Employment Representation at the Enterprise – Sweden

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1. Introduction

The aim of this report is to present and discuss the Swedish system for employee representation at the enterprise level, which is assumed here to include the workplace level. The Swedish system of employee representation is a so-called *single-channel* system. ¹ This means that employees are represented by their unions alone, and that there are essentially no parallel forms of representation through systems within the company, such as work councils. The Swedish trade unions thus represent the employees in their capacity of parties in collective agreements, but they are also the employees' representatives on location both at company level and in the actual workplace.² Swedish trade unions have a long tradition of a very strong position in the labour market. In international comparison, Sweden has a long history of extremely high unionization rates, and a very large proportion of Swedish employees are employed in workplaces covered by collective agreement.³ In addition, most of the comprehensive labour law legislation is designed in such a way that otherwise mandatory rules may be deviated from by collective bargaining. 4 To a large extent, this system leaves the regulation of working conditions to the labour market parties. The unions thus have a high potential for impact on working conditions, and the fact that mandatory law applies unless the parties agree otherwise, contributes to the enhancement of the trade unions' bargaining position. Nevertheless, beyond the fact that the labour market is organized in a way that requires and supports collaboration between employers and employee organizations, there is also labour regulation that is directly aimed at employee representation. This legal framework is the theme of this Report.

The report is composed as follows. After an introductory historical survey, a detailed description presents the various forms of employee representation at enterprise level in the Swedish labour market of today. Next, a description is provided of the collective bargaining system and how this relates to the system of employee representation, followed by a discussion of the extent to which employee representatives can really make a difference. The report concludes with a prospective evaluation of the existing system.

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¹ Cf. Biagi & Tiraboschi 2010, pp. 525 and Rose 2009, pp. 49.

² Cf. Weiss 2004, and Bamber & Lansbury 1998. Cf. Rose 2009.

³ Cf. Larsson 1992. However, the proportion of the labor force affiliated to a union decreased from 77% in 2006 to 71% in 2008. This has mainly been explained as a result of legislative reforms initiated by the centre-right government that led to increased membership fees for almost all unemployment funds, at the same time that tax reductions for both union fees and unemployment fund fees (40%) were abolished. As a consequence of the reforms, some unemployment funds increased their fee six times from one day to the next. Cf. Kjellberg 2011 and Medlingsinstitutet 2011.

⁴ Cf. Industrial Relations in Europe 2006.

2. Description of the employee representation system

a) Historical background

The Swedish labour market is characterized by the importance of the collective agreement, at the same time that there is comprehensive labour law legislation. An overwhelming proportion of those in the workforce are members of a union. Throughout the 1900s, the labour market parties have been given – and they themselves have also been taking – a significant responsibility for the development of labour relations and working life.

The first basic agreement between the parties in the Swedish labour market was signed in 1938 – the so-called Saltsjöbaden Agreement or master agreement. This agreement became the cornerstone of the centralized so-called Swedish model, which has been characterized by strong social organizations with great freedom to freely negotiate wages and other working conditions, and of a state that, for a long time, almost completely refrained from interference by way of labour legislation. The Saltsjöbaden Agreement was the culmination of a development that began in the 1870s with the trade union movement's emergence, which eventually led to the formation in 1898 of the Swedish Confederation of Trade Unions (LO), a nationwide organization for blue-collar workers. Shortly after, in 1902, the private employers joined forces in the Swedish Employers Federation (SAF). Another four years later, in December 1906, LO and SAF concluded their first formal agreement. This historically significant agreement, called the December compromise, meant that the employees recognized the managerial prerogatives – the employers' right to direct and to allocate work and the right to freely hire and fire. In exchange, employers acknowledged the right of employees to organize themselves into trade unions – which is the prerequisite for being able to influence the work and working conditions through collective bargaining. This was the first real step towards a formalization of the upcoming Swedish system of employee influence through union representatives.

Eventually, legislation was also introduced which set the legal framework for trade union cooperation. In 1928, the Collective Agreements Act was adopted, which among other things contained the important rule that parties to a collective agreement are not allowed to take industrial action against each other. The same law also established the Swedish Labour Court, which was given jurisdiction in matters of interpretation and application of collective agreements. In 1936, the law on freedom of association and collective bargaining was introduced. This law codified the contents of the December compromise concerning the right of association, and was also the first explicit regulation of the right and obligation to participate in union negotiations.

As we noted, the conclusion of the Saltsjöbaden Agreement was in 1938. A central achievement in this main agreement was that the parties agreed on limiting the use of industrial action. Together with the December compromise, the signing of the Saltsjöbaden Agreement constitutes a milestone in the development of the Swedish labour market model. It marked the beginning of a new and harmonious era in the relationship between the social partners – an era characterized by consensus; the so-called Saltsjöbad spirit. Characteristic of the Saltsjöbad spirit was the parties' joint efforts to reach settlement by peaceful means,

⁷ The Employment (Co-Determination in the Workplace) Act (1976:580).

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⁵ Cf. Bruun et al. 1992.

⁶ Already in 1906, the Act Mediation in Labour Disputes was introduced, cf. Lundh 2006.

and the ambition that they alone would solve conflicts and disagreements without interference from the government, for example by legislation. During the Saltsjöbad era, the 1946 Agreement in the private sector on shop floor committees was signed. With this agreement, procedures for information and consultation were introduced in Sweden for the first time. The agreement was renewed in 1964, and it lasted until the introduction of the Co-determination Act.

Through the Co-determination Act, in which the Act on Collective Agreement and the Act on Organization and Negotiation were merged, legal provisions on Co-determination were introduced in Swedish labour law. This was in 1976. On the whole, the 1970s was a decade marked by legislative work in the area of labour law in the Swedish setting, partly as a result of the fact that the social partners no longer managed to achieve consensus. The tranquility in the labour market persisted until the end of the 1960s, and then the relations became much more turbulent and conflicted. Eventually, the government considered that it had reason to intervene, which to a certain extent was done by introducing new labour law legislation. In addition to the Co-determination Act which was adopted in 1976, laws on the protection of trade union representatives, board representation, and employment protection were prepared and adopted during this decade. During the same period, the legislation on work environment and working hours was updated. All these laws are relevant for the issue of employee representation.

b) Structure of the Swedish employee representation system

As will be discussed further, the Swedish industrial relations system operates on three levels – the national level, the industry level and the local level (cf. Section 3). For the issue of employee representation in the enterprise, the local level is of primary interest. As regards the right to represent employees, it is initially important to emphasize that in workplaces the union which has a collective agreement in the workplace enjoys a very privileged position. This fact can hardly be stressed enough. The rules on employee participation apply almost exclusively to the established, or signatory, union. Employees who are members of a non-established trade union are in most cases not represented by their own representative. Nor is there any representative who specifically monitors the interests of non-unionized workers. The established union's privileged position should be understood with regard for the facts that the vast majority of the workplaces in Sweden are covered by collective agreement, the proportion of workers in Sweden with union membership is extremely high, and that normally, most employees in a workplace are members of the established trade union. It

A major part of trade union activities are conducted on the local level, in the workplaces, where often one or more employees are trade union representatives. The representatives are elected by the employees in the workplace who are members in the established union, but they are formally appointed by the union. Of the union representatives, at least one has been empowered by the union to negotiate with the employer. Many workplace-related problems are resolved through negotiations directly

⁸ Adlercreutz 1954, Edström 1994.

⁹ Johansson & Hellmark 1981. Nycander 2002.

The Employment (Co-Determination in the Workplace) Act (1976:580), the Act on Trade Union Representatives (1974:358), the Board Representation Act (1976:351), the Employment Protection Act (1974:12), the Work Environment Act (1977:1160), and the Working Hours Act (1982:673).

¹¹ Fahlbeck 2008, p. 18.

¹² The extent of negotiating mandate differs between unions.

in the workplace. However, if the workplace representatives do not succeed in the negotiations, they can get help from a representative from the industry-wide organization. Most organizations have departments across the country. The departments provide support for the elected representatives in the workplace, and represent members in workplaces with no elected officials. A department also has regional safety delegates, who deal with work environment issues and support the safety delegates in workplaces (cf. Section 2 d) ii). Each department includes a number of sections, arranged in either geographic or professional subdivisions. The sections can be described as a kind of member groups in which union members who are engaged in trade union issues can meet and discuss questions related to working life and trade union activities in the workplace.

The legal rules on employee representation on the enterprise level initially include provisions on co-determination, as well as provisions on union priority right of interpretation and union's right of veto. Under these latter provisions, and in certain cases, the union can temporarily stop the execution of employer decisions that appear to violate the law or collective agreements. In addition, there are provisions on representation on health and safety committees, on representation on company boards, and on representation in European Works Councils. There are also rules on the right to information for the representatives. ¹⁴

The following section is structured thus: initially, the rules on co-determination will be dealt with, followed by a section where the union's priority right of interpretation and the union's right of veto are presented together. Thereafter, the report addresses the question of employee representation in health and safety issues. Finally, the report will briefly touch upon the Swedish rules on European Works Councils, and for employee representation on company boards.

c) Employee representation according to the Co-determination Act

i) Co-determination

Every trade union which has a member in the workplace enjoys a right to negotiate with the employer on issues concerning the relationship between the employer and the member of the union. This right of so-called general negotiations is intended both to allow the union to represent its member in a dispute on legal issues, and to allow trade union initiatives aimed at achieving collective agreements to be put in place. In addition to this right to general negotiations, the established trade union enjoys a substantial right to negotiations on matters where the employer has the exclusive power of decision. The right to negotiate concerns all decisions regarding, first, significant changes in the employer's activities, i.e. the business management, and second, significant changes in working or employment conditions for employees who belong to the organization. The employer shall, on his own initiative, enter into negotiations with the employees' organization with which the enterprise has a collective agreement, and this must be done *before* the employer makes this decision. Where there is extraordinary cause, the employer may make and implement a decision before he has fulfilled his duty to negotiate under the Act on Co-

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¹³ The Employment (Co-Determination in the Workplace) Act (1976:580), the Act on Trade Union Representatives (1974:358), the Work Environment Act (1977:1160), and the Working Hours Act (1982:673), the Board Representation Act (1987:1245), the (1996:359) Act on European Works Councils.

¹⁴ There are also certain provisions on information in the Employment Protection Act (1982:80).

¹⁵ Cf. Schmidt et al 1997, pp. 141 ff., Edström 2002, p. 5.

¹⁶ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 11 subsection 1.

determination.¹⁷ However, this exemption applies only if a lack of time has arisen because of something beyond the employer's control.¹⁸

Regarding employee representation according to the Co-determination Act, the unit of representation can normally be defined as the workplace. For nationwide companies, this normally means an obligation to negotiate with local representatives from all units in the company on issues that are important from the standpoint of the entire company. However, there is no fixed legal definition of the representative unit in these cases. As stated by the Swedish Labour Court, the question of how the negotiations are organized is in practice a matter for the employer and the local union to agree upon – for example, certain issues in the negotiation process may be delegated to specific groups or levels within the employer's business.²⁰

The right to negotiate in matters where the employer has the exclusive power of decision belongs primarily to the established unions. However, in two situations the employer is obliged to initiate a negotiation with another union than the established one. Thus, in cases where a matter specifically relates to the working or employment conditions of an employee who belongs to an employees' organization in relation to which the employer is not bound by a collective agreement, the employer has the same obligation to negotiate with that organization. In addition, in cases where the employer is not bound by any collective agreement, he is obliged to negotiate with *every* union that has a member in the workplace, before making decisions relating to redundancy or relating to the transfer of an undertaking. The latter of these two cases has been introduced in the Co-determination Act in order to bring Swedish law in compliance with EU directives on information and consultation in connection with collective redundancies and business transfers.²¹

The employer's duty to initiate negotiations is extensive. According to the preparatory works, the obligation to negotiate shall include all questions in the employer's activities that have such an extent and implications for the employees, on which a trade union typically would be expected to want an opportunity to negotiate. The fact that the decision has seemingly only positive effects for the employees does not eradicate the employer's obligation to negotiate, nor does the fact that the employees in question have already given their consent to the planned changes. However, decisions and actions of a recurring nature usually dealt with in an already-established arrangement fall outside the scope of the obligation to negotiate.²²

It is equally essential that the employer initiates negotiation in due time. The Act on Co-determination requires that the negotiation must take place before the employer makes the decision in question. In cases concerning complicated decisions on important issues, negotiations with the union should be requested at a very early stage in the employer's decision-making process.²³ The fact that the negotiations take place early in the decision-making process is essential for the process to be effective and fulfill its function – to give

¹⁹ Swedish Labour Court judgement AD 1981 No 61. Olausson & Holke 2001, p. 97.

²³ Swedish Labour Court judgment AD 1986 No 53.

¹⁷ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 11 subsection 2.

¹⁸ Cf. Olausson & Holke 2001, p. 107.

²⁰ Swedish Labour Court judgment AD 1990 No 117, inter alia concerning whether the employer – a retail chain – had an obligation to negotiate with union representatives in each of its stores – thus the workplace level – or whether it was enough if the employer negotiated on the enterprise level.

²¹ Cf. Government Bill Prop 1994/95:102; Art 2, Directive 98/59/EC on *Collective Redundancies*, and Article 7, Directive 2001/23/EC on *Transfers of Undertakings*. Employment Protection Act (1982:80), Section 6 b implements the main content of the business transfers Directive in Swedish law.

²² Government Bill Prop. 1975/76:105 Bil 1 p. 353, c.f. Swedish Labour Court judgment AD 1980 No 117.

the employee representatives an opportunity to express arguments that really could affect the content of the employer's decision.²⁴ On the other hand, the employer must have time to acquire a sound basis of information and get an idea about various possible alternatives before calling for negotiation. This is necessary for the employer to be able to come prepared to the negotiation.²⁵ To sum up, in considering how early in the process the employer shall initiate a negotiation, a balance must be struck between the union's interest in being involved in early decision-making and the employer's interest in getting into the matter thoroughly before the discussion with the union takes place. Nevertheless, the crucial factor in such a balance is always that the negotiations must begin while there still is a genuine possibility for the unions to affect the employer's decision.²⁶

Although the Co-determination Act imposes an extensive duty on employers to initiate and conduct negotiations on matters that are within the employer's discretion, it does not give the union any real right to effective co-determination in these matters. The real significance of the provisions on co-determination negotiations, and connecting rules, is that the union receives information in advance on impending changes, and that the union is given the opportunity to pose questions and make comments and suggestions to the employer. The preparatory works for the Co-determination Act specify that the parties' obligation to negotiate includes an obligation to do their best to reach an agreement.²⁷ Still, the final decision lies entirely with the employer. There is therefore no legal obligation for employers to take adequate account of the union's view. However, if the employer in no way takes the union views into account, this may indicate that the employer had already made his decision when he called for negotiation. If so, this would constitute a violation of the Co-determination Act, in the sense that employer has initiated negotiations too late in the decision-making process.²⁸

In addition to the provisions on employee participation, the Co-determination Act contains two provisions that enable the representatives of the established trade union to actually intervene and make decisions – albeit temporary – regarding issues falling within the scope of the employer's discretion. These provisions allow for priority of interpretation and for right of veto for the established union in certain cases.

ii) Union's priority right of interpretation and union's right of veto

The union preferential right of interpretation means that the union involved in a dispute with the employer is entitled to request that the view they represent will prevail over the employer's opinion, until the dispute is finally resolved. The union's preferential right of interpretation applies to disputes in three areas: on the interpretation of provisions concerning pay or other remuneration (concerns provisions in collective agreements, employment agreements and legislation), on the interpretation of co-determination agreements (cf. the following Section), and on the interpretation of provisions concerning a member's duty to perform work. ²⁹ The situation where the union preferential right of interpretation has the greatest practical importance is that of determining the obligation to work. Here, the preferential right of interpretation means that when a dispute arises regarding a union member's duty to perform work under the collective agreement by

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²⁴ Cf. Government Bill Prop 1994/95:102 pp. 355.

²⁵ Cf. Government Bill Prop 1994/95:102 p. 156.

²⁶ Olausson & Holke 2001, p. 103.

²⁷ Government Bill Prop 1975/76:105, p. 362.

²⁸ Olausson & Holke 2001.

²⁹ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 33-34.

which the employer and the trade union are bound, the organization's position shall apply until such time as the dispute has been finally adjudicated.

If the employer considers that extraordinary reasons exist against postponement of the disputed work, the employer may, notwithstanding that union priority right of interpretation, require that the work is performed according to his interpretation in the dispute. The employee is then obligated to perform the work. Such an obligation will not arise, however, where the employer's interpretation in the dispute is incorrect and the employer realizes or should have realized this, or where the work involves danger to life or health, or where there are similar obstacles.

The union veto means that the union can block a decision on the part of the employer to plan to have temporary workers or a contractor perform work that would otherwise be performed by those employed in the workplace. Normally, the employer is free to hire workers or outsource work to contractors, after having negotiated the matter with the union under the provisions on co-determination (cf. the previous Section). However, in some cases, there is an opportunity for unions to use their right of veto against such a measure. This possibility exists in cases where it can be assumed that the hired person or contractor is going to break the law or collective agreement, or where the arrangement otherwise is contrary to what is commonly accepted within the industry concerned. For example, the veto may be used if there is reason to believe that the proposed subcontractor pays undeclared wages, or if the contractor has been guilty of tax fraud, and one can assume that this could happen again. On the contrary, the right of veto may not be used to shut out serious businesses from obtaining assignment.

In the event that the union has exercised the preferential right of interpretation or the right of veto, even though they lacked grounds for their position, the union may become liable for damages against the employer. On the other hand, if the employer ignores the union's opinion in a case where they are entitled to exercise the preferential right of interpretation or the right of veto, the union can claim damages from the employer.

iii) Collective agreement on co-determination

As soon as an employer enters into a collective agreement on pay and general conditions of employment, the signatory trade union may request that the parties also enter into a collective agreement on co-determination regarding the conclusion and termination of contracts of employment, the management and distribution of work and the operation of the activity in general.³¹ As suggested by the law, the parties in a collective agreement regarding rights of co-determination may agree that decisions that would otherwise be taken by the employer shall be taken by employee representatives or by a joint body specifically constituted for such purpose.³² The general idea is that the co-determination agreements complement the provisions in the law, on right to negotiation in co-determination matters. Unlike legal rules, co-determination agreements can be designed to match the different conditions in companies, depending on the size, sector and organization.³³ The detailed content of a co-determination agreement is not prescribed by the Co-determination Act, but generally any question that falls within the employers' discretion can be made the

³⁰ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 38-40.

³¹ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 32 Subsection 1.

³² The Employment (Co-Determination in the Workplace) Act (1976:580), Section 32 Subsection 2.

³³ Government White Paper, SOU 1982:60 p. 28.

subject to such an agreement; examples include questions on working time or training for staff, but also production issues such as budget and the company's business focus.

There are no legal sanctions for employers who refuse to enter into participation agreements. The question of whether such an agreement could be reached is entirely up to the parties, and therefore depends on the bargaining power of the union in the particular situation.

iv) The trade union's right to information

A trade union in relation to which the employer is bound by collective agreement enjoys a comprehensive right to information from the employer. The established trade union shall thus be provided with information about the manner in which the business is developing, in terms of production and finance, and the guidelines for personnel policy. To the extent required by the trade union in order to protect the common interests of its members, the employer must allow the employee representatives to examine books, accounts, and other documents that concern the employers' business.³⁴

If the employer is bound by a collective agreement, other unions than the established one have no corresponding right to information. An employer who is not bound by any collective bargaining agreement at all must, however, continuously provide certain information to trade unions that have members in the workplace. These unions must be notified of how the operations are developing as regards production and financial aspects and similarly on the guidelines for personnel policy. ³⁵

Following the EU Directive on collective redundancies, the Co-determination Act imposes a specific obligation to provide information prior to negotiation of termination as a result of redundancy.³⁶ In these cases, the employer shall notify the other party in writing and in good time regarding details about the situation and about the employees whose employment will be terminated.³⁷

v) Protection for activities of the representatives, and financial matters

In close connection with the Co-determination Act is the Trade Union Representatives Act, which is intended to provide union representatives in the workplace with opportunities to monitor the interests of employees, and ensure that the employer correctly applies laws, regulations and agreements. To that end, Trade Union Representatives Act contains both specific rules on employment protection for the union representatives, and rules regarding leave for performing trade union activities.³⁸

Under the Act, a trade union representative is a person appointed by the established union to represent the employees in the representative's own workplace. The Act does not apply until the union has notified the employer that the representative has been appointed. There may be more than one trade union representative at the workplace.

Employers must never hinder trade union representatives from fulfilling their duties. A union representative is protected against deterioration in working conditions or

³⁴ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 19.

³⁵ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 19 a. This provision was introduced as part of the implementation of the Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community, cf. Government White Paper SOU 2004:85 and Government Bill Prop 2004/05:148

³⁶ Council Directive 98/59/EC of 20 July 1998 on the approximation of the laws of the Member States relating to collective redundancies. Cf. Nyström 2011.

³⁷ The Employment (Co-Determination in the Workplace) Act (1976:580), Section 15.

³⁸ The Trade Union Representatives (Status in the Workplace) Act (1974:358).

employment that might result from his position as union representative. This protection applies not only during the time the trade union tasks are performed, but also after the employee has resigned from his position as a trade union representative. The determining factor is whether the employee has suffered deterioration in employment because of his union assignments. This means that the law does not prevent an employer from making changes in a trade union representative's employment and working conditions, if this is done for other reasons. In these cases, however, the employer must give notice to both the union and union representative at least two weeks in advance. The union may then request consultations with the employer. The employment conditions of the union representative shall remain unchanged until the consultation has been held.³⁹

In cases of redundancy in the workplace, a union representative shall be given priority for future work – notwithstanding the rules of seniority in employment protection law – if this is of particular importance to the trade union activities in the workplace. However, this preferential right applies only if the union representative is sufficiently qualified for the work provided the by employer. 40

In addition to the important function of strengthening employment protection for trade union representatives, a central purpose of the Trade Union Representatives Act is to create real opportunities for trade union representatives to perform trade union activities in the workplace. Since the Act specifies the costs the employer must bear in this area, it is also relevant to the question of financing of employee representation in the workplace. The employer is thus required to make an area available in the workplace, where the union representative can conduct trade union work. A union representative is also entitled to leave of absence required for a trade union mission. The extent and timing of the leave is determined after consultation between the employer and the local union, and amount of time on leave must correspond with what is reasonable for the nature of the workplace.⁴¹ When a union representative takes time off to conduct trade union activities in his own workplace, the union representative is entitled to retain his employment benefits during the leave. This means that the trade union activities are managed during working hours. If union activities relating to the representative's own workplace are performed outside normal working hours, and if this is owing to employer requirements, the union representative is entitled to overtime pay. The employer is also required to pay additional costs such as travel and subsistence allowance, if the employer has caused those costs.

As we have seen, the Co-determination Act and the Trade Union Representatives Act aim to create conditions for effective cooperation between employers and employee representatives. Regarding issues on health and safety at the workplace, the Swedish labour market has a long history of precisely this kind of effective cooperation, and the work environment legislation is thus of central importance as regards employee representation in the workplace.

³⁹ The Trade Union Representatives (Status in the Workplace) Act (1974:358), Sections 4 and 5.

⁴⁰ The Trade Union Representatives (Status in the Workplace) Act (1974:358), Section 8. Cf. Government Bill Prop. 1974 No 88, p. 47.

⁴¹ The Trade Union Representatives (Status in the Workplace) Act (1974:358), Section 6.

d) Employee representation as regards health and safety matters

i) Safety committees

The Work Environment Act builds on the premise that employers and employees should cooperate at the local level on issues concerning the working environment. Though health and safety is primarily the responsibility of the employer, the Act makes clear that employers and employees together should achieve a healthy work environment. The individual employee must demonstrate the caution needed in the work, and warn of any hazards that are discovered in the workplace. However, the most visible element in the employees' participation in work environment issues is the influence exercised by the workers' representatives – the safety committee members and the local safety delegate.

A safety committee shall be appointed at every work site where at least fifty persons are regularly employed. A safety committee may also be appointed at worksites with fewer employees, if that is requested by the employees. The safety committee is composed of representatives from the employer and from the employees on the work site. If possible, one of the employer's representatives shall have a managerial or comparable position, and thus possess the power to make decisions that are binding for the employer. Employee representatives are appointed from among the employees by the established union in the workplace. If no such organization exists, the representatives are appointed by the employees, nature of work and working conditions at the worksite. Thus, the exact number of members is not specified by law. In addition, there is no legal provision for how long the members shall remain in office.

The unit of representation of the safety committee is the work site – that is the place where the work is performed (cf. section 2 d) ii). In a larger company, the parties may split the company in protection areas and give each area a safety committee. It is also possible to set up a central consultation body over the individual protection committees.⁴⁷

The role of the safety committees is, first, to be proactive and to contribute to policy making in general questions about the work environment, and second, to participate in the planning and control of work environment. Thus, the Committee deals with questions about work environment at the workplace on a comprehensive and general level. This includes planning of the work environment in broad terms, and preparation of action plans. The Committee considers issues of occupational health, use of hazardous substances, and safety and health training. In addition, the committee discusses possible changes in the premises, working practices and in the business organization. This means that some of the issues addressed within the safety committee are also covered by the Co-determination Act regulations on the established union's right to negotiate and to obtain information. To avoid the inconvenience of having to address the same issues between the same parties in two different procedures, the parties in many workplaces have decided that instead of the safety committee, they will set up special so-called collaboration groups,

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⁴² Government Bill Prop. 1976/77:149

⁴³ The Work Environment Act (1977:1160), Chapter 3 Section 1.

⁴⁴ The Work Environment Act (1977:1160), Chapter 3 Section 4.

⁴⁵ The Work Environment Act (1977:1160), Chapter 6 Section 8.

⁴⁶ Work Environment Ordinance (Arbetsmiljöförordningen, SFS 1977: 1166), Section 8.

⁴⁷ Government Bill Prop. 1976/77:149 p. 416 and Government Bill Prop. 1973:130 p. 162–164 and 203.

⁴⁸ Cf. Fahlbeck 2008 pp 33 and Adlercreutz & Mulder 2007, pp. 283.

⁴⁹ Cf. Swedish Labour Court judgement, AD 1980 No 63.

samverkansgrupper. 50 In these groups, health and safety issues are dealt with together with other matters relating to the business. The disadvantage of this solution was previously that a collaboration group lacked the status of the safety committee in the sense of the Work Environment Act. This meant, among other things, that the employees' representatives were outside the scope of the rules that apply to members of such a committee. As a result, the Work Environment Act was amended in 2011. The local parties now have the possibility – through collective agreement – to appoint another body that counts as the safety committee, though it is called something else and though it also deals with questions other than those related to the work environment.⁵¹

A safety committee has no formal decision-making authority. The Committee is a consultative body with the intention that the members, after discussion, shall agree on the decisions made. Since the employer's representative on the committee is a person with decision-making powers, the Committee's decision becomes nevertheless binding for the employer.⁵² In order to emphasize that the decisions of the safety committee shall be enforced, these decisions are usually accompanied by a statement indicating the period within which the measure is to be implemented. In the event that the members of the safety committee are divided over a decision, a member may request that the matter be referred to Work Environment Authority, which may act on the matter. It is very rare that this happens.⁵³

ii) Safety delegates

In a safety committee, at least one of the employee representatives must have the status of safety delegate. However, a safety delegate is required not only in the larger workplaces. Every worksite in which at least five employees are employed must have at least one safety delegate. ⁵⁴ In smaller workplaces, the safety delegate is the only representative of the employees in matters specifically relating to the work environment. The work site may have more than one safety delegate. The reason may be that there may be more than one collective agreement in force at the work site, but it may also be that more than one safety delegate is needed because of the size of the work site. If there is more than one safety delegate at a particular worksite, one of the delegates shall be appointed senior safety delegate, with the task of co-ordinating the safety delegates' activities.⁵⁵

If there is a collective agreement in the workplace, a safety delegate will be selected as a representative of the union that has negotiated the collective agreement. A safety delegate is elected in the same way as other union trustees, for example, at the union's annual meeting or membership meeting. If there is no union in the workplace, employees may still choose a safety delegate. This can be done by agreement between workers, but it can also be done by elections with ballots. There are no legal rules that specify how this should be done.

When it comes to determining the unit of representation regarding health and safety issues, the crucial term is work site, which is used in the Work Environment Act. The term

⁵⁰ It is common that industry-wide agreements submit to the local parties to resolve the issue of collaboration according to the needs in the individual workplaces, cf. Government White Paper, SOU 2006:44, p. 67.

⁵¹ The Work Environment Act (1977:1160), Chapter 6 Section 9 a, c.f. Government Bill Prop. 2010/11:89 p.

⁵² Gullberg & Rundqvist 2004, p. 209.

⁵³ Fahlbeck 2008, p. 34.

⁵⁴ The Work Environment Act 1977:1160, Chapter 6 Section 2.

⁵⁵ The Work Environment Act 1977:1160, Chapter 6 Section 3.

is not defined by law, but it has a fairly solid meaning as the local, confined area in which an employer's business is conducted. In the large number of cases, this means that the worksite is the same as the workplace. It is primarily in temporary or mobile work units that the worksite must be distinguished from the workplace. In these cases, the scope of the worksite must be defined in a more precise manner, and this is done in agreement between the employer and the established union. For the determination of what is considered to be a confined worksite, the deciding factors will be the type of activity undertaken on the site, and whether the presence of a safety delegate is required to create a well-functioning local security organization at the work unit.⁵⁶

As with safety committees, a safety delegate shall participate in the planning of all matters relating to the physical and psychosocial work environment – issues such as rebuilding of premises, reorganization, introduction of new working methods or tools, and questions about stress at work. However, in addition, the duties also encompass active supervision of protection against illness and accidents in the area for which the safety delegate is responsible. This includes pointing out deficiencies in the work environment to the employer. The Work Environment Act requires that every employer shall systematically plan, direct and control their activities in a manner conducive to the working environment, and which meets the requirements prescribed by law. If the safety delegate notices that the employer does not comply with the legal stipulations in this respect, the safety delegate may require the employer to rectify the situation. The same applies in cases where the safety delegate discovers that the employer has not followed the rules of the Working Time Act. If the employer fails to comply with the request of the safety delegate, the representative may apply to the supervisory authority in matters relating to health and safety at work: the Work Environment Authority.

In addition, a safety delegate has extensive powers to intervene in the area of the employer's discretion, by way of the right to suspend work. The right to suspend work means that the safety delegate can interrupt work in progress. This right arises in two cases. First, a safety delegate can suspend work if he believes the work implies immediate and serious danger to an employee's life or health, and if it is not possible to avert the danger by appealing to the employer. Second, the safety delegate can always stop solitary work if that is called for from a safety viewpoint, and if the conditions for the work cannot be immediately improved by contact with the employer. The right to suspend work applies equally to work performed by agency staff.

The employer may request that the Work Environment Authority reviews a safety delegate's decision to suspend work. If so, the interrupted work is nevertheless to be suspended until the matter is finally determined.

iii) Protection for activities of the representatives, and financial matters

Both safety delegates as members of safety committees fall under the Trade Union Representatives Act, (cf. above Section 2 c) v). By this Act, and by specific provisions of the Work Environment Act, safety delegates and safety committee members enjoy a reinforced protection of employment and working conditions, as well as a more secure position in the event of redundancy. The Work Environment Act provides a more generous entitlement to leave for safety delegates and members of the safety committee than the rules on trade union representatives. Employee representatives of work environment issues are entitled to the leave needed for the assignment. Unless the employer and the

⁵⁶ Government Bill Prop 1976/77:149, p 379-381.

established union have agreed otherwise, the safety delegate determines independently how much time the safety work requires. Leave for the assignment as safety delegate or safety committee member is always associated with full employment benefits.

e) European Works Councils

Though Sweden has no national system of works councils, this form of employee representation also exists in the Swedish labour market in the form of the European Works Council established within the EU.⁵⁷ A European Works Council shall be provided in all undertakings or groups of undertakings that have a total of over 1,000 employees and at least 150 employees in each of at least two countries within the EU or EEA.⁵⁸ The central management shall, on its own initiative (or at the request of the employees) enter into negotiations on the establishment of a European Works Council, or the establishment of other procedures for information and consultation. The Works Council is established by agreement between the central management of the undertaking or group of undertakings, and a special negotiating body for the workers. The employee representatives in the negotiating body are appointed by each country's rules and practices, which in the Swedish context means that they are appointed by the established unions in the workplace. If there is no collective agreement in the workplace, the representatives are appointed by the local union with the most members in the undertaking or the group of undertakings.⁵⁹

A European Works Council has a right to information and consultation on transnational matters of importance for the workforce in terms of the scope of their potential effects, or matters that involve transfers of activities between Member States. To be transnational, the matter must concern employees in least two Member States. ⁶⁰ The right to information and consultation relates in particular to the situation and probable trend of employment, investments, and substantial changes concerning organization, introduction of new working methods or production processes, transfers of production, mergers, cut-backs or closures of undertakings, establishments or important parts thereof, and collective redundancies. ⁶¹ In the consultation, the employees' representatives must be allowed to meet with the central management and discuss in a way that provides them with clear and reasonable responses to their questions. ⁶² In the consultations, the European Works Council and the employer can discuss common decisions or actions, but these must comply with laws and collective agreements.

The operating expenses of the European Works Council shall be borne by the central management. This includes costs connected with organizing meetings, such as the cost for interpretation facilities and the accommodation and travelling expenses of members of the

⁵⁷ European Works Council Act (2011:427), previously European Works Council Act (1996:359).

Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council. The Swedish rules in European Works Council Act (2011:427) apply also to European Companies and European Cooperative Societies as defined in Council Regulation on the Statute for a European Company 2157/2001 (c.f. Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees) and in Council Regulation (EC) No 1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society (SCE) (cf. Council Directive 2003/72/EC of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees). Provisions on employee participation in cross-border activities can also be found in Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies, as implemented in Swedish law through the Act on Employee Participation in Cross-border mergers.

⁵⁹ Government Bill Prop. 2010/11:60, p. 58.

⁶⁰ European Works Council Act (2011:427) Section 1.

⁶¹ European Works Council Act (2011:427) Section 44, cf. Directive 2009/38/EC on European Works Councils.

⁶² European Works Council Act (2011:427) Section 46.

European Works Council. ⁶³ The rules in the Trade Union Representatives Act on employment protection and entitlement to leave (cf. above Section 2 c) v) also apply to Swedish employee representatives in European Works Councils.

f) Employee representation on boards

If a company is bound by collective agreements, the employees are also entitled to representation on the board, provided that the company has at least 25 employees. Employees are normally entitled to two employee representatives on the board and one alternate for each such member. In the case of corporations, all companies within a group are counted as one company in calculation of the number of employees. This means that a person employed in a small subsidiary with only a few employees has the right to participate and nominate representatives to the board of directors, as long as the entire group employe at least 25 workers. In addition, if the subsidiary has 25 or more employees, the employees have the right to be represented in that company's board as well.

The employee board members are appointed by the trade unions that have a collective agreement in the workplace. The members must be employees of the company or the group. If multiple trade unions have collective agreements in the workplace, and they cannot agree on how the seats on the board shall be apportioned to them, there are statutory rules for allocation, based on the number of company employees who are members of each organization. The office of an employee shall not exceed four years, but the trade union that has appointed the board member determines the exact scope of the legislative period. The office of an employee shall not exceed four years, but the trade union that has appointed the board member determines the exact scope of the legislative period.

In board work, employee representatives are equivalent to other members. However, there are rules regarding conflict of interest. These rules prevent employee representatives from participating when the board shall deal with matters on collective agreements, strikes or other matters where the union has a material interest that may conflict with the employer's interest. Like other members, employee representatives are entitled to receive the relevant meeting documents in a reasonable time before the meeting. Rules applying to board members regarding confidentiality also apply to employee representatives, and this can cause problems when workers' representatives need to discuss matters with the employees within the company.

An employee representative is entitled to time off for board work and entitled to pay during such leave. Training for the task may be on paid time to some extent. Normally, the unions are responsible for this training.

3. Relationship with the collective bargaining system

In Sweden, employers and employees' representatives meet in collective bargaining and negotiations on three levels – the national level, the industry level and the local (workplace) level. On the national level, the public employers are organized in the Swedish

⁶³ European Works Council Act (2011:427) Section 32.

⁶⁴ Board Representation (Private Sector Employees) Act (SFS 1987:1245), Section 4. If the company conducts business in different branches and if it has, in the most recent financial year, in Sweden, employed an average of at least 1,000 employees, the employees shall be entitled to three representatives on the board of directors (board representation) and one alternate for each such member.

⁶⁵ Board Representation (Private Sector Employees) Act (SFS 1987:1245), Section 7.

⁶⁶ Board Representation (Private Sector Employees) Act (SFS 1987:1245), Section 8.

⁶⁷ Board Representation (Private Sector Employees) Act (SFS 1987:1245), Section 10.

⁶⁸ Board Representation (Private Sector Employees) Act (SFS 1987:1245), Section 11-13.

⁶⁹ Government Bill Prop 1987/88:10 pp. 65.

Agency for Government Employers (SAGE), and in the private sector most of the industry-wide organizations belong to the national employer federation Svenskt Näringsliv (formerly SAF, which merged in 2001 with Federation of Swedish Industries). On the employee side, most unions are included in one of three trade union confederations: the blue-collar confederation LO (Landsorganisationen), the white-collar confederation TCO (Tjänstemännens centralorganisation), and the confederation SACO (Sveriges akademikers centralorganisation), to which the industry-wide organizations' academics belong. Collective bargaining *can* take place on the national level, and does so on rare occasions, but it is primarily the industrial level that has been the focus for collective bargaining activity that sets the framework for the negotiations on the workplace level. Today, industry-level collective agreements cover all sectors in the Swedish economy.

Although collective agreements in Sweden are not legally extended to apply *erga omnes*, virtually the entire labour market is regulated by collective agreements. Even in workplaces with no collective agreement, terms in the industry agreement may still be applied, as the expression of established custom and practice.⁷²

However, these workplaces are relatively few. Approximately 91 percent of Swedish employees are employed by an employer who has signed a collective agreement. About 71 percent of all employees are members of a union, but employers bound by a collective agreement are obliged to apply the collective agreement for all employees, regardless of whether or not they are union members. 4

The question of whether the employee representative system can supersede functions of collective bargaining is not relevant in the Swedish context. As we have seen, employees' representatives in the workplace are appointed by the union with which the employer has entered into collective agreements. This is true for both union representatives and for safety delegates and employee representatives on the local safety committee. The union representative who has been delegated to manage negotiations in the workplace has a mandate from the union to negotiate. The scope of this mandate may vary and is determined by the respective trade union. Thus, in the Swedish context, employees' representation in the workplace and collective bargaining are parts of the same system. Therefore, there is no real tension in this area.

4. Function and dysfunction of the employee representative system

a) Function of the employee representative system

The main function of the employee representative with a mandate to negotiate in the workplace is to engage in negotiations. Among the most important subjects for negotiation are co-determination, wage-setting, deviations from rules on seniority and qualifications in cases of redundancies, and conflict resolutions arising from employment relations.

⁷¹ Fahlbeck 2008, p. 14.

75 Cf. for example Labour Court judgement AD 1993 No 88.

⁷⁰ Malmberg 2002.

⁷² Bergqvist, Lunning & Toijer 1997, pp. 310 ff., Malmberg 1997, pp 144 ff, and Fahlbeck 2002.

⁷³ Medlingsinstitutet 2011.

⁷⁴ This obligation stems from the collective agreement, which means that only the union can require the employer to comply with it. The non-unionized employee himself cannot require to be covered by the collective agreement.

Co-determination, which is the subject of many negotiations, has been discussed above. These days, in terms of wage-setting, local representatives have come to play an important role. ⁷⁶ Previously, in international comparison, Sweden had a highly centralized system of wage negotiations.⁷⁷ From the political side, this was a strategy to keep wage increases at a low level. Nevertheless, the Swedish trade unions were also in favor of the centralized system, because made it easier for the unions to maintain the so-called solidarity wage policy. 78 Employers also supported central negotiations, which they saw as a protection against wage inflation and labour disputes. 79 The fact is that Swedish employers were already pushing for the first central negotiations in early 1950s. The system worked with only minor changes until the 1980s, when profit shares, convertible loans to employees and other financial products in addition to the regular salary were introduced in some sectors of the labour market. This development undermined the solidarity wage policy. 80 Today, industry-wide wage negotiations still play a major role in wage formation. At the industry level, it is common that the parties conclude a framework agreement on how large the total salary increase should be. These agreements often also include instructions on a certain guaranteed increase in salary for every individual. However, many wage agreements have additional provisions requiring that the local parties agree on the actual wage increases for different groups and individuals. Thus, a very large proportion of the wage formation takes place through negotiation at the workplace level, and in these negotiations, employee representatives fill an important function.

Another area in which employee representatives can have significant influence concerns cases of redundancy. In these situations, the parties may establish a special collective agreement, whereby the employees in question for dismissal are arranged in order of priority. By entering into such a collective agreement, the employer is released from the obligation to comply with the rules of the Employment Protection Act on seniority and qualifications in case of redundancies. Subject to the prohibition of discrimination, the employer and the union are in principle free to decide the order of persons in such a list.

Finally, the local employee representatives also have an important role in conflict resolutions arising from employment relations. It is not always possible to solve a conflict at the local level. If the parties fail to agree, the matter goes to central negotiations, and the employer must then negotiate with representatives from the industry association. Ultimately, the dispute may be tried in the Labour Court. However, in the delicate initial phase, every conflict must be handled at the local level. In this situation, the support from an employee's representative may make a big difference to the employee who is in conflict with the employer.

 $^{^{76}}$ Cf. Kjellberg 1998 and Fahlbeck 2002 and K. Ahlberg & N. Bruun 1996.

⁷⁷ Cf. Lundh 2002.

⁷⁸ The solidarity wage policy is often attributed to the Swedish economist Rudolf Meidner. Briefly, the idea of solidarity wage policy implies that wages in general should be set at a level where high-productivity firms are making good profits, while low-productivity companies are eliminated. The idea is that this should lead to higher wages in the long run. Cf. Erixon 2003.

⁷⁹ During the time that the collective agreement is in force (normally between 1 and 3 years) the parties are bound by peace obligation, and are thus generally unable to use industrial action.

³⁰ Ahlén 1989 p. 343.

⁸¹ The Employment Protection Act (1982:80), Section 22.

⁸² Cf. Christensen 1983.

In addition, in everyday business, local representatives generally have an essential function as guardian of the interests of employees through information gathering and as protectors of health and safety matters.

b) Dysfunctions of the employee representative system

In the Swedish system, as we have seen, the established union has an overwhelmingly dominant position when it comes to representing employees in the workplace. The advantage of this system is that the collective agreements' interests coincide with the employee representatives' interests, making the system flexible and powerful. However, there are also problematic areas.

The privileged position that the established unions are ensured within the Swedish system rests, firstly, on an assumption that employees are members of a union – not just any union, but precisely in the union that has the collective agreement in their workplace. Secondly, the privileged position of the established unions rests on the assumption that workplaces have collective agreements. In cases where one or both of these two assumptions are not met, employment representation can by no means be described in terms of flexibility or powerfulness. Non-unionized employees and employees who are members of an organization other than the one that has a collective agreement enjoy little or no representation in the workplace. In addition, if the employer has no collective agreement, in most cases there is no one in the workplace who has legal capacity to represent the employees. From this, one can conclude that the employee's representation in a system like the Swedish one is vulnerable to employees' attitudes to union membership, and to employers' attitudes to collective bargaining. This vulnerability can be seen as problematic.

The fact that the Swedish system for employee's representation puts the established union in such a favourable position also seems to be problematic in view of the EU directive on information and consultation. Bruun and Malmberg state that the requirements for information and consultation according to the directive have not necessarily been interpreted correctly by the Swedish legislator. They argue that in workplaces without collective agreement, and in order for Sweden to definitely comply with this directive, the employers' duty to initiate negotiation on matters within their own power of decision according to the Co-determination Act should have been extended to apply in relation to all trade unions. This interpretation of the directive may not be the most probable, as the authors in fact acknowledge themselves, but it is nevertheless completely reasonable. It is also particularly interesting in the light of the fact that the right to information and consultation are recognized as human rights.

5. Evaluation and trend

As stated by Rönnmar, the elements of the Swedish social dialogue – mechanisms and institutions, such as information, consultation and negotiation, co-determination and collective bargaining – are mutually reinforcing and can best be evaluated and analyzed in

⁸³ Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community.

⁸⁴ Bruun and Malmberg 2005.

⁸⁵ Article 27 of the EU Charter of Fundamental Rights, the Community Charter of Fundamental Social Rights of 1989 and the European Social Charter 1996 of the Council of Europe. Cf. Rönnmar 2009, Hertzfeld Olsson 2003.

their own entity. ⁸⁶ The Swedish industrial relations system is truly an intricate web of different mechanisms through which the importance of collective bargaining and the privileged position of the established trade unions are continuously stressed.

As we have seen, the importance of the collective agreement and the enhancement of the established union are evident not least in issues regarding employee representation on enterprise and workplace levels. To conclude, it is only the union with which the employer has signed a collective agreement – the established union – that may invoke the rules on priority right of interpretation, right to veto and the rules on collective agreement on an extended right to co-determination. The same applies to the rules on board representation. This means that non-unionized employees and employees who are members of an organization other than the one that has a collective agreement are not represented in these cases. It also means that all these provisions - on priority right of interpretation, right to veto, agreed extended right to co-determination and on board representation – lack impact in workplaces where there is no collective agreement. The established union has almost the same unique position when it comes to the employer's obligation to initiate negotiation on matters where the employer has the exclusive power of decision. Only in exceptional cases does this obligation apply in relation to a union with which the employer does not have a collective agreement – the case where the matter specifically relates to the working or employment conditions of an employee who belongs to the organization in question, and the case where an employer who is not bound by any collective agreement plans to make a decision relating to redundancies or the transfer of an undertaking (cf. Section 2 c) i). Thus, what remains are the issues of the appointment of health and safety representatives and of representatives of the negotiating bodies for European Works Councils. Apart from the particular case of negotiation concerning redundancies or transfers of undertakings, these are the sole issues, as regards employee representation, for which the Swedish legislation provides provisions also for workplaces without collective agreement. In workplaces where there are collective agreements, the established union also has an exclusive right to appoint the persons representing the employees.

This is what employee representation has looked like in Sweden for a very long time. However, at the moment, three elements of employee representation make it especially interesting to highlight the not uncomplicated nature of the established union's privileged position. The first factor is the declining percentage of unionized workers – with the current system, the fewer employees who are union members, the fewer employees who can be represented in the workplace. The second factor is the developments that may follow the EU's judgments in *Laval* and subsequent cases, which ultimately could make it more difficult to achieve a collective agreement; with the current system, without collective bargaining, there is no employee representation. The third factor is also a result

⁸⁶ Rönnmar 2009.

⁸⁷ This said, however, it should be recognized that the decline in union membership rate witnessed in recent years seems to have halted, at least temporarily. Medlingsinstitutet 2011, p. 35. It is also worth recalling that the unionization rate in Sweden is at 71 percent, which from an international perspective is still a very high figure.

⁸⁸ C-341/05 Laval un Partneri Ltd v Svenska Byggnadsarbetareförbundet [2007] ECR I-11767 and Labour Court judgement AD 2005:49. In Laval the ECJ, while recognising the right to take industrial action as a fundamental right, concluded that in some cases – like the *Laval* case – it can also constitute a restriction on the free movement of services provided for in Article 49 EC. In *Viking*, case C-438/05 International Transport Workers' Federation v Viking Line ABP [2007] ECR I-10779, the right to take industrial action likewise was considered to illegitimately affect the freedom of establishment provided for in Article 43 EC. Subsequent cases are C-346/06 Rüffert v land Niedersachsen [2008] ECR I-1989 and C-319/06 Commission v Luxembourg. Cf. Mamberg & Sigeman 2008, Eklund 2008, Rönnmar 2008 a, Rönnmar 2008 b, Van Peijpe 2009.

of legal developments in Europe, and is a question of whether the right to information and consultation that the Swedish system really gives all workers is required under EU law. All these questions require further discussion.

Finally, it can be said that even if there can be reason to discuss some matters concerning the Swedish system of employee representation in the workplace, today there is no indication that the system is about to change. Even if the unionization rate in Sweden has declined, it is currently at 71 percent, which from the international perspective is still a very high figure. In addition, the proportion of workers covered by a collective agreement is unchanged at a high 91 percent. Furthermore, Swedish politicians are fairly unanimous about the benefits of the existing system, and at the time of the *Laval* case in the European Court of Justice, representatives from the centre-right parties, which were previously critical of the union's strong position, also expressed support for the Swedish model and emphasized the importance of effective industrial relations and strong collective agreement.

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⁸⁹ Medlingsinstitutet 2011, p. 34. Cf. Kjellberg 2007.

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