

The best way to improve your employment conditions

About 90 percent of all employees in Sweden are covered by a collective labor agreement. This provides great security. A collective agreement regulates your employment conditions, which gives you increased protection and better support at the workplace.

99 percent of all the members of ST, the Union of Civil Servants, are covered by collective agreements. This means that you, as an ST member, do not need to worry about the basic conditions concerning your pension, insurance, work environment, influence, or vacation. These are regulated by collective agreements. Since there are different contracts for different branches of work, a workplace can be covered by a number of different types of collective agreement.

It is important for you to check whether your workplace has a collective agreement. Whether you work for the state, a public authority, a government agency, or a company, you can call ST Direkt at 0771-555 444 and ask. It is mainly when state financed operations are outsourced to a company that utilizes sub-contractors that you may not be covered by a collective agreement.

We at the Union of Civil Servants have prepared this brochure so that you can increase your knowledge about what collective agreements mean for you.

Britta Lejon

Chair of The Union of Civil Servants – ST

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What is a collective agreement?

A collective agreement is a written contract between an employer and a labor union organization that deals with "employment conditions or other relations between employer and employee."

Examples of issues regulated by a collective agreement include salaries, vacations, employment security, termination notice, working hours, influence, working environment, insurance, and pensions.

Unlike an employment contract or a purchase agreement, for example, a collective agreement covers many people, not only the individual who has signed the contract. This is why it is called a collective agreement.

The law and collective agreements

The employment conditions that are valid today have developed from a number of different sources and are consequently regulated in different ways. Certain questions are regulated by law, others by a collective agreement, and in many cases they are regulated by both. Laws provide a kind of basic value while collective agreements give additional value. At times the collective agreement came first and was followed by legislation, while at other times the opposite was the case.

Collective agreements provide better conditions than the law For certain employment questions there is no legislation at all, and conditions are completely regulated by a collective agreement. One example concerns salary issues. If there was no collective agreement, employers could decide entirely by themselves both the amount of your salary and whether it should be changed. The same is true concerning other forms of financial compensation – such as work-related travel expenses and per diem allowances.

In certain areas the union and employers first reached a collective agreement and the Parliament subsequently legislated minimum levels. The Parliament's intention was to guarantee that everyone on the labor market had a certain basic protection. However, rights that are legislated are inferior to those provided by collective agreements. One example of this concerns working hours – the hourly work week, the distribution of working hours, and vacations – where collective agreements provide better conditions than the law. This means that if collective agreements are eliminated, there would be a high probability that conditions in the area affected would deteriorate.

A similar situation, in which a collective agreement was reached before relevant legislation was approved, involves certain financial reimbursements, such as paid sick leave and compensation for medical care and medicines. The law now contains minimal levels in this respect as well, with varying amounts of additional compensation provided by collective agreements.

Pensions have a similar historical background. The law guarantees basic protection and various additional pension agreements provide higher amounts.

Sometimes legislation lays the foundation

There are also examples where legislation first laid the foundation and the union subsequently pushed through additional improvements in the collective agreement. One example of this is parental benefits.

Today there is basic legislative protection in the areas of working environment, employment security, and discrimination. This places responsibility upon both the employer and the union to see that laws are enforced. Collective agreements have also made clear improvements for employees in this respects as well, not least of all concerning measures to safeguard security in the case of cut-backs and dismissals.

Different possibilities for influence

An important difference between the law and collective agreements concerns the ways in which you can have an influence.

It is the Parliament which passes laws, and every fourth year you can participate in choosing who represents you there.

You can influence collective agreements by being a member of a union organization and being involved in choosing your union representatives, participating in union meetings, writing motions, etc. Collective agreements are normally changed in connection with bargaining rounds. The union then presents demands for improvements, and the employer may make a counter-proposal. These demands always involve salaries, but they often also involve such other issues as security, work environment, and working hours.



Why the collective agreement is good for you

If there is no collective agreement at your workplace, your employer unilaterally makes decisions about salaries, working hours, payment for overtime and non-normal working hours, influence, development, etc. You can certainly try to include various conditions and benefits in your employment contract, and also when eventual salary increases are discussed. But in the end you can only say yes or no to what your employer proposes.



The labor union signs the collect agreement and ensures it is observed

At a workplace where there is a collective agreement, it is the union that signs the contract with the employer. The parties must come to an agreement during negotiations, or there will otherwise be no contract. The parties in such negotiation are thus of equal importance. This is different from, for example, negotiations conducted in accordance with the Co-Determination in the Workplace Act, when the employer herself decides whether an agreement cannot be reached.

There is no public authority that oversees whether collective agreements are observed. The same holds true for a number of the labor laws that exist, such as those concerning employment security. As a result, ensuring that agreements and laws are observed is a union responsibility and, consequently, one of the most important functions of ST. Union influence is decisive, both for reaching an agreement, and for ensuring that the agreement is observed.

Collective action through strong union organizations means that there are always greater possibilities to create a good space for salary increases and good employment conditions than what any single individual has. In addition, the possibilities for achieving good conditions in an agreement are naturally greater in a union organization with many members. It is more difficult for an employer to say no to a demand made by many employees together.

Agreements are evolving to give individuals a greater influence Collective agreements cover everyone at the workplace. They protect you against discrimination in the issues they regulate and strengthen your position and your possibilities to exert influence.

Collective agreements are evolving to give you greater possibilities to develop and influence your own situation.

They provide a basic security so that you yourself, within the framework and with the support of collective agreements, can discuss and come to an agreement about your salary and other conditions with your employer.

In certain cases collective agreements specifically state that a solution will or can be reached through a direct agreement between you and your supervisor. At the same time, they regulate what may happen if you cannot come to an agreement. This can be the case, for example, when determining salaries and with issues that concern your development.

The union's role is becoming more supportive, informative, and advisory

The Union of Civil Servants works to constantly improve members' salaries, employment conditions, and influence by means of collective agreements. One aspect of this is to improve and strengthen every member's possibility to influence employment conditions and her own salary.

This means that the union will be able to represent you who are a member in the same way as before, but can also provide support for your own actions. The role of union representatives at the workplace is developing so that it is now more supportive, informative, and advisory.

Some examples of what is regulated in the current collective agreement

Working hours, that is, during what time of day and for how many hours one works. The conditions for flextime are covered by local collective agreements.

When someone is made redundant, both financial compensation and other measures are available to help that person find a new job. Support can include, for example, reimbursement for educational or training expenses, help in starting one's own business, a longer period of notice, and the possibility of an early retirement.



Higher pensions, both retirement and medical pensions, than what the law guarantees.

That a salary shall be paid and when it will be paid, which is normally once a month. There is no legislation in Sweden concerning salaries, such as a minimum wage.

Pay increases for individuals and when they will take place. Central collective agreements usually contain written formulations concerning how those covered by the agreement will have pay increases during the term of the contract.

The number of vacation days above the 25 stipulated by law. The collective agreement covering public authorities specifies that employees have between 28 and 35 vacation days annually.



Compensation for overtime, work outside of normal hours, being on call, standby, etc.

Compensation above the statutory amount for illness and parental leave. Collective agreements provide for compensation that is normally 10 percent more than what is specified in legislation.

COMPENSATION FOR OVERTIME, work outside of normal hours, being on call, standby, etc.

FIND OUT WHAT'S contained in the collective agreement that covers where you work!

Why collective agreements are good for both employers and the community

The Swedish model is based on the idea that parties on the labor market are in the best position to determine the conditions that should be applied in working life. The role of legislators, or the Parliament, is to create the conditions needed for these parties to meet their responsibilities – not to assume them for themselves or regulate the labor market in detail.

The fundamental idea is that negotiations are the best way for two parties to come to agreement when they have different views on an issue – not for someone to decide at the other's expense. This assumes a system consisting of equal parties, and the contribution of legislation has been to create reasonable rules of the game so that the system can function.

Increased productivity instead of salary dumping

Collective agreements mean that levels of salaries and conditions are maintained. Agreements provide protection against one-sided salary reductions. Employees then do not have to undercut each other in order to get a job. Companies that want to survive and grow must increase productivity and become better instead of making conditions worse for their employees. Many social economics in fact argue that this is a key to Sweden's strong economic position. Instead of using salary dumping to gain a competitive advantage, Swedish companies are forced to emphasize quality and efficiency.



Stability, predictability, and clear rules of the game

There are further reasons for why a collective agreement is better than either legislation or letting the employer decide.

For example, it is difficult to use legislation to create rules that are suited to broad range of requirements and conditions found in the labor market. Legislation is an instrument that is altogether too rigid and blunt to be able to replace industry-specific collective agreements.

One-sided decisions by employers would result in problems, discontent, disturbances, strikes, etc. Everybody loses in this way, both companies as well as employees.

Collective agreements bring stability to the labor market by creating labor peace during the term of the contract as well as predictability and clear rules of the game. The employer knows what is valid during the term of the agreement and the associated costs. In addition, the rules will be carefully observed since the parties themselves have created them and share the responsibility to apply them in the way intended.

SUGGESTIONS ABOUT WHERE YOU CAN READ MORE



You can read more about why a collective agreement is so important on ST's home page <st.org> (the information is mainly in Swedish).

Additional material about collective agreements can be found on TCO's home page <www.tco.se> This includes, among other things:

The social partners' model – the collective agreement strengthens Sweden

Information about collective agreements is also available at <www.facketforandras.nu>







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