

Confederation of Swedish Enterprise

Social dialogue and the role  
of social partners in society –  
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# Structure of presentation

1. Presentation of Swedish Enterprise
2. Industrial relations In Sweden
3. The role of social partners at the workplace and in society

Enterprising people and competitive companies  
working together  
lead to a more prosperous Sweden .



SVENSKT NÄRINGSLIV  
CONFEDERATION OF SWEDISH ENTERPRISES

# The challenge – Reforms for a stronger Sweden

## From a poor country to a leading business nation in 100 years

Made possible by aggressive and long-term reform policies

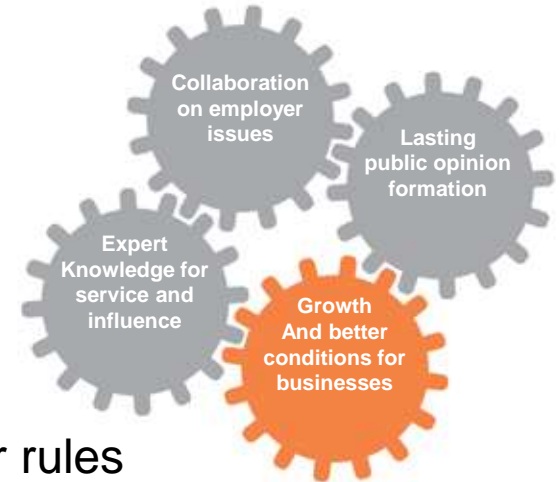
- Removed obstacles, opened markets and created fair rules

There is more than one challenge

- Globalisation – greater opportunity to compete
- Prosperity – opportunity for private players to contribute
- Taxes – revitalisation of the Swedish economy

Meeting the challenges requires radical changes

- We decide ourselves whether the new competition represents a threat or opportunity



# Then and now

## The 19th Century

Trade unions  
Employer associations

## The 20th Century

- 1902 The Swedish Employers' Confederation,  
SAF – Conflict insurance
- 1905 December compromise
- 1910 Federation of Swedish Industries
- 1928 Laws on collective agreements and rights of association
- 1938 The Saltsjöbaden agreement
- 1970s New labour market legislation
- 1990 The Swedish Employers' Confederation  
decides that wage negotiations should take place  
at association level

## The 21st Century

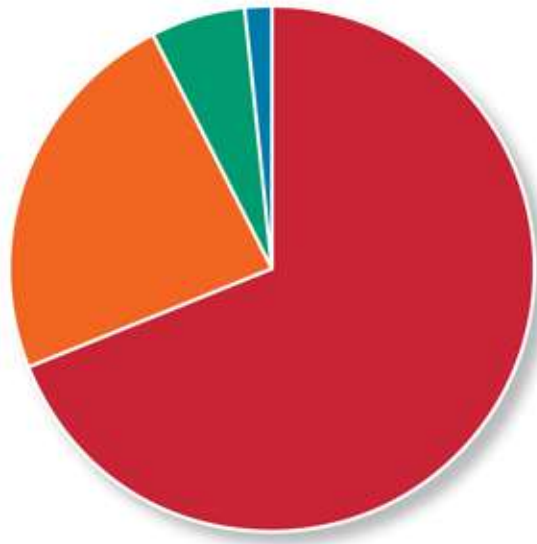
- 2001 The Swedish Employers' Confederation - the Federation  
of Swedish Industries merge to the Confederation of Swedish Enterprise



# Sweden's largest employers organisation

- 60,000 member companies
- 50 member organisations representing the whole business sector
- Financed by member companies = 0,09 % of the wage sum + fee to member organisations – assets of 1,5 billion euros

More than 90 % of our member businesses have fewer than 50 employees.



69%	0-9 employees
23.5%	10-49 employees
6%	50-249 employees
1.5%	250+ employees

The total number of employees is in member companies over 1.8 million.

# Collaboration on employer issues

**Membership of any of the 50 member organisations leads to membership of the Confederation of Swedish Enterprise**

**The role of Swedish Enterprise is to:**

- drive common issues forward
- influence politicians and the authorities
- **ensure cooperation during negotiations.**
- **pay compensation for industrial action**

**The member organisations:**

- provide businesses with advice, help with processes in courts, general information and training.
- negotiate and sign collective agreements.



# Our offices

## Headoffice in Stockholm

### Regional offices:

Luleå, Skellefteå, Umeå, Östersund, Sundsvall, Gävle, Falun, Uppsala, Västerås, Karlstad, Örebro, Skövde, Linköping, Jönköping, Visby, Växjö, Göteborg, Halmstad, Kalmar, Stockholm, Karlshamn och Malmö

## Office in Brussels





# Starting – points

- The Swedish economy is a market economy where the private owners of the company decides on how to run the company through the management of the company.
- The Swedish society is based on individual rights for the employee protected by law.
- The employee can chose to be represented by a trade union/ a company by an employers´ organisation.
- Trade unions/employers´ organiatiions have collective rights protected by law.

# Criteria for a successful industrial relations system

Employers organisations and trade unions must:

- Be representative and legitimate
- Respect each other
- Chose between collective agreements and legislation
- Be independent of political parties
- **Adapt to reality and change – deliver!**

# Industrial relations in Sweden

- The Industrial Relations system is a bipartite system.
- Employers organisations and trade unions get their legitimacy from their members – not by recognition from the State.
- Employers' org/trade unions - financed by members.
- Legitimacy is based on representativity:
  - Private employers org: 80 % membership
  - Trade unions (private): 65 % membership
  - Public employers org: 100 % membership
  - Trade unions (public): 84 % membership

# Labour legislation

- **The infrastructure for industrial relations:**
  - collective agreements
  - right to take industrial action
  - protection of rights
  - co-determination
- **Basic rules for the employee**
  - employment security, anti-discrimination
  - right for an employee to be absent
  - safety & health, working time

**Regulates many aspects of the employment relation -  
but not wages and general conditions of employment!**

# Collective agreements

- **Collective agreements** cover 90 % of the employees in the private sector and 100 % in the public sector.
- **Sectoral level: member associations - trade unions:**
  - wages
  - general conditions of employment
- **The State has no role in these areas:**
  - No statutory minimum wage and no system for making collective agreements universally binding.
- **Cross–sectoral: Swedish Enterprise – LO/PTK**
  - supplementary pensions and insurances
  - restructuring - getting people back to work

# Legal Industrial action

- Industrial action only allowed regarding collective agreements when it has expired

meaning.....

- The employers "buy peace" during the period of validity of the collective agreement.

but.....

- A trade union has the right to take industrial action in sympathy in support of another trade union involved in legal industrial action.

# Different kinds of disputes and solutions

**Legal disputes** = disputes regarding interpretation of labour legislation/collective agreements

Solution:           1. **negotiations**  
                          2. court proceedings

**Disputes of interest** = disputes regarding wages and other benefits

Solution:           1. **negotiations**  
                          2. industrial action

**Disputes of adequacy** = decisions on how to run the company

Solution:           1. **negotiations**  
                          2. the employer decides

# The role of social partners at the workplace

1. The most important thing is to have a good climate at the workplace so that disputes do not arise.
2. If disputes arise, they must be solved as fast as possible without disruption of the production.
3. Structured procedures - fixed in advance – are necessary to handle disputes successfully.
4. "Incentives/sanctions" in the dispute resolutions system are necessary.

Everyone must think that an agreement is preferable compared to a conflict!



## The role of social partners in society

1. Not everything can and should be solved by politics.
2. Social partners can represent dialogue instead of confrontation – offer solutions to disputes.
3. Social partners can contribute to peaceful change.
4. Social partners can contribute to stability in society

but ...

**Social partners can be an obstacle to change !**

**THANK YOU FOR YOUR  
ATTENTION!**