The crisis and national labour law reforms: a mapping exercise

Country report: Sweden

1. Introduction

Following Sweden’s recovery from a grave financial crisis and recession in the late 1990s, the country enjoyed comparatively high economic growth rates from around 2001. Then, in the autumn of 2008, when the global financial and economic crisis hit Europe, the Swedish economy experienced a downturn that resulted in growing unemployment. The difficult economic circumstances had a significant influence on the industrial relations in Sweden, putting pressure on the unions to accept temporary crisis measures, such as shorter working time agreements.

In spring 2009 and in the wake of the global financial and economic crisis, trade unions and employers’ organisations concluded collective agreements – so-called ‘crisis agreements’ – at national level, enabling companies and trade unions to conclude local collective agreements ‘trading’ employment protection (and the avoidance of dismissals for reasons of redundancy) for reduced working hours and lower wages. Following the first crisis agreement reached at the end of 2009 between the Association of Swedish Engineering Industries and IF Metall, about 400 local collective agreements were concluded in this sector, involving both blue-collar and white-collar workers. In general, these crisis agreements resulted in an 18 per cent reduction in working time and a 13 per cent cost reduction.

By European comparison, nonetheless, the Swedish welfare state and employment system continue to feature a high level of social protection based on universal coverage and solidarity, a large public sector, relatively low unemployment and labour market regulation based largely on collective agreements.\(^1\) Indeed, in some circles the Swedish economy was initially considered a ‘star performer’ in the global recovery.\(^2\) Having stayed outside the euro area, Sweden enjoyed ample flexibility to combat the great recession. Accordingly, the government’s recourse to employment regulation as a means to respond to the crisis has been more limited than elsewhere and has often coincided with addressing other pressing or structural challenges, as well as meeting common European objectives.

However, concerns about financial stability drove the country’s central bank, the Riksbank, to the drastic choice of starting to raise interest rates in 2010 and keeping them up even as

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\(^2\) Its financial sector weathered the storms of 2008–2009 comparatively well, thanks in part to clean-up efforts after a brutal crisis in the 1990s. In fact, the Swedish government prides itself in managing a model economy, ‘an example of capitalism done right’. See https://sweden.se/business/how-sweden-created-a-model-economy/.
economic conditions subsequently deteriorated. Sweden’s government announced in early 2015 that it was looking to implement ‘new reforms’ designed to boost the economy. At the same time, it stressed that it would be ‘inappropriate’ for Sweden to follow other European countries and introduce tough austerity measures. In autumn 2016 an IMF team conducted its annual review and concluded that Sweden is enjoying strong growth, aided by supportive monetary and fiscal policies; it also emphasised that employment has risen by 1.5 per cent so far in 2016, pushing unemployment down to about 7 per cent.

Within the framework of the European Semester, the European Commission’s and the Council’s Country-Specific Recommendations (CSRs) for Sweden in the social field have usually been limited to one recommendation since 2011. However, the scope of that recommendation has been expanded over the years. Its initial focus was mainly on monitoring and improving the labour market participation of young people and other vulnerable groups, especially low-skilled workers and those with an immigrant background (CSR 2011–2013). Later the recommendations increasingly required national policy action to facilitate school-to-work transitions and to promote work-based learning and training based on contracts combining employment and education, including the Youth Guarantee (CSR 2012–2014). In 2015 and 2016, just like Denmark, Sweden did not receive any CSRs in the social field, which seems to suggest that the country’s policies in recent years have been largely in line with the EU’s employment objectives and policy targets.

The main areas affected by the reforms during the crisis years and beyond have focused on working time and atypical work, and the main struggles for Sweden have been compliance with EU legal requirements and the implementation of EU measures.

2. Working time

With regard to concrete anti-crisis measures, in July 2011 the Swedish Parliament adopted a law amending the rules on working time. The new provisions, among other things, made it easier to introduce overtime. For instance, the requirement of prior administrative authorisation for overtime beyond 150 hours a year was abolished. It is now sufficient if overtime is needed because of a temporary and unforeseeable increase in work, to cover the absence of another worker or a lack of competent workers, which cannot be rectified immediately by hiring other workers. At the same time, employers must always be able to justify the overtime by proving that they had no other solution.


In addition, short-time working arrangements have been extended beyond the main crisis years. In October 2011, the social partners presented a common report on short-time working in important competitor countries. Based on this report, the social partners negotiated a more durable regulatory arrangement by means of a collective agreement on short-time working in periods of temporary economic difficulty. In spring 2012, the government mandated an

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3 The Riksbank reportedly worried that rising household borrowing and soaring house prices could lead to trouble down the road. It therefore opted to ‘lean against the wind’ – in central bankers’ parlance – and to deflate the credit boom before it burst catastrophically. This seems instead to have taken the air out of everything but exuberant markets. Unemployment in Sweden has held steady over the past year, in the euro area it has declined. Sweden’s inflation rate has turned negative, at −0.2 per cent; the euro zone’s is at least positive, at 0.5 per cent. Meanwhile, Swedish private-sector debt as a share of GDP is higher now than it was in 2010 and home prices continue to climb. (On 29 June 2014, the Bank for International Settlements, a clearing-house for central banks, warned that a long period of low interest rates might do more harm than good if it led to reckless financial activity. The Swedish example suggests another risk: that tightening policy before an economy is ready may ultimately lead to an even longer spell of low rates.) The Economist (2014) Sweden’s deflated economy – Sub-zero conditions. Interest rates are back to crisis lows, issue of 12July 2014, available at http://www.economist.com/news/finance-and-economics/21606895-interest-rates-are-back-crisis-lows-sub-zero-conditions (accessed 6 January 2016)


The social partners in 2013 successfully negotiated changes to parental leave arrangements. In December 2013 the 14 unions affiliated with LO (the Swedish Trade Union Confederation) approved the deal reached with Svenskt Näringsliv (the Confederation of Swedish Enterprises) for a financial supplement to parental leave benefits. From now on, parents in the private sector covered by Svenskt Näringsliv or working in places subject to a collective agreement will receive an additional 10-per cent pay supplement, added to the allowance received for 180 days in the name of parental leave. In addition, the Swedish government has proposed that for parents of children born on or after 1 January 2016, the number of days that are exclusively reserved for an individual parent and accordingly may not be transferred will increase from 60 to 90 days. The aim of this amendment was to encourage greater sharing of parental responsibilities by ensuring that each parent has access to a minimum period of leave and thereby enhancing both equality in the labour market and also children’s contact with their parents.

3. Atypical work contracts and activation of labour force

3.1 Fixed-term work

In the field of atypical employment, concerns were raised with regard to the Swedish regulation of successive fixed-term contracts. Among other things, the legislation carried a risk that different forms of fixed-term employment contracts could be combined in a way that circumvents the time limits that apply for a general fixed-term employment contract or for the contract to be converted into an indefinite permanent employment contract.

Following a complaint by the Swedish Confederation for Professional Employees (TCO) to the European Commission on Sweden’s failure to correctly implement the Fixed-Term Work Directive (1999/70/EC), the latter forwarded a formal notification to the Swedish government. This resulted in two official Inquiry Reports (Ds 2011:22 and Ds 2012:25). Both reports proposed legislative amendments to rectify the deficiencies of the Swedish legal
Despite these proposals in January 2013 the government, surprisingly, announced that Swedish law already was in compliance with the Fixed-Term Work Directive. Meanwhile, another complaint had been filed by the Swedish Association of University Teachers to the European Commission in late summer 2012 regarding the regulation on fixed-term work in the recently amended (1993:100) Higher Education Ordinance. In addition, another Government Inquiry Report was presented in autumn 2012, aimed at the introduction of a new fixed-term employment contract, the Education Employment Contract. Consequently, on 21 February 2013, the European Commission delivered a reasoned opinion related to the implementation of the Fixed-Term Work Directive, claiming that Sweden had failed to correctly implement the Fixed-Term Work Directive (clause 5.1) and called upon Sweden to take necessary measures to abide by the reasoned opinion within two months. On 22 April 2013, the government sent a reply in response to the European Commission’s reasoned opinion on the Swedish implementation of the Fixed-Term Work Directive in line with its previous answers and correspondence with the Commission.

Eventually a new Government Inquiry was reported in spring 2015. In November 2015 the government concretised legislative plans for an amendment of the (1982:80) EPA with regard to fixed-term contracts. This time, it resulted in amendments that came into force on 1 May 2016. The amendments confirmed the rule that in the case of ‘general’ or ‘replacement contracts in which the employee’s career with the same employer exceeds two years over a five year period’ temporary employment contracts can be converted into permanent employment contracts. It also added the possibility of converting ‘general’, ‘replacement’ and ‘seasonal’ contracts if they have been renewed during a period exceeding two years. However, they cannot be converted if more than six months has elapsed between both contracts. Finally, the amendment provided that the temporary employment contracts continue when activities are transferred, when there is a bankruptcy or if the core business of the company changes and that in addition a collective agreement could provide for exceptions.

### 3.2 Specific contracts for young workers

On 4 September 2012, the government announced the adoption of a ‘Youth Package’ of 8.1 billion euros to tackle youth unemployment and create more jobs for young people in 2013–2016. The Package encompassed, for example, investments in apprenticeship education and active labour market measures (ALMP).

In the 2013 Government Bill on the State Budget (Prop. 2012/13:1), the government then expressed its will to stimulate the employment of young persons through collectively bargained ‘Introduction Agreements’ and through wage subsidies and support from supervisors (with a possible reduction of the unemployment benefit payment). These Introduction Agreements are to combine work and education and ought to be partly financed

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11. The First Report proposed to clarify the existing legal situation and to ensure that it clearly followed from the legislative text that an abuse of successive fixed-term employment contracts be prohibited. The Second Report proposed a new, complementary provision to be inserted into the (1982:80) Employment Protection Act, stating that a general fixed-term employment contract or a temporary substitute employment contract shall be converted into an indefinite permanent employment contract during a period in which probationary employment contracts or fixed-term employment contracts have followed each other, and the employee has been employed on a general fixed-term employment contract for a total period of more than two years or in temporary substitute employment for a total period of more than two years. In comparison with the previous proposal, this proposal set out to further limit the abuse of successive fixed-term employment contracts.

12. At the end of July 2012, the government decided on amendments to the regulation of fixed-term employment contracts in the (1993:100) Higher Education Ordinance. The Higher Education Ordinance regulates employment in universities and higher education bodies. The amendments, which entered into force on 15 August 2012, among other things introduce a new provision on fixed-term employment, the so-called employment for qualifications (see Section 12a of the Higher Education Ordinance). The Swedish University Teachers Association complained that the new provisions – together with the general regulation on fixed-term contracts in the (1982:80) EPA – made it possible to hire teachers in the higher education sector on successive temporary contracts for an unreasonably – and unforeseeable – long period of time. They maintained that the new rules therefore violated the prohibition of abuse of successive fixed-term contracts under the EU Directive.

13. The 330-page Report classified the proposed Education Employment Contract neither as an initial vocational training relationship nor as an apprenticeship scheme, which would therefore not be exempt from the Fixed-Term Work Directive (1999/70/EC, Article 2(2)). The Government Inquiry Report furthermore also did not propose any restrictions on hiring the same employee more than once on an Education Employment Contract, nor does it propose any other limitations as regards the combination of the Education Employment Contract with other fixed-term employment contracts.

by the state. For that purpose, the government set out to negotiate a Tripartite Job Pact with the social partners, aimed at tackling youth unemployment. However, this process stalled when the Confederation of Swedish Enterprises (Svenskt Näringsliv) withdrew from the negotiations in January 2013.

Nevertheless, in March 2013 the government presented some proposals that generally aimed at improving the functioning of the labour market, raising the employment rate and reducing unemployment through actions in three areas: Introduction Agreements, managing labour market transitions and employability, and short-time working arrangements. These ideas were gathered in a Government Inquiry Report (Ds 2013:20 Vissa lagförslag med anledning av trepartssamtalen) with a legislative proposal along these lines. According to the proposal an employer who hires a young person (15–24 years of age) in line with a collectively bargained Introduction Agreement that combined work and education, may be given a wage subsidy of up to 650 euros per month. The government adopted the corresponding regulation establishing the Introduction Agreements on 19 December 2013 (Förordning om stöd för yrkesintroduktionsanställningar, SFS 2013:1157).

On 5 November 2013 the government proposed a bill on recruiting apprentices in secondary education. The bill proposed an amendment to the School Act (skollagen), providing that a person doing vocational training in a company could not be considered an employee because the amendment of the Holiday Act (semesterlagen) states that students following vocational training had to enjoy their holidays. According to the proposed amendment apprentices now can work during the holidays if they get annual leave compensation afterwards. Finally, the proposal specified that the law on recruitment security (anställningskyddslagen) does not apply to apprentices as they are covered by their own law.

On 16 June 2015 the Parliament passed the government’s Spring Amending Budget which meant that previously announced reforms, including trainee jobs and education contracts for young people would come into force. On 30 June 2015 the government took the next steps, by introducing trainee jobs in the welfare sector and in shortage occupation areas as a form of subsidised employment for unemployed young people. The first trainee jobs were introduced on 3 August 2015. On the same date education contracts were introduced for unemployed young people aged 20–24 who lack upper secondary school qualifications or equivalent knowledge.

3.3 Temporary agency work, posting of workers, public procurement

In the area of temporary agency work, a Governmental Inquiry Report was presented in January 2011 (SOU 2011:5) drawing up legislative recommendations with a view to implementing the EU Temporary Agency Work Directive 2008/104/EC. In line with the Directive’s deadline for implementation, the implementing national measures should have become effective on 5 December 2011; however, it took longer due to the difficulties of reconciling the European rules with the Swedish labour law and industrial relations system.

The first report-based proposal in 2011 advocated that implementation should occur by adopting a new Act on Temporary Agency Work. In July 2012, the government remitted a report on the implementation for further assessment. Eventually, the Swedish Parliament approved the Government Bill (Prop. 2011/12:178, Lag om uthyrning av arbetstagare) on the implementation of the Temporary Agency Directive (2008/104/EC), and a new Act on Temporary Agency Work entered into force on 1 January 2013. The new law applies to temporary agency workers employed in the private and public sectors. Exceptions to the principle of equal treatment are possible with regard to pay in accordance with Article 5(2) of the Temporary Agency Work Directive on condition that the temporary agency worker is permanently employed by the temporary work agency and is paid between assignments. In

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In addition, a monthly economic supervisory support is proposed. This support can be provided for a maximum of 12 months. The government’s aim is to present a final proposal outlining this support in the 2014 Government Bill on the State Budget.


Planet Labor, November 20, 2013, No. 130720 (7957) – www.planetlabor.com

addition, the Act contains a provision that the social partners may, in accordance with Article 5(3) of the Temporary Agency Work Directive, enter into collective agreements concerning working and employment conditions that deviate from the principle of equal treatment, provided that the overall protection for workers from temporary work agencies is respected.19

Shortly thereafter, however, the government launched another official inquiry into temporary agency work and, notably, its relationship with legal employment protection and the priority right to re-employment after dismissal for reasons of redundancy. The Government Inquiry investigated the extent to which temporary agency workers are hired in place of employees who were previously dismissed for reasons of redundancy and have a priority right to re-employment according to Section 25 of the (1982:80) Employment Protection Act.20 The inquiry was concerned, among other things, with whether collective agreements that regulate – and restrict – the use of temporary agency work in connection with redundancy dismissals are in line with the Temporary Agency Work Directive. While the results of this government investigation were still pending, the employers’ organisation Bemanningsföretagen, organising employers engaged in the temporary agency work business, filed a complaint to the European Commission.21 On 17 July 2014 the government issued Report (SOU 2014:55 Inhyrning och företrädesrätt till återanställning) concluding that it is, in fact, very rare for temporary agency workers to be hired in situations in which previous employees have a priority right to re-employment and that there have been few disputes in this area.

One of the strongest points of contestation in the national debate has been the relationship between the EU’s Agency Work Directive 2008/104/EC and the Posted Workers Directive 96/71/EC. The new Agency Work Act asserted that by virtue of Article 3(9) of the Posted Workers Directive, the working and employment conditions of posted temporary agency workers shall be more strongly protected than those of other posted workers (see Bill, pp. 72 ff). In this context, it is necessary to recall that as a result of Lex Laval adopted in order to comply with CJEU’s judgment in Laval22 since 15 April 2010 trade unions have been able to take industrial action against an employer in order to achieve a collective agreement for the posted employees, but only if it fulfilled the following criteria:

- minimum terms in a Swedish central branch agreement (an agreement that is valid generally in the whole country for a particular branch);
- the terms are valid for leave, working hours, pay and similar; and
- the terms in the collective agreement are better than those already in force according to Swedish law.

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19 The Swedish employers’ organisations criticised the government’s decision not to introduce a provision stating that prohibitions or restrictions on the use of temporary agency work in collective agreements shall be justified only on general interest grounds. The government recognised that the legal interpretation of Article 4(1) of the Temporary Agency Work Directive is uncertain, but felt justified in not regulating this matter and rather to await the response from the European Commission on the Swedish review of possible statutory and collectively bargained prohibitions and restrictions, (cf. Article 4(2) and Bill, pp. 69 ff). See http://www.regeringen.se/sb/d/13532/a/199435.
20 According to the case law of the Swedish Labour Court (Labour Court judgments AD 2003:4 and AD 2007:72), an employer may dismiss employees for reasons of redundancy, and thereafter, also during the period when former employees have a priority right to re-employment, male use of temporary agency work. The priority right of re-employment is relevant only when the employer hires employees, not when the employer engages temporary agency workers. However, the Labour Court has also clarified that there may be situations in which such an engagement of temporary agency workers constitute an unlawful circumvention of the priority right to re-employment and employment protection. In the collective bargaining rounds of 2010 and 2013, a number of provisions regulating the relationship between the use of temporary agency work and the priority right to reemployment were introduced (the Inquiry reports on eight different regulatory schemes found in collective agreements). The Government Inquiry conducted various surveys, a large number of interviews with social partners, individual employers and other stakeholders and studied existing collective agreements in this area.
21 The association alleged that the illegitimacy of Swedish regulations on the use of agency work in the context of public procurement, which in certain cases prevented workers newly employed by temporary work agencies for a certain time from being assigned to the user company that previously employed them, based on EU law on public procurement and free movement.
22 It concerned a case in which a Latvian company, Laval, posted Latvian workers to Sweden to perform construction work. The judgment called into question the relationship between the freedom of collective bargaining and related social rights, on one hand, and the free movement of services, on the other. It sparked controversy over the ways of determining (minimum) rates of workers’ pay, and hence directly touched the peculiarity in the Swedish system that wages are set exclusively by collective agreement. Case C-341/05 Laval un Partneri Ltd v Svenska Byggnadsarbetareförbundet, Svenska Byggnadsarbetareförbundets avdelning 1, Byggtekniska and Svenska Elektrikerförbundet[2007] ECR I-11767. Together with three subsequent ECJ judgments (C-438/05 Viking[2008] ECR I-10779, C-346/06, Rüffer[2008] ECR I-1989; and C-319/06 Commission v Luxembourg[2007] ECR I-4323) decided in a similar vein reference is now made to the so-called ‘Laval Quartet’, Koukiadaki (2014) at 95.
Employees’ organisations could not use industrial action to achieve a Swedish collective agreement if an employer showed that the employees are already included in terms and conditions that are at least as good as those in a Swedish central branch agreement.23

On 27 September 2012, a parliamentary Government Inquiry on the posting of workers was appointed in order to evaluate the legal changes introduced by the Lex Laval and subsequent adaptations.24 In June 2014 the scope and the deadline of this Government Inquiry was extended to also look at how certain provisions in the newly adopted EU Posted Workers Enforcement Directive 2014/67/EU should be implemented in Sweden. Two more months were added for this investigation – instead of 31 December 2014, the report was now due on 28 February 2015.

Meanwhile, the impact of the Posting of Workers Act complicated the adoption of the Agency Work Act. Eventually, the latter added a provision, Section 5b, to the legislation on posting of workers (1999: 678), as amended by Lex Laval. This regulated the extent of Swedish trade unions’ right to take industrial action to draft collective agreements for posted temporary agency workers. In addition to all this, upon the adoption of the new Agency Work Act in late 2012, the Swedish Parliament called on the government to ask the EU to adopt a social protocol to protect fundamental trade union rights in the EU.25

In December 2012 the government proposed to introduce an obligation for the foreign service providers posting workers to Sweden to register with the Swedish Work Environment Authority and to appoint a contact person in Sweden, if the posting lasts longer than five days. The Parliament adopted the Bill on 22 May 2013 with two minor revisions related to the design of the sanctions applicable if the employer acts in contravention with the obligation to register.

In the meantime, the Swedish trade unions, considering that the amendments introduced by the Lex Laval, including also changes to the (1976:580) Co-determination Act and those to the Posting of Workers Act, restricted the rights of freedom of association and collective bargaining according to Articles 5 and 6 of the European Social Charter, had submitted a collective complaint (No. 85/2012) to the European Committee of Social Rights (ECSR). On 20 November 2013, the ECSR decision (of 3 July 2013) was published, unanimously declaring the complaint admissible.26 The ECSR concluded by 13 votes to 1 that Lex Laval violated, among other things, Article 6 paragraph 2 (the right to bargain collectively) and Article 6 paragraph 4 (the right to collective action) of the Charter.27

In light of these developments, another Government Inquiry was commissioned on 22 December 2014, this time addressing the role of collective agreements in public procurement. The aim of the Inquiry was to analyse how specific requirements for collectively bargained conditions could be included in three forthcoming acts in the area of public procurement. It intended to use the scope offered by the 2014 Public Procurement Directives in order to strengthen social protection. Furthermore, the results of the previous Government Inquiry regarding the implementation of the EU Posting of Workers Enforcement Directive 2014/67/EU were presented in two reports (SOU 2015:13, part 1, and SOU 2015:38, part 2) in spring 2015. The Public Inquiry proposed a number of measures to strengthen information to transnational (EU) service providers and posted workers and specific employer liability for

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24 The Government Inquiry also sought to survey the posting of workers situation in Sweden. Using this survey as a starting point the Government Inquiry shall: (i) evaluate whether the Lex Laval and its application serve to protect the basic working and employment conditions of posted workers, (ii) evaluate and analyse the application of the rules concerning the obligations of the Working Environment Authority from a transparency perspective and propose necessary amendments to the rules and (iii) analyse whether further legal reforms and amendments in this area are needed to protect the Swedish labour market model from an international perspective.

25 The Parliament demanded that free movement within the EU should not be used to reduce or worsen wages and working conditions. A legally binding social protocol would make it clear that fundamental trade union rights, such as freedom of association, the right to collective bargaining and the right to collective action are not subordinate to the fundamental freedoms of the EU.


27 The Committee emphasised (p. 122) that the facilitation of free cross-border movement of services and the promotion of the freedom of an employer or undertaking to provide services in the territory of other States—which constitute important and valuable economic freedoms within the framework of EU law—cannot be treated, from the point of view of the system of values, principles and fundamental rights embodied in the Charter, as having a greater a priori value than core labour rights, including the right to make use of collective action to demand further and better protection of the economic and social rights and interests of workers'.
subcontracting situations, primarily in relation to health and safety at work. Based on that, the government presented a Bill to transpose the Directive.

Six months later, the more extensive Government Inquiry into the *Lex Laval* was concluded on 30 September 2015. The Committee on Posted Workers, consisting of both MPs and experts, presented the report ‘SOU 2015:83 Översyn av Lex Laval’, (Overview of Lex Laval) to the Swedish government. The main aim of the Committee’s proposals was to facilitate the protection or application of domestic labour standards, primarily the possibility to take collective action in order to achieve acceptable employment conditions in the posting of workers, an aim that reflects a strong internal opinion about fairness in competition and social dumping. When the proposal entered the legislative process, the Committee considered it likely to be adopted. The proposal provided for the following:

- The establishment of the so-called ‘posted workers collective agreements’. This new form of basic collective agreement, including the minimum conditions covered in the Posted Workers Directive (and the Swedish Posting of Workers Act), could be used and implemented by the exercise of collective action, including secondary actions, under Swedish law, even if the company that posts the workers argues that the standards in the Directive are being complied with.
- The employer will, by concluding a ‘posting of workers collective agreement’, be associated with the trade union with regard to information and documentation on employment contracts, wage levels and payment of wages – insofar as it is required for the trade union to exercise reasonable control of the minimum standards in the ‘posting of workers collective agreement’, and also if the (Swedish) trade union does not have any members who work at the respective workplace.
- Provisions in individual employment contracts that do not live up to the minimum requirements in the ‘posting of workers collective agreements’ could be nullified and the foreign posted workers be given legal entitlement to directly claim the employment rights included under the ‘posting of workers collective agreement’ in Swedish courts.

**4. Other relevant developments**

Furthermore, the following developments may be of interest:

- On 1 January 2013, new legislation on *age discrimination* (modifications to the existing (2008:567) Non-Discrimination Law) entered into force. The prohibition on age discrimination was broadened beyond working life to, for example, goods, services, social security, health care, social care and housing.
- To improve the efficiency of the current reduction of the *social security contributions for young people*, the government announced in the 2014 Budget Bill that social security contributions for young people younger than 23 years old at the start of the year will be reduced to 10.21 per cent, while the current reduction will no longer be provided for those who have reached the age of 25. The prevailing reduction (15.49 per cent) will remain in effect for individuals who have reached the age of 23 but not 25 at the start of the year.
- According to new rules concerning newly arrived migrants the Public Employment Service (*Arbetsförmedlingen*) has the obligation to evaluate the educational background and attainment of the newly arrived immigrant and assess the necessary measures to be undertaken (training or other measures) to facilitate the entry of the *foreign-born job-seekers* into the labour and housing market. As part of efforts to improve the validation of education and skills of foreign-born people, the government has also instructed the Swedish Public Employment Service (*Arbetsförmedlingen*) to develop methods for validating the knowledge of people born abroad.
- On 20 May 2014 the government proposed a bill to improve the security of *whistle-blowers*. The proposal provided for better protection of whistle-blowers in both the public and private sectors, protection of identity, entitlement to damages and other measures. The law was adopted by the Parliament in June 2016 and will come into force on 1 January 2017.

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29 Planet Labor, 22 June 2016, No. 9735 – www.planetlabor.com
In January 2015 the announced occupational safety as a priority. In March 2016 the Swedish Agency for Work Environment, Work and Inspections presented a series of measures that will apply to businesses as of March 2016. The new directives aim to regulate knowledge bases, goals, workloads, working hours and discrimination. The underlying idea is to make employers more responsible for these issues, encourage employees to manage their own working environments and offer new tools to those responsible for safety (Skysombud). The directives firstly target employers so that they can ensure their managers and worker representatives have the right.

Among other initiatives in the Budget Bill for 2017 the Ministry of Employment intends:

- to make new start jobs more targeted and efficient, by reducing the subsidy for people who have been unemployed for less than two years and shortening the maximum support periods. The government also intends to increase the new start job subsidy for people who have been unemployed for more than three years and for new arrivals to strengthen their chances of entering and becoming established in the labour market.
- to amend the rules for part-time employment during a period of unemployment benefit so that people can be part-time unemployed and receive benefit for a maximum of 60 weeks. The current provision states that a jobseeker can have only 75 benefit days alongside part-time work. In principle, the restriction on part-time work means that a person working very few hours a week uses up their part-time days much more quickly than someone working part-time but for more hours a week. The government considers that it is not reasonable for a person trying to re-enter the labour market to feel obliged to turn down a job – to the extent that is happening today – to be sure of making ends meet. This change will occur through a legislative amendment in 2017.

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