IKEA*. Cooperation Groups are established at both overall company level and local level (at department stores and warehouses), and regular meetings (for example, every two or every three weeks) take place, with information, consultation, and co-determination in these forums. In addition, each trade union has established a Central Trade Union Group (*central facklig grupp, CFG*) at the overall company level, aimed at coordinating trade-union policy, activities, and cooperation across department stores, warehouses, and various departments.³⁰ Each Central Trade Union Group is led by a Central Coordinator, participating in the Cooperation Group at overall company level. The Cooperation Group meetings at overall company level focus primarily on continuous

²⁹ The Head of Negotiations at the Swedish Trade Federation highlights that large employers would be assisted by an opportunity to primary negotiation on important alterations of the business at overall company level, instead of at local level, as is now often the case.

³⁰ The sectoral employer and trade union representatives report that similar Central Trade Union Groups are established in some other large companies in the retail sector.

information and cooperation (cf. Section 19 MBL), while primary negotiations are carried out mainly at local department-store and warehouse level (cf. Sections 11–13 MBL).

The employer and trade-union representatives at local level point to the importance of the *IKEA* culture and values. For example, the principles for social-partner relations built on trust and respect are set out in a policy document which was developed jointly to secure and improve social-partner relations.³¹ This policy document is the subject of an annual joint review and revision. In addition, a local representative of the Commercial Employees' Union describes how employer and trade-union representatives engaged at overall company level sometimes make joint efforts and engage in discussion and collaboration at local level, at a specific department store, to help resolve conflicts or improve local social-partner relations. The blue-collar, white-collar, and professional trade unions collaborate within the framework of the Cooperation Groups. Additional efforts include informal collaboration and exchange of experiences and best practices, at both local department store/warehouse level and overall company level.

5.5. Current pressures

As in the manufacturing and public sectors, the representatives of retail-sector employers' organisations and trade unions at the cross-sectoral and sectoral level express concern about and strong opposition to the European Commission's proposal for a Directive on adequate minimum wages in the EU, which is seen as an intervention in the Swedish system of autonomous collective bargaining and wage-setting. Furthermore, representatives of both employers' organisations and trade unions at national level note that today, a company that is bound by collective agreements is viewed as a good and responsible employer. There is a risk that any future statutory minimum-wage regulation would diminish social-partner autonomy and weaken employers' incentives to join or retain membership in employers' organisations, and thus remain part of the Swedish collective-bargaining system.

Several of the interviewees in the retail sector at cross-sectoral and sectoral level – as was the case in the manufacturing sector – have been involved (as part of the frameworks of the Confederation of Swedish Enterprise, PTK, and LO) in the cross-sectoral social-partner negotiations that resulted in the recent agreement on security, transition, and employment protection. Interviewees highlight various implications of substantive provisions of the agreement, for example as regards employment protection and transition benefits, and discuss advantages and disadvantages from the perspective of employers, trade unions, and employees, respectively. The proposed revised regulation in the (1982:80) Employment Protection Act on fixed-term work and full-time work is of particular interest to the retail sector. Employer representatives highlight the use of fixed-term and part-time work as a necessary means to meet business requirements and customer demand in an efficient way. Trade-union representatives at all levels are critical towards the large share of fixed-term and part-time work in the retail sector, and at *IKEA*. The proposed statutory regulation will restrict the scope for fixed-term employment, provide for a quicker automatic transition from fixed-term to permanent employment, and establish full-time employment as a main rule.

The interviewees at *IKEA* report that the possible implications of the EU regulation on minimum wages and the cross-sectoral social-partner agreement on security, transition, and employment protection are not yet a subject of much discussion at the company level. However, the local trade-union representatives express great concern about the EU regulation on minimum wages and its potential negative impact.

³¹ See *IKEA, Gemensam målbild för IKEA och de lokala fackklubbarna*, 2011.

The representatives at cross-sectoral and sectoral level highlight the extensive implications of the COVID-19 pandemic in the retail sector, and the importance of local collective agreements on short-time work, proactive measures on disease control and a safe working environment, and the negotiation of temporary adaptations to the national, sectoral collective agreements (e.g. *Detaljhandelsavtalet*), a kind of ‘crisis management agreement’ aimed to support local social partners in handling the pandemic. The COVID-19 pandemic has had important practical implications for business operations at *IKEA*. Proactive working environment measures were key, as were new ways of meeting customer demand, and the conclusion of a local COVID-19-related collective agreement on an extended obligation to work (Section 5.2; see also, more in general, Sections 3.4 and 7).

6. Case Study: the Public Sector and *Health Care in Region Skåne*

6.1. Characteristics of the public sector and the organisation

The public sector in Sweden is large and includes a broad range of publicly funded government and welfare-state activities. This sector is divided into a state sector and a local government sector, where local government in turn is divided into regions and municipalities. The state sector covers government, parliament, and state agencies, and the regional and municipal sector covers activities such as health care, childcare, elder care, and primary and secondary education. Around 270,000 employees work in the state sector, while around 1.2 million employees work in the regional and municipal sector; about 75 % of these employees work in the municipal sector. The overall trade-union organisation rate in the public sector is 79 % (Medlingsinstitutet, 2022).

This case study focuses on public health care in the regional sector. However, to a large extent, the social partners and the collective-bargaining framework are the same for the regional and municipal sectors. Care, for example, childcare and elder care, is also organised by the municipalities. Furthermore, there is a relatively small but growing private health care and care sector, which is not specifically studied in this report. In this private sector, one large employers’ organisation is the Association of Private Care Providers (*Vårdföretagarna*), which is part of the Employers’ Organisation for the Swedish Service Sector (*Almega*) and is affiliated with the Confederation of Swedish Enterprise. The Association of Private Care Providers has 2,000 member companies, with approximately 100,000 employees, engaged in work areas such as hospitals, dentists, ambulance service, care centres, nursing homes, elder care, and care of the disabled (cf. *Vårdföretagarna*, 2021).³²

Public-sector blue-collar employees are organised primarily in the Swedish Municipal Workers’ Union (*Kommunal*), which is the largest LO-affiliated trade union with 514,480 active members – of which 116,901 are men and 397,579 are women (Medlingsinstitutet, 2020). In the regional public health-care sector, the Swedish Municipal Workers’ Union (*Kommunal*), for example, organises assistant nurses and care assistants (cf. Thörnqvist, 2007). General and specialised nurses are organised in the Swedish Association of Health Professionals (*Vårdförbundet*), affiliated with TCO, with 92,086 active members – of which 9,777 are men and 82,309 are women. Medical doctors are organised by the Swedish Medical Association (*Sveriges Läkarförbund*), affiliated with SACO, with 39,717 active members – of which 18,299 are men and 21,418 are women (Medlingsinstitutet, 2022). In the public sector,

³² See also <https://www.vardforetagarna.se/om-oss/>, accessed on 25 March 2022.

the Public Employees' Negotiation Council (*Offentliganställdas förhandlingsråd, OFR*) is a cross-sectoral council for negotiation and cooperation for 14 white-collar and university graduates/professional trade unions, and the Professional Alliance (*Akademikeralliansen*) is a collaboration among SACO-affiliated trade unions. The Swedish Association of Local Authorities and Regions (SALAR) (*Sveriges Kommuner och Regioner, SKR*) is the employers' organisation for regions and municipalities.

As regards collective bargaining and decentralisation in wage-setting, and in terms of the typology of the National Mediation Office, the public sector covers very decentralised to partly centralised wage-setting mechanisms (structures 1–4) (cf. Thörnqvist & Thörnqvist, 2018) (see Section 3.3).

There are twenty-one regions and 290 municipalities in Sweden. In 2020, regions across Sweden employed around 285,000 employees. Seventy-nine per cent of all regional employees are engaged in a healthcare branch or profession (SKR, 2021).

Region Skåne is a comparatively large region in the south of Sweden, with about 1.4 million inhabitants. In 2020, employees in *Health Care in Region Skåne* totalled about 32,000. *Health Care in Region Skåne* includes three hospital districts, with eight hospitals, primary care, psychiatry, rehab and aids, and medical service (Region Skåne, 2020). In 2020, of all employees in *Region Skåne*, 92.1 % were full-time employees, and 92.3 % were permanently employed.

This case study of the public sector, with a focus on public health care in the regional sector, includes analysis of key collective agreements at national, cross-sectoral and sectoral levels, and examples of local collective agreements provided by the employer representative at *Region Skåne*, as well as analysis of interviews with social-partner representatives.

Through its membership in the Swedish Association of Local Authorities and Regions (SALAR) and subsequently concluded collective agreements at regional level (necessary due to the principle of local self-government; see Section 2.3), *Region Skåne* is bound by a number of national, sectoral collective agreements on wages and terms and conditions of employment in relation to the Swedish Municipal Workers' Union (HÖK 20, blue-collar), the Swedish Association of Health Professionals (and OFR health care) (HÖK 19, white-collar), OFR general municipal activities (HÖK 20, white-collar professional-university graduates), the Swedish Medical Association (and OFR medical doctors) (HÖK 20, with appendix 3, Special provisions for medical doctors, professional-university graduates), and the Professional Alliance (HÖK T, professional-university graduates). All these national, sectoral collective agreements contain the same appendix, General provisions 20, *Allmänna bestämmelser 20 (AB 20)*, with regulation on general terms and conditions of employment, applied throughout the regional and municipal sector and for all employees.

In addition, national, collective agreements concluded by SKR for the overall regional and municipal sector on transition, renegotiated in late 2021 (*Överenskommelse om Kompetens- och omställningsavtal, KOM-KR*, with a large number of trade unions, covering all employees), and on cooperation and co-determination (*Samverkansavtalet*, with a large number of trade unions, covering all employees) are relevant for this case study, and for issues of local collective bargaining, social-partner relations, and the interaction of collective bargaining and information, consultation, and co-determination. Furthermore, a collective agreement for the overall regional and municipal sector on management of crisis situations (*Krislägesavtal*, with a large number of trade unions, covering large groups of employees) is of importance, not least for discussion about the implications of the COVID-19 pandemic (see Sections 3.4 and 6.6).

Eight interviews of relevance for this case study have been carried out with the Head of Negotiations at the Swedish Association of Local Authorities and Regions, the Policy Director at TCO, the General Counsel at the Swedish Municipal Workers' Union, the Head of Negotiations at the Swedish Association of Health Professionals, the Chief Negotiator at the Swedish Medical Association, an employer representative/Head of Negotiations at *Region Skåne*, a Chair at the Swedish Association of Health Professionals in Skåne, and a Chair of the Local SACO Council in *Region Skåne*.

Health Care in Region Skåne is representative of the regional public health-care sector in Sweden.

6.2. Local collective bargaining: legal scope, and outcomes

In principle, all public-sector interviewees state that the legal scope for local collective bargaining is clear and broad. The level of the collective bargaining system at which an issue is to be regulated is basically clear, and interviewees perceive few or no tensions between the different levels. Provisions in the national, sectoral collective agreements for blue-collar, white-collar, and professional/university graduate employees, respectively, clarify areas in which there is scope for local collective bargaining, for example in relation to wages and wage-setting processes, and working-time allocation.³³

Wage-setting mechanisms in the public sector range from very decentralised (in relation to white-collar and professional employees organised, for example, by the Swedish Association of Health Professionals) to partly centralised wage-setting mechanisms (in relation to blue-collar employees organised in the Municipal Workers' Union). Thus, the provisions on wages and wage-setting processes differ in the national, sectoral collective agreements, but all include elements of local wage-setting processes and individualised wage-setting, and often include individual conversations between employers and employees, sometimes within the framework of 'figureless collective agreements' (see also Section 3.3).

In relation to wage-setting, the representatives of the Swedish Association of Health Professionals at sectoral and local level highlight the problem of small pay rises and limited wage development for nurses in the course of their professional careers. In recent years, representatives have worked to achieve specific recognition and wage increases for experienced, skilled nurses and are also involved in a joint social-partner project on career development for nurses. Furthermore, these trade-union representatives point to the shortage of general and specialised nurses, and the fact that many nurses leave the public health-care sector or the profession altogether. Thus, a key trade-union priority – apart from increasing wages – is to promote healthy working hours and recovery as well as competence development. The representatives report that many of their members work part-time, not because they are not offered full-time positions but because they cannot cope with the workload and stress of full-time work in the public health-care sector.

The collective-bargaining structure as such in the regional and municipal sector – and in the public health-care sector – with separate, sectoral collective agreements for various trade unions/groups of trade unions (HÖKs) with a focus on wages, and one common sectoral collective agreement with general provisions and regulation of other terms and conditions of employment, covering all employees (*Allmänna bestämmelser 20*, AB 20, constituting an appendix to all HÖKs), is discussed by the interviewees. The Head of Negotiations of the

³³ See, for example, *Allmänna bestämmelser 20* (e.g. § 13 Arbetstid, and § 14 Flexibel arbetstid), HÖK 20, with the Swedish Municipal Workers' Union (e.g. Löneavtal, bilaga 1), and HÖK 19 with Swedish Association of Health Professionals, and OFR health care (e.g. Löneavtal, bilaga 1).

Swedish Association of Local Authorities and Regions describes AB 20 as a ‘co-worker agreement’ (*medarbetaravtal*), as it applies to the whole sector and all employees. The trade unions do not fully share this view; for example, the General Counsel of the Swedish Municipal Workers’ Union opposes the view that AB 20 creates one common collective-agreement area of application.

The employer representatives at national and local level highlight the value of setting (at least) some common rules and standards for the entire sector, not least to counteract ‘competition for staff’ due to differences in wages and terms and conditions of employment between the public and private health-care sectors, and between different regions, respectively.

The trade-union representatives at sectoral level point to the problem that one common collective agreement, AB 20, cannot adequately regulate the complex regional and municipal sector, with its wide variety of activities and operation under varying practical conditions (including the ‘24/7-scheduling’ in parts of public health care). Another concern is the fact that through renegotiation of the common AB 20 collective agreement, other trade unions can influence, and possibly diminish important terms and conditions of employment for the trade union and its members. This is the reason why trade unions have striven (and have sometimes managed) to include specific regulation of some of their core issues (e.g. working-time allocation and benefits) either in the sectoral collective agreement on wages (e.g. in the case of the Swedish Association for Health Professionals) or by adding specific provisions (*specialbestämmelser*) to the sectoral collective agreement on wages (e.g. in the case of the Swedish Medical Association). As a result, the collective-bargaining structure has become more diversified.

In the interviews, the social-partner representatives at cross-sectoral and sectoral level point to typical substantive areas for local collective bargaining in the public health-care sector, such as cooperation and co-determination, working time, working-time allocation in particular (including flexible working time, on-call work (*jour*), and working-time quotas and time bank) and its related benefits, selection of employees to be dismissed in redundancy situations (*avtalsurlista*), and issues of specialist training and education.

The social partners at cross-sectoral and sectoral level emphasise the significant variations in practical conditions for public health care, depending on for example the size and location of the health-care unit and the availability of the health care provided (during normal business hours or on a 24/7 basis). These practical conditions create a need for locally bargained regulation, most particularly in terms of working-time allocation.

Redundancy dismissals are rare in the public health-care sector; consequently, local collective agreements on selection of employees in redundancies are not common. As emphasised by both employer and trade-union representatives at all levels, the great challenge in the public health-care sector is the need to secure current and future competence provision, and address existing – sometimes urgent – staff shortages.

The organisation and size of *Health Care in Region Skåne* mean that in principle, local collective agreements can be concluded at both overall regional level and local level, for example at a specific hospital. Today, in practice, local collective agreements are concluded at the overall regional level. On the employer side, the Head of Negotiations (interviewed in this report) at the overall regional level has the mandate to negotiate and conclude local collective agreements. Furthermore, local collective agreements can cover all employees at *Region Skåne*, *Health Care in Region Skåne*, or a specific hospital or hospital division, or a specific profession or group of employees.

There are numerous local collective agreements at *Health Care in Region Skåne*; the employer representative has provided several examples.

One local collective agreement covers cooperation and co-determination for all of *Region Skåne* and was concluded in 2010 at the overall regional level between *Region Skåne* and a large number of blue-collar, white-collar, and professional trade unions. The local collective agreement was concluded within the framework of the national collective agreement on cooperation and co-determination (*Samverkansavtalet*), which was concluded between the Swedish Association of Local Authorities and Regions and a number of public-sector trade unions for blue-collar, white-collar, and professional employees.³⁴ This local collective agreement sets out general responsibilities and goals of cooperation as well as a coherent and comprehensive system of cooperation between the employer and local trade-union representatives. The system of cooperation integrates information, consultation, and co-determination, according to the (1976:580) Co-determination Act, with cooperation and employer responsibilities according to statutory regulation on working environment and non-discrimination, and includes social-partner collaboration as well as human-resource management practices such as regular workplace meetings between employers and employees, and individual performance management and development talks between employer and employee. Cooperation is to take place in Cooperation Groups (*samverkansgrupper*) at different organisational levels of *Health Care in Region Skåne*. The local collective agreement on cooperation also clarifies that discussion and treatment of an issue in a Cooperation Group replaces information and primary negotiation according the (1976:580) Co-determination Act (i.e. Sections 11, 12, 19, and 38 MBL).

Another group of local collective agreements was concluded in 2012 and 2017, respectively, at the overall regional level between *Region Skåne* and a large number of blue-collar, white-collar, and professional trade unions. These local collective agreements regulate working-time allocation and flexible working hours, and include various organisational models for flexible working time within long or short timeframes.³⁵ An additional local collective agreement was concluded in 2017 at the overall regional level between *Region Skåne* and the Swedish Association of Health Professionals, to regulate working-time allocation and rotation service for midwives.³⁶

³⁴ Region Skåne samt Sveriges Arkitekter, Akademikerförbundet SSR, Civilekonomernas riksförbund, DIK, Förbundet Sveriges Arbetsterapeuter, JUSEK, Legitimerade sjukgymnasternas riksförbund, Ledarna, Läkarförbundet, Lärarnas riksförbund, Lärarförbundet, Naturvetarna, SACO-förbundet Trafik och Järnväg, Sveriges Ingenjörer, SKTF, SRAT, Sveriges Psykologförbund, Tjänstetandläkarna och Vårdförbundet, *Lokalt kollektivavtal om samverkan. Förnyelse, arbetsmiljö och samverkan i Region Skåne*, 1 juli 2010. – The Swedish Municipal Workers' Union was originally, but is no longer, a contracting party to this local collective agreement. Thus, the employer is obliged to apply the rules on information, consultation, and co-determination in the (1976:580) Co-determination Act separately in relation to the Swedish Municipal Workers' Union, and in parallel with cooperation with other trade unions in accordance with the local cooperation agreement.

³⁵ Cf. AB 20, Section 14. See Region Skåne samt DIK, Lärarförbundet, Lärarnas Riksförbund, Naturvetarna, SRAT, SULF, Sveriges Farmaceutförbund och Tjänstetandläkarna, *Flexitidsavtal 2012 (med Kort flexitidsram)*, Region Skåne samt Akavia, DIK, Fysioterapeuterna, Läkarförbundet, Lärarförbundet, Lärarnas Riksförbund, Naturvetarna, SRAT, SULF, Sveriges Arkitekter, Sveriges Arbetsterapeuter, Sveriges Farmaceutförbund, Sveriges Ingenjörer, Sveriges Psykologförbund, Tjänstetandläkarna och Vision, *Flexitidsavtal 2012 (med Lång flexitidsram)*, Region Skåne samt Akademikerförbundet SSR, Kommunal, Ledarna och Vårdförbundet, *Flexitidsavtal 2017 (med Kort och lång flexitidsram)*.

³⁶ See Region Skåne samt Vårdförbundet, *Regionövergripande kollektivavtal med arbetstidsbestämmelser för rotationstjänstgöring för barnmorskor inom förlossningsvården*, 2017-03-08. Similar local collective agreements have been concluded for other categories of nurses; see Section 8.3.3.3.

6.3. Local collective bargaining: employer and trade-union strategies and needs, processes, and everyday practices

In strategic terms, the Head of Negotiations at the Swedish Association of Local Authorities and Regions emphasises the value of and need for local collective bargaining, as well as individual agreements (where appropriate) on the basis of well-functioning and effective national, sectoral collective agreements. At the same time, this Head of Negotiations and the Head of Negotiations at *Health Care in Region Skåne* refer to ongoing discussions within the Swedish Association of Local Authorities and Regions about the optimal future legal scope for local collective bargaining, and issues for which regulation in national, sectoral collective agreements should be binding or provide room for local collective agreements. These discussions also relate to the need to prevent ‘competition for staff’, already highlighted above (Section 6.2), and the need to find common ground and conditions for collaboration with other actors such as municipalities and private health-care actors. The Head of Negotiations at *Health Care in Region Skåne* clearly emphasises the need for increased normative and binding collective bargaining regulation at national, sectoral level and/or regional level, and that this will most likely be a long-term development that will last 10 to 15 years, given the complexity of the organisation and the difficult situation as regards competence provision.

The representatives of trade unions at different levels highlight the importance of strong national, sectoral agreements with comprehensive regulation and good-quality terms and conditions of employment, which in part may be improved upon and adapted through local collective bargaining and sometimes even individual agreements. The Swedish Municipal Workers’ Union has introduced an internal process for trade-union review and approval of local collective agreements at national, sectoral level. The General Counsel argues that in recent years, employers have overused the legal scope for local collective agreements and have taken advantage of the fact that in some parts of the public sector, the trade unionisation rate is lower and local trade-union power is weaker. These developments are also reflected in the strategy of the Swedish Municipal Workers’ Union, which confirms the need for local collective bargaining and practical solutions for working-time allocation. However, local collective bargaining is promoted and approved only in cases offering fruitful local conditions and possibilities to maintain a good level of protection for trade-union members.

The representatives of the Swedish Association of Health Professionals at national, sectoral and local level express somewhat differing views on local collective bargaining. The Head of Negotiations at the sectoral level sees a need for national guidance and quality assurance as regards the direction and content of local collective agreements. The local representative of the Swedish Association of Health Professionals is critical towards the current tendency of the Swedish Association of Local Authorities and *Region Skåne* to implement, promote, or (at least) discuss measures aimed at increased centralisation. The Head of Negotiations of the Swedish Association of Health Professionals also reflects on the differences between local trade-union representatives and employer representatives when it comes to resources, knowledge, and bargaining experience, and potential inequality of bargaining power at the local level. The Chief Negotiator for the Swedish Medical Association highlights how local collective agreements can ‘signal’ a need for regulation, later resulting in the insertion of new provisions in the national, sectoral collective agreement.

The social-partner representatives at cross-sectoral, sectoral, and local level also highlight a number of additional, practical factors of importance for the promotion, negotiation, and successful conclusion of local collective agreements, including the importance of good and cooperative relations between local employers and trade union representatives, and training, leave, and other resources to support local trade-union activities.

6.4. Social-partner relations and interaction of collective bargaining and employee representation, information, consultation, and co-determination

According to the interviewees, social-partner relations at cross-sectoral and sectoral level and at *Health Care in Region Skåne* are generally good and built on dialogue, trust, and respect. Representatives of both employers and trade unions emphasise the importance of continuous social-partner collaboration, as well as work at various levels and on various issues, separate from actual collective-bargaining negotiations; examples include the project on ‘full-time employment as a norm’ together with the Swedish Municipal Workers’ Union and the project on career development together with the Swedish Association of Health Professionals.

The interviewees highlight how collective bargaining on the one hand and information, consultation, and co-determination on the other interplay and mutually reinforce each other. There are no perceived tensions between local collective bargaining and information, consultation, and co-determination. However, in this context, the Head of Negotiations for *Region Skåne* points to a challenge in collective bargaining and cooperation for both employers and trade unions resulting from today’s strong trends towards individualisation.

Despite the existence of numerous local collective agreements in *Health Care in Region Skåne*, the interviews with the local employer and trade union representatives reflect a focus on constructive cooperation through information, consultation, and co-determination, rather than on local collective bargaining.

The local collective agreement on cooperation and co-determination (see Section 6.2) forms the basis for information, consultation, and co-determination at *Health Care in Region Skåne*. At *Health Care in Region Skåne*, the employer collaborates with 20 different local trade unions. The organisation and mandates of the local trade unions (for example, to conclude local collective agreements) differ. There are regular meetings on information, consultation, and co-determination within Cooperation Groups at various levels of the organisation. The local trade unions collaborate within the context of the Cooperation Groups, and in addition, local trade unions conduct informal collaborations and exchange of experience and best practices. The SACO Council at *Region Skåne* is itself an institutionalised form of trade-union collaboration and coordination among SACO-affiliated local trade unions. The Chair of the Council highlights how it is possible to find a broad consensus on some issues, whereas more differing views emerge for other issues. At national, sectoral level, the Chief Negotiator for the Swedish Medical Association emphasises the proactive nature of the collectively bargained framework of cooperation, in comparison with the reactive nature of information and negotiation in accordance with the (1976:580) Co-determination Act. In addition, cooperation is meant to operate ‘from beginning to end’.

6.5. Current pressures

Like the social partners in the retail and manufacturing sectors, the social partners in the public sector express strong opposition to the European Commission’s proposal for a Directive on adequate minimum wages in the EU. This is seen as an intervention in the Swedish system of autonomous collective bargaining and wage-setting, and the social partners articulate their concern in the interviews, not least given the large degree of decentralisation and individualisation of wage-setting in the public sector.

Some key public-sector social partners – including the Swedish Association of Local Authorities and Regions – have not been involved in the cross-sectoral social-partner negotiations that resulted in the recent agreement on security, transition, and employment protection; this has been criticised (see Section 3.4). The interviewees at national level

highlight various implications of substantive provisions of the agreement, for example regarding transition benefits, life-long learning, employment protection, and full-time employment as a main rule, and discuss advantages and disadvantages from the perspective of employers, trade unions, and employees, respectively.

In late 2021, the social partners in the regional and municipal sector renegotiated the transition agreement (*Överenskommelse om Kompetens- och omställningsavtal, KOM-KR*), and adapted it to the content of the cross-sectoral social-partner agreement on security, transition, and employment protection; the agreement was also adapted to future legislative reforms. New rights to and strengthened support for transitions, life-long learning, and competence provision have been introduced in the agreement.

The interviewees at *Health Care in Region Skåne* report that for now, the EU regulation on minimum wages and the cross-sectoral social-partner agreement on security, transition, and employment protection, and associated implications for collective bargaining, are not yet a subject of much discussion at the local level.

All interviewees confirm the huge impact of the COVID-19 pandemic on the public health-care sector in general, as well as on *Health Care in Region Skåne*. The social partners and collective bargaining have played a key role in the handling of the pandemic. Proactive measures on disease control and for a safe working environment were put in place, and the social partners comment on the slow and sometimes insufficient support from the Swedish Work Environment Authority.

In 2019, the social partners at sectoral level concluded a crisis management agreement (*Krislägesavtalet*), aimed at alleviating short-term crises and set against the background of recent large forest fires.³⁷ The crisis management agreement was activated in several regions during the COVID-19 pandemic, and the social partners at sectoral level confirm that the agreement was necessary to secure adequate staffing in some areas of the public health-care sector. The crisis management agreement regulates conditions for crisis deployment of employees, direction and allocation of work, and crisis-related benefits.

At *Health Care in Region Skåne*, the crisis management agreement was activated, but applied only to a limited extent. The employer representative refers to a desire to protect the employees and apply a sustainable approach as the COVID-19 pandemic developed into a long-term scenario. The increased need for health-care services was largely met by re-prioritisation within health-care services, transfers and re-allocation of staff, increased overtime, and decrease in annual leave and time off in lieu (leave related to on-call, emergency, and overtime work).

The local trade-union representatives confirm that the employer handled the implementation of the crisis-management agreement well. At the same time, the local representative of the Swedish Association of Health Professionals questions the employer's far-reaching use of managerial prerogative and right to transfer employees and provide them with alternative tasks. As a result of the pandemic, the local trade union reviews and assesses proposals for collective agreements more carefully and from a 'worst-case' perspective. The Head of Negotiations of the Swedish Association of Health Professionals also expresses a fear of the pandemic resulting in a weakened trade-union position and bargaining power. Furthermore, both representatives of the Swedish Association of Health Professionals argue that stress, immense workloads, and working-environment risks are related not only to the pandemic but

³⁷ See Sveriges Kommuner och Landsting och Sobona, Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet, OFRs förbundsområde Allmän kommunal verksamhet jämte i förbundsområdet ingående organisationer, AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer samt Brandmännens Riksförbund, *Överenskommelse om Krislägesavtal i lydelse 2019-07-01*.

to long-standing problems in the public health-care sector, owing to staff and skills shortages that employers have failed to address.

The crisis-management agreement was jointly evaluated by the social partners and renegotiated in 2021.³⁸ The perspective of long-term crises was taken into account, and for example, limitations to and deviations from the use of the crisis management agreement in relation to individual employees were included. Overall, as regards the handling of the pandemic, the social partners emphasise the importance of social-partner relations built on cooperation and trust, and the societal responsibility and loyalty of employees, with a view to giving the highest priority to patients and the operation of health-care services.

7. Comparative and Concluding Analysis

7.1. Introduction

The aim of this report is to analyse local collective bargaining and decentralisation trends in Sweden. The report focuses on three case studies in the manufacturing, retail, and public sectors, respectively, the institutional and legal framework of collective bargaining and employee representation, and trends in and debates on decentralisation in collective bargaining. Each case study includes one company/organisation that is integrated into the Swedish multi-level collective bargaining system, namely *Axis Communications AB*, *IKEA Svenska Försäljnings AB*, and *Health Care in Region Skåne*. The case studies were selected to enable a cross-country comparative analysis, cover the private and public sectors of the labour market as well as blue-collar and white-collar/professional employees, and reflect an interesting variety in terms of decentralisation, key topics, and current pressures in collective bargaining from a Swedish perspective. *Axis*, *IKEA*, and *Health Care in Region Skåne* illustrate a multitude of relevant issues and challenges in collective bargaining, employee representation, information, consultation, and co-determination, both overall in the Swedish labour market and, more specifically, in the manufacturing, retail, and public sectors, respectively. At the same time, company-specific conditions (such as the fact that *Axis* does not have production in Sweden, and *IKEA*'s large size, and particularly high trade unionisation rates and strong local trade-union activity) imply that the case studies in the manufacturing and retail sectors do not fully reflect all relevant collective-bargaining issues in the broader manufacturing and retail sectors. The Swedish labour law and industrial relations system is built on autonomous collective bargaining, a tradition of social partnership, and strong legal rights and industrial relations practices of employee representation and information, consultation, and co-determination. Collective bargaining fulfils a multitude of different functions, apart from the core function of regulating wages and other terms and conditions of employment. Collective agreements have both a normative and a mandatory effect. There is no statutory minimum wage or system for extension of collective agreements. Collective agreements are concluded at three levels: the national, cross-sectoral level; the national, sectoral level; and the local level.

³⁸ See *Partsgemensam utvärdering av krislägesavtalet*, 2021-11-17, and Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet, OFRs förbundsområden Allmän kommunal verksamhet, Hälso- och sjukvård jämte i förbundsområdet ingående organisationer, Lärarförbundets och Lärarnas Riksförbunds samverkansråd samt AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer samt Brandmännens Riksförbund, *Överenskommelse om Krislägesavtal i lydelse 2021-07-01*.

Employee participation is carried out within a single-channel trade union system, where trade unions both negotiate and conclude collective agreements, and take part in information, consultation, and co-determination at workplace level. The elaborate regulation of information, consultation, and co-determination in the (1976:580) Co-determination Act is complemented by important collective bargaining regulation on cooperation and co-determination at cross-sectoral, sectoral, and local levels.

Since the 1990s, Sweden has experienced a strong decentralisation and individualisation trend, resulting in ‘organised decentralisation’ with an emphasis on local and individual bargaining within a framework of national, sectoral, and multi-employer bargaining. Frequently, local and individualised wage-setting is integrated into and is a precondition of national, sectoral collective bargaining; this phenomenon is present in all three case studies, although to varying degrees.

The three case studies reflect an existing variety as regards decentralisation in wage-setting across the Swedish labour market. In terms of the typology developed by the National Mediation Office, the manufacturing-sector case study covers decentralised to quite centralised wage-setting mechanisms (structures 2–5), the retail-sector case study covers quite centralised to centralised wage-setting mechanisms (structures 5–6), and the public-sector case study covers very decentralised to partly centralised wage-setting mechanisms (structures 1–4).

It is interesting to note that the most centralised collective bargaining mechanisms for wage-setting apply in sectors characterised by relatively low rates of trade unionisation (for instance, in the retail and hospitality sectors) and a high density of small-sized companies (for instance, in the construction and transport sectors). At the same time, high collective bargaining coverage, high rates of trade unionisation, and medium- to large-sized companies characterise most of the sectors in which more decentralised collective bargaining mechanisms for wage-setting are common. It is also worth highlighting that the most decentralised mechanisms are in place in various branches of the public sector.

The ‘industry mark’ has a normative effect, and links wage increases in the Swedish labour market to wage increases set by national, sectoral collective agreements in the industrial export sector. However, the ‘industry mark’ is not undisputed; indeed, it is criticised, for example, from the perspective of gender equality by scholars and by trade unions in female-dominated sectors, where wages are often lower (this aspect was highlighted in interviews with, for example, the Negotiations Secretary of the Commercial Employee’s Union, and the local representative of the Swedish Association of Health Professionals in Skåne).

7.2. Local collective bargaining: legal scope, and outcomes

The legal scope for local collective bargaining is set by collective agreements at higher level, as local collective agreements may not deviate from collective agreements at national, cross-sectoral or sectoral levels (cf. 27 § MBL). Often, sectoral collective agreements set only minimum standards, providing room for employers, trade unions and employees to agree on better terms and conditions of employment by way of local collective agreements or individual employment contracts. Depending on the size and geographical and organisational structure of the company/organisation, local collective agreements can be concluded at various levels of the company/organisation and cover the whole or parts of the company. For example, in the case of *Health Care in Region Skåne*, a local collective agreement can cover the whole of *Region Skåne*, a specific hospital, or a specific group of employees.

Consequently, due to the legal regulation on collective agreements in the (1976:580) Co-determination Act, and the construction and provisions of national, sectoral agreements, the legal scope for local collective bargaining is clear. Similarly, in principle, all interviewees in the three case studies state that they find the legal scope for local collective agreements to be both clear and quite broad (although the scope varies between the sectors, and is reported to be the broadest in the public sector). Dispositive provisions in national, sectoral agreements – providing legal scope for local collective agreements – can be construed in different ways. They can provide unlimited scope for local collective agreements, set minimum standards, and provide scope for local collective agreements on better terms and conditions, or provide scope for local collective agreements combined with fallback clauses. Furthermore, all interviewees in the three case studies generally report that for them, the level in the collective bargaining system at which an issue is to be regulated is quite clear, and that there are few or no perceived tensions between the different levels.

Regulation on wages and wage-setting in national, sectoral agreements in the manufacturing, retail, and public sectors, respectively, presupposes local collective bargaining and local wage-setting processes, including elements of individual bargaining or conversation between employer and employee, although to varying degrees (cf. Sections 3.3 and 7.1).

Apart from the core area of wages and wage-setting, frequent substantive areas for local collective bargaining in the manufacturing, retail, and public sectors are as follows:

- cooperation and co-determination;
- working time, working-time allocation in particular (including flexible working time, on-call (*jour*) and emergency work (*beredskapsarbete*)) and its related benefits;
- annual leave;
- selection of employees to be dismissed in redundancy situations (*avtalssturlista*); and,
- other specific matters of relevance for the company/organisation at issue.

In line with this, the examples of local collective agreements analysed in this report include collective agreements on cooperation and co-determination (*IKEA* and *Health Care in Region Skåne*), working-time allocation, including e.g. flexible working time, emergency work, quotas and time bank (*Axis* and *Health Care in Region Skåne*), fixed-term employment of students (*Axis*), and temporary, COVID-19 pandemic-related, extended obligation of work for employees across existing collective-agreement areas of application (*IKEA*). – There are few local collective agreements at *Axis* and *IKEA*, and numerous local collective agreements at *Health Care in Region Skåne*.

7.3. Local collective bargaining: employer and trade-union strategies and needs, processes, and everyday practices

An important question is when employers and trade unions choose to use the legal scope provided and opt to negotiate and conclude local collective agreements, and why they choose – or do not choose – to do so. Here, various factors related to strategies, needs, processes, and everyday practices are of relevance.

The strategies and needs differ among the three case studies and sectors, employers/employers' organisations and trade unions, and the actors at different levels of the collective bargaining system. The interviews reveal that existing strategies on local collective bargaining and decentralisation are both explicit and implicit.

According to the representatives of the employers' organisations at the cross-sectoral and sectoral levels (i.e. the Confederation of Swedish Enterprise, the Swedish Association of Local Authorities and Regions, the Swedish Trade Federation, and the Association of

Swedish Engineering Industries) one strategy is to promote local collective bargaining and (when appropriate) individual agreements, on the basis of a well-functioning and effective national, sectoral agreement. A slightly more cautious approach towards decentralisation and local collective bargaining in substantive areas beyond wages and wage-setting is discernible among public-sector employers. Here, the Swedish Association of Local Authorities and Regions and its members, including *Region Skåne*, are currently discussing the future legal scope for local collective bargaining, and where regulation in national, sectoral collective agreements should be binding or provide room for local collective agreements.

In terms of strategy, practically all representatives of trade unions emphasise the importance of a strong national, sectoral agreement with comprehensive regulation and good-quality terms and conditions of employment, that in part may be improved upon and adapted through local collective bargaining and sometimes even individual agreements. Several blue-collar trade union representatives at both sectoral and local levels (for example, of the Commercial Employees' Union and IF Metall) also highlight the importance of setting obligatory minimum standards and using fallback clauses to safeguard the level of wages and terms and conditions of employment, and counteract potential inequality of bargaining power.

The employer representatives at local level report less explicit strategies for local collective bargaining and decentralisation. For example, these representatives emphasise the need for increased binding regulation at national, sectoral level and/or regional level (*Health Care in Region Skåne*), and the importance of a local approach, as well as direct dialogue and cooperation between managers and employees (*Axis*).

At local company level, the national, sectoral collective agreement is sometimes seen to fulfil the needs of both the employer and the trade unions, wherefore few or no local collective agreements are negotiated and concluded. This fact, and the comprehensiveness, adaptability, and functionality of *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna*, is highlighted in the case study in the manufacturing sector, by both the employer and trade-union representatives at *Axis*, and by the Head of Negotiations at the Swedish Association of Graduate Engineers.

Furthermore, large, influential companies (with a position similar to that of *IKEA*) may have a greater interest in influencing the content of the national, sectoral collective agreement than in negotiating local collective agreements. Through their participation in the negotiation delegation of the employers' organisation, such companies may be able to highlight important sectoral needs and substantive issues, and potentially affect the collective bargaining negotiation and outcomes at national, sectoral level.

A number of factors related to processes and everyday practices may also have an impact on the practical use and frequency of local collective agreements. Internal by-laws, order of delegations, other rules, and processes within the trade union and the employer/employers' organisation may influence whether local collective agreements can be concluded, as well as the substantive content and the level at which such agreements are concluded. Furthermore, the interviews highlight a number of practical factors of importance for the promotion, negotiation, and successful conclusion of local collective agreements, such as:

- a high trade unionisation rate, and effective and continuous local trade-union representation (especially by way of a local trade-union club), which in turn can build trust, long-standing relations, and knowledge of the company and its specific conditions – these conditions are all met at the companies/organisation studied in this report;
- training, leave, and other resources for local trade union activities;
- good and cooperative relations between the local employer and trade-union representatives; and,

- knowledge, commitment, integrity, and courage of both the local employer and trade-union representatives; local collective bargaining may concern complex substantive issues and its outcomes may be challenged locally, requiring the local employer and trade-union representatives to provide effective explanation and justification in response to critical or disgruntled employees or members.

7.4. Social-partner relations and interaction of collective bargaining and employee representation, information, consultation, and co-determination

According to the interviews, social-partner relations are generally good, cooperative and respectful in the Swedish labour market overall, the manufacturing, retail, and public sectors, and at local level between employers and trade unions at *Axis*, *IKEA*, and *Health Care in Region Skåne*. Thus, the well-known and longstanding tradition of social partnership in the Swedish labour law and industrial relations system is confirmed in the case studies in this report.

The interviewees highlight the important interaction, synergy, and mutual reinforcement of collective bargaining and information, consultation, and co-determination in the Swedish single-channel system of trade union representation. In addition, the interviewees report that in principle, no tension exists between the systems of collective bargaining on the one hand, and employee representation, information, consultation, and co-determination on the other. The collective agreements on cooperation and co-determination have a framework character; they are concluded at national, cross-sectoral and sectoral levels, implemented through local collective agreements, and go beyond the reach of the regulation in the (1976:580) Co-determination Act. The interviews highlight that these collective agreements aim to create a ‘holistic’ and fully integrated system of employee participation. Such a system, and everyday practices connected to it, may further serve to build mutual trust and cooperative relations between the employer and trade-union representatives at local level.

Representatives of both employers/employers’ organisations and trade unions emphasise the importance of continuous, joint social-partner collaboration, and work at various levels and on various issues (such as ‘full-time employment as a norm’ in the public sector, and cooperation on wider industry-related issues within the framework of the Industrial Agreement in the manufacturing sector), as an effort that is separate from actual collective-bargaining negotiations. Such joint social-partner work also contributes to the development of good social-partner relations, which in turn enable constructive and flexible problem-solving (as was the case, for example, in the COVID-19 pandemic; see Section 7.5)

At the local level – at *Axis*, *IKEA* and *Health Care in Region Skåne* – the interviews with the employer and trade-union representatives reveal a focus not on local collective bargaining, but on strong and continuous cooperation through information, consultation, and co-determination. Furthermore, these mutual efforts allow important informal collaboration and exchange of experience and best practices among various trade unions.

7.5. Current pressures

The European Commission’s proposal for a Directive on adequate minimum wages in the EU has been strongly and jointly opposed by the Swedish social partners. The interviews confirm this opposition, and also confirm that the proposal is understood as presenting a fundamental challenge to the Swedish collective-bargaining system, social-partner autonomy, and key principles of wage formation and mechanisms for wage-setting. So far, the proposal is mostly being discussed at the national, cross-sectoral and sectoral levels. At present, before a

Directive has been finally adopted, it is difficult to assess the extent of the practical implications for local collective bargaining and decentralisation in Sweden. The European Commission's proposal for a Directive on equal pay and pay transparency has met with similar opposition, which is reflected in particular in interviews with employers' representatives at cross-sectoral and sectoral levels in the private sector.

The new Swedish cross-sectoral, social-partner agreement on security, transition, and employment protection, and related future legislative reforms, can be seen as a strengthening of the autonomous collective-bargaining system and social partnership. Some of the interviewees, including representatives of the Confederation of Swedish Enterprise, TCO, and Unionen, point to the importance of events preceding the social-partner agreement, such as previous attempts at negotiating a similar main agreement, and successful cross-sectoral negotiations on short-time work, establishment employment, and revised rules on industrial action in the wake of the 'Dockworkers' dispute'. These negotiations are seen as 'test balloons' that built trust and improved social-partner relations and paved the way for the new social-partner agreement.

The social-partner agreement involves elements of both centralisation and fragmentation; it has strengthened the national, cross-sectoral level of collective bargaining and the role of the top social-partner organisations, especially in the private sector. It has also introduced a new mandate that allows the top social-partner organisations to deviate from statutory employment protection by way of collective bargaining. At the same time, there is fragmentation, as public-sector employers' organisations and many public-sector trade unions were excluded from the negotiations, and LO was and still is divided in relation to the social-partner agreement.

The social-partner agreement and reform of the statutory employment protection presupposes local engagement by employers and trade unions, by way of consultation and cooperation, and local collective bargaining on redundancy-related issues. Some trade union representatives, for example, from TCO and Unionen, express the hope that this local engagement will vitalise and strengthen local trade-union representation and activities.

The COVID-19 pandemic has affected all sectors of the Swedish labour market. In many ways, the handling of the pandemic has both reflected the main characteristics of the Swedish autonomous collective-bargaining system, built on social partnership and cooperation, and strengthened it. The social partners and collective bargaining have played an important role, for example, through quick, flexible, and necessary adaptations to national, sectoral collective agreements (for example, in the retail sector), the negotiation and conclusion of thousands of local collective agreements on short-time work (for example, in the manufacturing and retail sectors), implementation, evaluation and renegotiation of crisis management agreements in the public sector (of particular importance in the health-care sector), and proactive measures in the area of disease control and working environment (in the manufacturing, retail, and public sectors).

These collective bargaining developments and measures relied on social-partner relations based on trust and cooperation, the flexibility, pragmatism and societal responsibility of the social partners, loyalty on the part of trade unions and employees to the business/organisation and the needs of the customers, clients, or patients, and practical experience of cooperation, negotiations, and co-determination at all levels of the collective bargaining system. Some interviewees have also described how the COVID-19 pandemic introduced new processes of (or 'accelerated' existing developments towards) digitalisation in collective-bargaining negotiations, such as online meetings and digital signatures on protocols and agreements.

At the same time, as the prospect of a long-term pandemic became apparent, and the stress and workload of employees (for example in the health-care sector) radically increased, social-partner relations became strained. For example, in the interviews, representatives of trade unions in the public health-care sector emphasised that staff shortages and mounting stress and working-environment risks could not be attributed solely to the pandemic; these phenomena constituted long-standing problems that employers had failed to address. Similarly, the ‘post-pandemic’ return to work on-site for large groups of white-collar/professional employees may give rise to tension and conflicts of interest between employers and employees, and increase the need to address issues related to managerial prerogative, the regulation and availability of distance work, and related working-environment issues.

7.6. Concluding remarks

The Swedish collective-bargaining system is stable, and remains characterised by a large degree of ‘organised decentralisation’, with the national, sectoral collective agreement maintaining its key function. There is no trend towards increased ‘disorganised’ or disruptive decentralisation. Indeed, there are possibly even some signs of centralisation, or at least measures aimed at increased centralisation and coordination of collective bargaining at various levels.

This report highlights both commonalities and differences in the manufacturing, retail, and public sectors, respectively, when it comes to industrial relations, challenges and potentials in collective bargaining, and decentralisation. In all sectors, there is a crucial interplay between labour law and industrial relations, and between the legal scope for and practical use of local collective bargaining, respectively. Furthermore, employee representation and information, consultation, and co-determination at local level are also of great importance for the successful negotiation and practical implementation of local collective bargaining. The activities of local trade-union representatives are of particular significance in this context. For several sectors of the Swedish labour market and for both blue-collar and white-collar/professional trade unions, a challenge for the future will be to determine how to ensure that these activities continue – and how to maintain their vitality in ever-changing times.

8. References

8.1. Official publications

8.1.1. The European Union

European Commission, *Proposal for a Directive of the European Parliament and of the Council on adequate minimum wages in the European Union*, COM(2020) 682 final.

European Commission, *Proposal for a Directive of the European Parliament and of the Council to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms*, COM(2021) 93 final.

8.1.2. Sweden

Government Inquiry Report SOU 2020:30, *En moderniserad arbetsrätt*.

Government Inquiry Report Ds 2021:17, *En reformerad arbetsrätt – för flexibilitet, omställningsförmåga och trygghet på arbetsmarknaden*.

Law Council Referral, Lagrådsremiss, *En reformerad arbetsrätt – för flexibilitet, omställningsförmåga och trygghet på arbetsmarknaden*, January 2022.

Law Council Opinion, Lagrådsyttrande, on Law Council Referral *En reformerad arbetsrätt – för flexibilitet, omställningsförmåga och trygghet på arbetsmarknaden*, March 2022.

Government Bill prop. 1975/76:105: Bilaga 1, *Arbetsrättsreform: Lag om medbestämmande i arbetslivet*.

Government Bill prop. 2018/19:105, *Utökad fredsplikt på arbetsplatser där det finns kollektivavtal och vid rättstvister*.

Government Bill prop. 2021/22: 176, *Flexibilitet, omställningsförmåga och trygghet på arbetsmarknaden*.

8.2. Literature, reports, and other materials

Adlercreutz, A. (1954). *Kollektivavtalet. Studier över dess tillkomsthistoria*. Lund: CWK Gleerup.

Ahlberg K., & Bruun N. (2005). Sweden: transition through collective bargaining. In Blank T., & Rose E. (eds.), *Collective bargaining and wages in comparative perspective: Germany, France, the Netherlands, Sweden and the United Kingdom* (pp. 117–143), Den Haag: Kluwer Law International.

Ahlberg, K., & Bruun, N. (Eds.) (2017), *The New Foundations of Labour Law*, PL Academic Research: Frankfurt am Main.

Andersson A. *et al.* (2014). *Kommunal arbetsrätt* (4th edn.). Lund: Studentlitteratur.

Anxo, D. (2011). Negotiated flexibility in Sweden: A more egalitarian response to the crisis?. In Vaughan-Whitehead D. (Ed.), *Work inequalities in the crisis. Evidence from Europe* (pp. 445–476). Cheltenham: Edward Elgar Publishing.

Anxo, D., & Niklasson, H. (2006). The Swedish model in turbulent times: Decline or renaissance. *International Labour Review*, 145(4), 339–371.

- Baccaro, L., & Howell, C. (2017). *Trajectories of neoliberal transformation: European industrial relations since the 1970s*. Cambridge: Cambridge University Press.
- Bruun, N. (1979). *Kollektivavtal och rättsideologi. En rättsvetenskaplig studie av de rättsideologiska premisserna för inlemmandet av kollektivavtalet och kollektiva kampåtgärder i finsk rättsordning efter år 1924*. Juridiska föreningens i Finland publikationsserie No 46. Vanmala: Juridica.
- Business Sweden (2018). *The manufacturing industry in Sweden. Facts and figures*. Presentation available at https://fkg.se/wp-content/uploads/2019/05/The-manufacturing-industry-in-Sweden_Final_20180712_PDF.pdf
- Carlson, L., Edström, Ö. & Nyström, B. (Eds.) (2016), *Globalisation, Fragmentation, Labour and Employment Law. A Swedish Perspective*. Uppsala: Iustus.
- Christensen, A. (1983). Den etablerade fackföreningen och minoritetsorganisationen. In Fahlbeck, R. & Roos, C. M. (Eds.), *Perspektiv på arbetsrätten. Vänbok till Axel Adlercreutz* (pp. 9–35), Lund: Juridiska Föreningen i Lund.
- Elvander, N. (2002). The new Swedish regime for collective bargaining and conflict resolution: A comparative perspective. *European Journal of Industrial Relations*, 8(2), 197–216.
- Facken inom industrin (2016). *The Swedish Unions within Industry and the Industrial Agreement*. Stockholm.
- Glavå M. (2010). Kunskapssamhället, facket och den svenska modellen – reflektioner kring ett lönesänkingsavtal. In Ahlberg K. (Ed.), *Vänbok till Ronnie Eklund* (pp. 245–253). Uppsala: Iustus.
- Handelsanställdas förbund (2019). *Handels syn på lönebildningen*, Handels rapporter 2019:3. Available at https://handels.se/globalassets/centralt/media/pressrum/rapporter/2019/handels-syn-pa-lonebildningen_handels-rapporter-2019-3_.pdf
- Hansson, M. (2010). *Kollektivavtalsrätten. En rättsvetenskaplig berättelse*. Uppsala: Iustus.
- Hayter S. and Visser J. (Eds.) (2018). *Collective Agreements: Extending Labour Protection*, Geneva: International Labour Organization.
- Hultman, J. and Elg, U. (2013). Country Report Sweden. In Schramm-Klein, H. (Ed.), *European Retail Research* (pp. 151–166) Wiesbaden: Springer.
- IF Metall (2018). *IF Metalls lönepolitiska utredning*. Stockholm: IF Metall.
- Iossa, A. (2017). *Collective Autonomy in the European Union. Theoretical, Comparative and Cross-border Perspectives on the Legal Regulation of Collective Bargaining*. Lunds universitet, Lund: Mediatryck.
- Iossa, A. (2019). L'autonomia collettiva al tempo dell'austerità: la normale eccezionalità del sistema svedese. *Rivista Giuridica del Lavoro e della Previdenza Sociale*, 4, 721–742.
- Johansson, C.. & Selberg, N. (2020). COVID-19 and Labour Law: Sweden. *Italian Labour Law E-Journal*, 13(1S).
- Julén Votinius, J. (2016). Sweden. In Ebisui, M., Cooney, S. & Fenwick, C. (Eds.), *Resolving Labour Disputes. A comparative overview* (pp. 235–267) Geneva: International Labour Office.
- Kjellberg, A. (2021). *Den svenska modellen 2020. Pandemi och nytt huvudavtal* (2nd ed.) Stockholm. Arena Idé.

- Kjellberg, A. (2019a). *Kollektivavtalens täckningsgrad samt organisationsgraden hos arbetsgivar-förbund och fackförbund*. Studies in Social Policy, Industrial Relations, Working Life and Mobility Research Reports 2020:1. Department of Sociology, Lund University (updated in February 2022).
- Kjellberg, A. (2017). Self-regulation versus State Regulation in Swedish Industrial Relations. In Rönmmar, M., & Julén Votinius, J. (Eds.) *Festskrift till Ann Numhauser-Henning*. (pp. 357–383). Lund: Juristförlaget i Lund.
- Kjellberg, A. (2019b). Sweden: collective bargaining under the industry norm. In Müller, T., Vandaele, K.; & Waddington, J. (Eds.) *Collective bargaining in Europe: towards an endgame. Vol. 3*. (pp. 583–603), Brussels: ETUI.
- Källström, K. (1979). *Lokala kollektivavtal. Om lokala parterers rättsliga ställning inom fackliga organisationer*. Stockholm: LiberFörlag.
- Källström, K., & Malmberg, J. (2019). *Anställningsförhållandet. Inledning till den individuella arbetsrätten* (5th ed.). Uppsala: Iustus.
- Källström, K., Malmberg, J., & Öman, S. (2019). *Den kollektiva arbetsrätten. En lärobok* (2nd ed.). Uppsala: Iustus.
- Lallement, M. (2011). Europe and the economic crisis: forms of labour market adjustment and varieties of capitalism. *Work, employment and society*, 25(4), 627–641.
- LO, PTK & SN (2020). *Partsgemensam rättslig analys av EU-kommissionens förslag till direktiv om tillräckliga minimilöner*. Available at [https://www.lo.se/home/lo/res.nsf/vRes/lo_fakta_1366027478784_partsgemensam_rattslig_analys_direktiv_mimimilon_pdf/\\$File/partsgemensam_rattslig_analys_direktiv_mimimilon.pdf](https://www.lo.se/home/lo/res.nsf/vRes/lo_fakta_1366027478784_partsgemensam_rattslig_analys_direktiv_mimimilon_pdf/$File/partsgemensam_rattslig_analys_direktiv_mimimilon.pdf)
- Ludlow, A., & Blackham, A. (Eds.) (2015), *New Frontiers in Empirical Labour Law Research*. Oxford: Hart Publishing.
- Lyhne Ibsen, C. *et al.* (2011). Bargaining in the crisis – a comparison of the 2010 collective bargaining round in the Danish and Swedish manufacturing sectors. *Transfer*, 17(3), 323–339.
- Lyhne Ibsen, C., & Keune, M. (2018). *Organised Decentralisation of Collective Bargaining: Case studies of Germany, Netherlands and Denmark*, OECD Social, Employment and Migration Working Papers No. 217.
- Malmberg, J. (1997). *Anställningsavtalet. Om anställningsförhållandets individuella reglering*. Uppsala: Iustus.
- Malmberg, J. *et al.* (2018). *Medbestämmandelagen. En kommentar. Del I, 1–32 §§*. Stockholm: Norstedts Juridik.
- Medlingsinstitutet (2010). *Avtalsrörelsen och lönebildningen 2009. Medlingsinstitutets årsrapport*, Stockholm: Medlingsinstitutet.
- Medlingsinstitutet (2015). *Avtalsrörelsen och lönebildningen 2014. Medlingsinstitutets årsrapport*, Stockholm: Medlingsinstitutet.
- Medlingsinstitutet (2018). *Avtalsrörelsen och lönebildningen 2017. Medlingsinstitutets årsrapport*, Stockholm: Medlingsinstitutet.
- Medlingsinstitutet (2020). *Avtalsrörelsen och lönebildningen 2019. Medlingsinstitutets årsrapport*, Stockholm: Medlingsinstitutet.
- Medlingsinstitutet (2021). *Avtalsrörelsen och lönebildningen 2020. Medlingsinstitutets årsrapport*, Stockholm: Medlingsinstitutet.

- Medlingsinstitutet (2022). *Avtalsrörelsen och lönebildningen 2021. Medlingsinstitutets årsrapport*, Stockholm: Medlingsinstitutet.
- Müller, T. *et al.* (2018). The manufacturing sector: Still an anchor for pattern bargaining within and across countries?. *European Journal of Industrial Relations*. 24(4), 357–372.
- Persson, V. (2013). Sweden – Local government in Sweden: Flexibility and independence in a unitary state. In Panara, C., & Varney, M. (Eds.), *Local Government in Europe. The 'fourth level' in the EU multilayered system of governance* (pp. 305–329). London: Routledge.
- Pietrogiovanni, V., & Iossa, A. (2017). Workers' representation and labour conflict at company level: The Italian binary star in the prism of the Swedish ternary system. *European Labour Law Journal*, 8(1), 45–66.
- Rudeberg, S., & Hedlund, H. (2011). *Faktiska konsekvenser av turordningsreglerna i LAS och avtal. En rapport av Svenskt Näringsliv och PTK*. Stockholm: Svenskt Näringsliv and PTK.
- Rudeberg, S., & Ingelskog, J. (2011). *Faktiska konsekvenser av turordningsreglerna i LAS och avtal – en rapport av Svenskt Näringsliv och LO*. Stockholm: Svenskt Näringsliv and LO.
- Rönmar, M. (2019). Autonomous Collective Bargaining in Sweden under Pressure. In López López J. (Ed.), *Collective bargaining and collective action: labour agency and governance in the 21st century?* (pp. 189–212). London: Hart Publishing.
- Rönmar, M. (2008). Information, Consultation and Worker Participation – An Aspect of EU Industrial Relations from the Swedish Point of View. In Rönmar, M. (Ed.), *EU Industrial Relations v. National Industrial Relations. Comparative and Interdisciplinary Perspectives*, (pp. 15–39). Alphen aan den Rijn: Kluwer Law International.
- Rönmar, M. (2006). The Managerial Prerogative and the Employee's Obligation to Work. Comparative Perspectives on Functional Flexibility. *Industrial Law Journal*. 35(1), 56–74.
- Sigeman, T., & Sjödin, E. (2013). *Arbetsrätten. En översikt* (6th ed.). Stockholm: Norstedts Juridik.
- Sjödin, E. (2015). *Ett europeiserat arbetstagarinflytande. En rättslig studie av inflytandedirektivens genomförande i Sverige*. Uppsala: Iustus.
- SKR (2021). *Personalen i välfärden. Personalstatistik för kommuner och regioner 2020*. SKR, Stockholm.
- Thörnqvist, A., & Thörnqvist, C. (2018). Do public sector industrial relations challenge the Swedish model? *Labor History*, 59(1), 87–104.
- Thörnqvist, C. (2007). Changing industrial relations in the Swedish public sector: New tensions within the old framework of corporatism. *International Journal of Public Sector Management*, 20(1), 16–33.
- Thörnqvist, C. (1999). The decentralization of industrial relations: The Swedish case in comparative perspective. *European Journal of Industrial Relations*, 5(1), 71–87.
- Tillväxtverket (2022). *Basfakta om företag*. Accessed on 14 March 2022. Available at <https://tillvaxtverket.se/statistik/foretagande/basfakta-om-foretag.html>.
- Traxler, F. (1995). Farewell to labour market associations? Organized versus disorganized decentralization as a map for industrial relations. In Crouch C., & Traxler, F. (Eds.), *Organized Industrial Relations in Europe: What Future?* (pp. 3–19). Aldershot: Avebury.
- Van Hoecke M. (Ed.) (2011). *Methodologies of Legal Research. Which Kind of Method for What Kind of Discipline?* Oxford: Hart Publishing.

Vårdföretagarna (2021). *Privat vårdfakta 2021. Fakta och statistik om den privatdrivna vård- och omsorgsbranschen*. Stockholm: Vårdföretagarna.

8.3. Collective agreements and sector- and company/organisation-specific materials

8.3.1. Cross-sectoral level, private sector

Svenskt Näringsliv samt LO, *Huvudavtal mellan Svenska Arbetsgivareföreningen och Landsorganisationen i Sverige* (med däri t o m år 1976 vidtagna ändringar).

Svenskt Näringsliv samt PTK, *Omställningsavtal*, 1998-01-01.

Svenskt Näringsliv samt LO, *Överenskommelse om en avgiftsbestämd omställningsförsäkring*.

Svenskt Näringsliv samt LO, *Partsöverenskommelse om trygghet, omställning och anställningsskydd*, 2021-11-10 (med bilaga 1 utkast till Huvudavtal om trygghet, omställning och anställningsskydd, bilaga 2 Principöverenskommelse om Parternas gemensamma krav på staten och bilaga 3 utkast till Kollektivavtal om omställningsförsäkring för arbetare).

Svenskt Näringsliv samt PTK, *Partsöverenskommelse om trygghet, omställning och anställningsskydd*, 2020-12-04 (med bilaga 1 utkast till Huvudavtal om trygghet, omställning och anställningsskydd och bilaga 2 Principöverenskommelse om Parternas gemensamma krav på staten).

Svenskt Näringsliv samt LO och PTK, *Utvecklingsavtal med överenskommelse om förslagsverksamhet*, 1985-09-09.

Grafiska Företagen, Industriarbetsgivarna, IKEM, Livsmedelsföretagen, Gröna arbetsgivare, Teknikföretagen, TEKO, Sveriges Textil- och Modeföretag och Trä- och Möbelföretagen samt GS Facket för skogs-, trä- och grafisk bransch, IF Metall, Livs/Livsmedelsarbetareförbundet, Sveriges Ingenjörer och Unionen, *Industriavtalet. Industrins samarbetsavtal och förhandlingsavtal*.

8.3.2. Sectoral level, private sector

8.3.2.1. Manufacturing sector

Teknikföretagen samt IF Metall, *Teknikavtalet IF Metall*, 1 november 2020 – 31 mars 2023.

Teknikföretagen samt Unionen/Sveriges Ingenjörer/Ledarna, *Teknikavtalet Unionen/Sveriges Ingenjörer/Ledarna*, 1 november 2020 – 31 mars 2023 (med Gemensamma avtalskommentarer).

8.3.2.2. Retail sector

Svensk Handel samt Handelsanställdas förbund, *Detaljhandel Avtal*, 1 november 2020 – 31 mars 2023.

Svensk Handel samt Handelsanställdas förbund, *Lager och E-handel Avtal*, 1 november 2020 – 31 mars 2023.

Svensk Handel samt Unionen och Akademikerförbunden, *Handelns tjänstemannaavtal*, 1 december 2020 – 30 april 2023.

Svensk Handel samt Hotell- och restaurangfacket, *Restaurang- och caféanställda Avtal*, 1 december 2020 – 30 april 2023.

8.3.3. Cross-sectoral and sectoral level, public sector, including regional, municipal, and health care sector

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt OFRs förbundsområde Hälso- och sjukvård jämte i förbundsområdet ingående organisationer, *Huvudöverenskommelse om lön och allmänna anställningsvillkor samt rekommendation om lokalt kollektivavtal m.m. – HÖK 19* (med *Samsyn och överenskommelse mellan SKR/Sobona och OFR Hälso- och sjukvård (Vårdförbundet) om vissa frågor i HÖK 19*).

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet/Kommunal, *Huvudöverenskommelse om lön och allmänna anställningsvillkor samt rekommendation om lokalt kollektivavtal m.m. – HÖK 20*.

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt OFRs förbundsområde Allmän kommunal verksamhet jämte i förbundsområdet ingående organisationer (Vision, Akademikerförbundet SSR, Ledarna och Teaterförbundet), *Huvudöverenskommelse om lön och allmänna anställningsvillkor samt rekommendation om lokalt kollektivavtal m.m. – HÖK 20*.

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt OFRs förbundsområde Läkare jämte i förbundsområdet ingående organisationer (Sveriges läkarförbund), *Huvudöverenskommelse om lön och allmänna anställningsvillkor samt rekommendation om lokalt kollektivavtal m.m. – HÖK 20*. (Med Bilaga 3, *Specialbestämmelser till AB, Specialbestämmelser för läkare inom region samt för läkare vid sjukvårdsinrättningar i Gotlands kommun och inom Sobona*).

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer, *Huvudöverenskommelse om lön och allmänna anställningsvillkor samt rekommendation om lokalt kollektivavtal m.m. – HÖK T*.

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet/Kommunal, OFRs förbundsområde Allmän kommunal verksamhet jämte i förbundsområdet ingående organisationer, OFR förbundsområde läkare (Sveriges läkarförbund), OFR:s förbundsområde Hälso- och sjukvård (Vårdförbundet), Lärarförbundets och Lärarnas Riksförbunds Samverkansråd samt AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer, *AB 20/Allmänna Bestämmelser 20*, Bilaga till samtliga HÖK:ar, i lydelse 2022-01-01 (med Kommentarer).

Sveriges Kommuner och Landsting och Arbetsgivarförbundet Pacta samt Svenska Kommunalarbetsförbundet, OFRs förbundsområden Allmän kommunal verksamhet, Hälso- och sjukvård respektive Läkare jämte i förbundsområdena ingående organisationer, Lärarförbundets och Lärarnas Riksförbunds Samverkansråd, AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer, *Samverkansavtalet. Avtal om samverkan och arbetsmiljö*, oktober 2017 (med Partsgemensam kommentar).

Sveriges Kommuner och Regioner och Sobona – Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet, OFRs förbundsområden Allmän kommunal verksamhet, Hälso- och sjukvård samt Läkare jämte i förbundsområdena ingående organisationer, Lärarförbundets och Lärarnas Riksförbunds Samverkansråd samt AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer, *Överenskommelse om Kompetens- och omställningsavtal – KOM-KR*, med Bilaga 1,

Kompetens- och omställningsavtal – KOM-KR (med Partsgemensam kommentar) (This transition agreement was re-negotiated in late 2021, also taking the new cross-sectoral social partner agreement on security, transition and employment protection into account. The new transition agreement will enter into force on 1 October 2022, and cover all employees in the regional and municipal sector, see further <https://skr.se/skr/tjanster/press/nyheter/nyhetsarkiv/hojdpensionokadkompetensochforbatttradarbetsmiljo.60296.html>.)

Sveriges Kommuner och Landsting och Sobona, Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet, OFRs förbundsområde Allmän kommunal verksamhet jämte i förbundsområdet ingående organisationer, AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer samt Brandmännens Riksförbund, *Överenskommelse om Krislägesavtal i lydelse 2019-07-01*.

Sveriges Kommuner och Regioner och Sobona, Kommunala företagens arbetsgivarorganisation samt Svenska Kommunalarbetsförbundet, OFRs förbundsområden Allmän kommunal verksamhet, Hälso- och sjukvård jämte i förbundsområdet ingående organisationer, Lärarförbundets och Lärarnas Riksförbunds samverkansråd samt AkademikerAlliansen och till AkademikerAlliansen anslutna riksorganisationer samt Brandmännens Riksförbund, *Överenskommelse om Krislägesavtal i lydelse 2021-07-01*.

Partsgemensam utvärdering av krislägesavtalet, 2021-11-17.

Sveriges Kommuner och Landsting och Arbetsgivarförbundet Pacta, *Löneavtalets grunder och intentioner. En vägledning av löneavtalens gemensamma grunder, uppbyggnad, innehåll och intentioner*, 2018.

8.3.4. Local level

8.3.4.1. Axis Communications

Axis Communications AB samt Akademikerförening och Unionen@axis, *Lokalt beredskapsavtal Axis Communications AB*, 2018-07-06.

Axis Communications AB samt SACO och Unionen, *Överenskommelse visstidsanställda studenter på kortare tid*, 2021-08-26.

Axis Communications AB, *2020 Annual review & sustainability report*.

Axis Communications AB, *Axis Group Policy – Code of Conduct*, October 15, 2020.

8.3.4.2. IKEA Svenska Försäljnings AB

IKEA samt Unionen, Handelsanställdas Förbund, Akademikerförbunden, och Hotell och Restaurang Facket, *Medbestämmandeavtal. Gällande from 2008-05-31. Lokalt utvecklingsavtal*.

IKEA Svenska Försäljnings AB samt Handelsanställdas förbund, och Hotell- och restaurangfacket, *Överenskommelse om tillfällig dispens för utökad arbetskyldighet över kollektivavtalsområdet*, 2021-02-22 (first concluded in March 2020).

IKEA, *Gemensam målbild för IKEA och de lokala fackklubbarna*, 2011.

IKEA, *IKEA Sverige. Presentation*, Powerpoint-presentation, 2021 (received from the employer representative at IKEA Svenska Försäljnings AB).

Ingka, *Uppförandekod. IKEA värderingar omvandlade till beteenden*, 2019.

IKEA, *IKEA Employment Standards at a Glance*.

8.3.4.3. Health Care in Region Skåne

Region Skåne samt Sveriges Arkitekter, Akademikerförbundet SSR, Civilekonomernas riksförbund, DIK, Förbundet Sveriges Arbetsterapeuter, JUSEK, Legitimerade sjukgymnasternas riksförbund, Ledarna, Läkarförbundet, Lärarnas riksförbund, Lärarförbundet, Naturvetarna, SACO-förbundet Trafik och Järnväg, Sveriges Ingenjörer, SKTF, SRAT, Sveriges Psykologförbund, Tjänstetandläkarna och Vårdförbundet (Kommunal/the Swedish Municipal Workers' Union was originally, but is no longer, a contracting party to this collective agreement), *Lokalt kollektivavtal om samverkan. Förnyelse, arbetsmiljö och samverkan i Region Skåne*, 1 juli 2010.

Region Skåne samt DIK, Lärarförbundet, Lärarnas Riksförbund, Naturvetarna, SRAT, SULF, Sveriges Farmaceutförbund och Tjänstetandläkarna, *Flextidsavtal 2012 (med Kort flextidsram)*.

Region Skåne samt Akavia, DIK, Fysioterapeuterna, Läkarförbundet, Lärarförbundet, Lärarnas Riksförbund, Naturvetarna, SRAT, SULF, Sveriges Arkitekter, Sveriges Arbetsterapeuter, Sveriges Farmaceutförbund, Sveriges Ingenjörer, Sveriges Psykologförbund, Tjänstetandläkarna och Vision, *Flextidsavtal 2012 (med Lång flextidsram)*.

Region Skåne samt Akademikerförbundet SSR, Kommunal, Ledarna och Vårdförbundet, *Flextidsavtal 2017 (med Kort och lång flextidsram)*.

Region Skåne samt Vårdförbundet, *Regionövergripande kollektivavtal med arbetstidsbestämmelser för rotationstjänstgöring för barnmorskor inom förlossningsvården*, 2017-03-08.

Region Skåne samt Vårdförbundet, *Regionövergripande kollektivavtal med kvoter och tidbank för sjuksköterskor inom akutmottagning inkl. barnakut*, 2019-01-23.

Region Skåne samt Vårdförbundet, *Regionövergripande kollektivavtal med kvoter och tidbank för sjuksköterskor inom IVA*, 2019-01-23.

Region Skåne samt Vårdförbundet, *Regionövergripande kollektivavtal med kvoter och tidbank för sjuksköterskor inom neonatal*, 2019-01-23.

Region Skåne samt Vårdförbundet, *Regionövergripande kollektivavtal med kvoter och tidbank för sjuksköterskor inom OP/anestesi*, 2019-01-23.

Region Skåne, *Årsredovisning 2020*.

9. List of interviews

9.1. Employers' organisations and employers

9.1.1. Cross-sectoral and sectoral level

Svenskt Näringsliv (SN)/the Confederation of Swedish Enterprise, General Counsel and Director for Labour Law, John Wahlstedt.

Svenskt Näringsliv (SN)/the Confederation of Swedish Enterprise, Expert Employer Collaboration, Beata Hammarskiöld.

Sveriges Kommuner och Regioner (SKR)/the Swedish Association of Local Authorities and Regions (SALAR), Head of Negotiations, Jeanette Hedberg.

Svensk Handel/the Swedish Trade Federation, Head of Negotiations, Ola Axelsson.

Teknikföretagen/the Association of Swedish Engineering Industries, Senior Director for Negotiation and Social Partner Relations, Tomas Undin.

9.1.2. Company/organisation level

Axis Communications AB, employer representative, HR Support Manager, Atle Ehrlin.

IKEA Svenska Försäljnings AB, employer representative, Co-worker Relations Manager at the overall company level, Linus Knutsson.

Health Care in Region Skåne, employer representative, Head of Negotiations for Region Skåne, Jan Lundin.

9.2. Trade unions

9.2.1. Cross-sectoral and sectoral level

TCO/the Swedish Confederation of Professional Employees, Policy Director, Samuel Engblom.

Handelsanställdas förbund/the Commercial Employees' Union, Negotiations Secretary, Per Bardh.

IF Metall, National Bargaining Secretary, Veli-Pekka Säikkälä.

Kommunal/the Swedish Municipal Workers' Union, General Counsel, Malin Sjunnebo.

Sveriges Ingenjörer/the Swedish Association of Graduate Engineers, Head of Negotiations, Camilla Frankelius.

Sveriges läkarförbund/the Swedish Medical Association, Chief Negotiator, Peter Wursé.

Unionen, Head of Negotiations, Martin Wästfelt.

Vårdförbundet/the Swedish Association of Health Professionals, Head of Negotiations, Annelie Söderberg.

9.2.2. *Company/organisation level*

9.2.2.1. Axis Communications AB

SACO/the Swedish Confederation of Professional Associations, trade union representative, Chair of the Local Club in Lund, member of Sveriges Ingenjörer/the Swedish Association of Graduate Engineers, John Tengvall.

Unionen, trade union representative, Chair of the Local Club in Lund, Nina Grönkvist.

9.2.2.2. IKEA Svenska Försäljnings AB

Handelsanställdas förbund/the Commercial Employees' Union (Lager- och E-handelsavtalet), trade union representative, Chair of the Local Club in Älmhult/Central Coordinator, Andreas Engblom.

Handelsanställdas förbund/the Commercial Employees' Union (Detaljhandelsavtalet), trade union representative, Chair of the Local Club in Kålleröd/Central Coordinator, Karin Vedlin.

Hotell- och restaurangfacket/the Hotel and Restaurant Workers' Union, trade union representative, Chair of the Local Club in Linköping/Central Coordinator, Marie Abrahamsson.

9.2.2.3. Health Care in Region Skåne

SACO/the Swedish Confederation of Professional Associations, trade union representative, Chair of the Local SACO Council in Region Skåne, member of Sveriges Ingenjörer/the Swedish Association of Graduate Engineers, Ralf Rittner.

Vårdförbundet/the Swedish Association of Health Professionals, trade union representative, Chair of the Swedish Association of Health Professionals in Skåne, Malin Tillgren.