The right to strike in the public sector

Sweden

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This factsheet reflects the situation in October 2018 and was elaborated by Andrea Iossa (independent expert) and reviewed by EPSU/ETUI; comments were received from the Swedish (EPSU) affiliates Vision and TCO and integrated.
1. Legal basis

International level

Sweden has ratified:

**UN instruments**

- **International Covenant on Civil and Political Rights**
  (ICCPR, Article 22)
- **International Covenant on Economic, Social and Cultural Rights**
  (ICESCR, Article 8)

**ILO instruments**

- **Convention No. 87 concerning Freedom of Association and Protection of the Right to Organise**
  ratified on 25 November 1949
- **Convention No. 98 concerning the Right to Organise and Bargain Collectively**
  ratified on 18 July 1950
- **Convention No. 151 concerning Labour Relations (Public Service)**
  ratified on 11 June 1979
- **Convention No. 154 concerning the Promotion of Collective Bargaining**
  ratified on 11 August 1982

European level

Sweden has ratified:

- **The (Revised) European Social Charter on 29 May 1998**
  including Article 6(4)
- **The Additional Protocol to the European Social Charter Providing for a System of Collective Complaints**
  (ratified on 29 May 1998);
- **The European Convention on Human Rights on 4 February 1952**
  (including Article 11 on the right to freedom of assembly and association), and it has incorporated it into national law (SFS 1994:1219); Chapter 2 Section 19 of the Instrument of Government (SFS 1974:152, one of the four Fundamental Laws forming the ‘Swedish Constitution’) states that no statutory act or other provision of law can be in breach of the obligations undertaken by Sweden under the ECHR.
National level

Chapter 2 Section 14 of the Instrument of Government guarantees the right to strike and to undertake collective action on the labour market (stridsåtgärder), unless otherwise provided by law or collective agreement.

Applicable law(s)

- The part of the Co-determination Act (Lag om medbestämmande i arbetslivet, SFS 1976:580, Sections 41 to 44) entitled ‘Peace obligation’ (Fredsplikt) lays down general rules on the exercise of the right to strike and take collective action; the subsequent parts of the Co-determination Act lay down rules on giving notice (Section 45), mediation (Sections 46 to 53), and damages and sanctions in the event of unlawful strike action (Sections 54 to 62);

- Public employees are considered to be contractual employees, i.e. they fall within the scope of the general rules on strike and collective action laid down in the Co-determination Act. However, the Public Employment Act (Lag om offentlig anställning, SFS 1994:260) contains provisions that limit and restrict the exercise of the right to strike in the public sector (Sections 23 to 26), including an obligation for the parties to enter into negotiations in the event of a strike (Section 27) and the award of damages (Sections 28 to 29).

- The case law of the Labour Court has a relevant role in assessing the lawfulness of strike or collective action, particularly in relation to peace obligations deriving from an existing collective agreement still in force. The Labour Court also decides the amount of compensation to be paid in the event of unlawful strike or collective action.

- As a general rule, peace obligations automatically apply between two parties bound by a collective agreement. The application of contractual limits to the right to strike and take collective action is common practice in Sweden. It has traditionally been the exclusive prerogative of the labour market parties to impose restrictions and procedural requirements on the right to strike through intersectoral and sectoral collective agreements (see the 1938 Basic Agreement and, more recently, the 2016 Industry Agreement).

- In the public sector, a basic collective agreement lays down rules on mediation, cooling-off periods and notification, as well excluding certain categories of high-ranking civil servants from the right to strike (i.e. employees of the Government Offices, judges of the Supreme Court, senior officers of the armed forces, etc.). As there is no statutory definition of ‘essential services’, restrictions on the right to strike and rules on minimum services in the event of a strike are set by sectoral collective agreements.
2. Who has the right to call a strike?

Chapter 2 Section 14 of the Instrument of Government explicitly provides that trade unions, employers’ associations or individual employers (i.e. to parties who can sign a collective agreement) have the right to call for a strike or collective action.

Any strike action called by non-unionised workers is likely to be considered a wildcat strike. This reflects the significant role of the labour market parties in the Swedish system.

However, the requirements for forming a trade union are minimal. Therefore, individual workers who are not already members of a trade union could, in principle, unite and form a trade union in order to be entitled to call a strike.
3. Definition of strike

No formal definition of strike or collective action is provided in Swedish law. However, the aforementioned provision of the Instrument of Government does refer to ‘industrial action’, which implies a dispute over a labour/employment-related matter.

Moreover, Section 41 of the Co-determination Act refers to strikes and lockouts as stoppages of work (arbetsinställelse) undertaken by employees/trade unions and employers/employers’ associations.

The provision also covers ‘blockades, boycotts and other comparable form of industrial action’. ‘Overtime bans’, and ‘go-slow’ and ‘work-to-rule’ action represent other types of collective action undertaken by workers and trade unions.

As a general rule, the Labour Court has held that collective action must be undertaken with the intention of exerting pressure on the other party to a work- or labour-related dispute. This definition has, however, been interpreted broadly so as to include political strikes in the case of protests over labour, employment and welfare policies.

In the public sector, the Public Employment Act limits the permissible forms of industrial action to strikes, lockouts, overtime bans and hiring blockades. Political strikes are also restricted in the public sector. Any collective action must be grounded on work-related matters and cannot be undertaken to influence political decisions.\(^5\)

Blockades and boycotts are widely used by trade unions in sympathy strikes or secondary action. Pursuant to the Co-determination Act, any sympathy strike undertaken in support of lawful primary collective action is also considered lawful.
4. Who may participate in a strike?

All workers, regardless of whether they are members of the trade union that called for strike action, may participate in a strike.

Public sector

- Section 23 of the Public Employment Act sets limitations on the exercise of the right to strike and take collective action for those public employees whose work comprises the exercise of public power or is ‘unavoidably necessary’ in order to ensure the exercise of public power.

- Other categories of civil servants are excluded from the right to strike. These categories are defined in the Basic Agreement for the public sector and include high-ranking officials in the Government Offices, in the judiciary, in penitentiary structures and other administrative agencies.

- According to Section 25 of the Public Employment Act, participation of a public employee in a strike is dependent on the decision of the trade union.

- Public employees as referred to in Section 23 of the Public Employment Act may undertake collective action only in the form of a strike, lockout, overtime ban or hiring blockade.

- There is no statutory provision stipulating which services or sectors are to be considered as essential. However, in the Basic Agreement for the Public Sector, the social partners agreed that, in certain sectors, strikes and collective action are to be undertaken with extreme caution. These sectors are broadly identified as those relating to the security of the State, the maintenance of law and order, healthcare and the care of persons in need, and individual financial security. The social partners also agreed to avoid any collective action that might cause a serious disturbance to the economy and hamper the effective functioning of public supply chains. In addition, the parties agreed to avoid any collective action that would be offensive for humanitarian reasons, such as in the case of schools for disabled persons. Furthermore, the 1938 Basic Agreement for the private sector states that the parties must enter into negotiations and attempt to prevent any conflictual situations or disputes arising in sectors that concern vital societal functions.

- ‘Minimum services’ in the event of a strike in those sectors are established by the social partners through collective agreements.
5. Procedural requirements

- There is no general principle involving the use of collective action as a last resort. However, Section 10 of the Co-determination Act lays down a general obligation to negotiate, as do many collective agreements. Therefore, parties usually engage in negotiations before resorting to collective action.

- The party that intends to undertake collective action is obliged to forward a written notice to the other party and to the National Mediation Office at least seven working days in advance. However, the notification obligation may be waived if there is a valid impediment (such as where the collective action would be deprived of its effect). In addition, collective action to demand the payment of outstanding wages does not require a notice period.6

- If the National Mediation Office considers that there is a risk that a labour dispute may result in collective action, it may appoint, with or without the consent of the parties, one or more mediators to mediate in the dispute.7 The role of the mediator is primarily to help resolve the dispute through voluntary negotiations between the parties.8 He/she can make proposals and issue fines in the case of non-compliance. The mediator can also ask the parties to submit the dispute for arbitration, and the Meditation Office can assist the parties in the appointment of arbitrators.9

- In several sectors, including public services, the parties will have signed collaboration agreements, which lay down rules for mediation and conciliation. If such an agreement exists between the two parties to a dispute, the National Mediation Office cannot appoint a mediator without the consent of the parties.

- There is no requirement for a trade union to hold a ballot of its members in order to approve a strike before taking any strike action; however, the by-laws of major employee organisations require that their executive board approve any collective action.

- At the request of the mediator, the National Mediation Office can postpone collective action for a consecutive period of 14 days from the day on which the action was due to begin. The decision cannot be appealed against by the parties.10

- The peace obligation is imposed by law in accordance with Section 41 of the Co-determination Act, which states that collective action may not be undertaken by parties bound by a collective agreement. Even though the parties are reciprocally bound by a collective agreement, the peace obligation only regards issues that are regulated by the collective agreement. The parties can still take industrial actions regarding issues that are not regulated in collective agreement. (Co-determination Act 41§ second section. The peace obligation does not apply to parties that are not mutually bound by a collective agreement: this means that an employer who has concluded a collective agreement with one trade union can still be the target of collective action by another trade union.)
The peace obligation is considered to have legal effect as part of a collective agreement. It enters into force upon conclusion of a collective agreement and ends with the expiry of the agreement. It cannot be set aside by collective agreements. The peace obligation does not apply in the case of lawful sympathy action, where a request for a co-determination agreement has been made but not implemented, or in the case of a political strike.

A trade union must refrain from initiating, supporting or participating in collection action that violates peace obligations, and is obliged to ensure that its members refrain from doing the same.¹¹
6. Legal consequences of participating in a strike

Participation in a lawful strike

- Participation in a lawful strike or collective action merely suspends the employment contract and relieves the workers concerned of their contractual obligations deriving therefrom. It cannot be considered a ground for terminating the employment contract.

- Workers who take part in a lawful strike or collective action lose their entitlement to any salary for the duration of the work stoppage.

- Loss of wages can be compensated for through strike funds, which are generally managed by sectoral federations and financed through membership fees. Where required, special levies can be applied in support of collective action.

- Employers have the right to declare a lockout in Sweden. There is no legal obstacle for employers to temporarily replace workers on strike. However, this is rather unusual due to the strong response it usually provokes among trade unions (expanding strike actions, sympathy measures etc).

Participation in an unlawful strike

- Individual liability does not apply to workers who participate in an unlawful strike if the action has been called by a trade union. Individual liability is possible only in the case of a wildcat strike. Until 1992, the maximum fine that could be imposed on individual workers participating in unlawful collective action amounted to SEK 200 (about EUR 20). This threshold has since been abolished, and the amount of the fine is now decided by the Labour Court, but it is imposed only rarely and always taking into account specific circumstances, such as the strike’s objective, its duration and whether the worker refused to comply with a court order suspending the action. An individual’s position as a union official is seen as an aggravating factor because of the responsibility that unions have in preventing and stopping unlawful action.

- The labour market parties have an obligation to attempt to prevent unlawful collective action from being organised or undertaken by their members. If unlawful collective action is initiated, the parties have an obligation to meet and discuss in order to negotiate the cessation of such action (known as the ‘duty to confer’). Trade unions have liability with regard to calling or participating in unlawful collective action because of a breach of the peace obligation that such action entails. The amount of damages to be awarded is decided by the Labour Court.

- An employer has the possibility of filing a petition to ask the Labour Court to issue an interim injunction suspending or terminating a strike or collective action until such time as the Court has rendered its final decision.
• Dismissal as a consequence of participating in a strike or collective action would constitute a violation of the Employment Protection Act because of lack of just cause or objective grounds. Only participation in a wildcat strike can be – exceptionally – acknowledged by the Labour Court as constituting a ground for summary dismissal.
7. Case law of international/European bodies on standing violations

Background information

The *Laval* case attracted international attention due to the complaints filed by Swedish trade unions with the ILO CEACR and the ECSR against the legislative intervention that restricted the right to undertake collective action to extend working and employment conditions to workers posted in Sweden by companies established abroad.

The case originated from collective action undertaken by the Swedish union in the construction sector, *Svenska Byggnadsarbetareförbundet*, against a company established in Latvia in order to demand that the company sign an ‘accession agreement’ reproducing the conditions of the Swedish collective agreement.

The dispute was brought before the Court of Justice of the EU, which ruled that collective action against a foreign company posting workers to the territory of a Member State other than the one of establishment may constitute an obstacle to the freedom to provide services. With regard to Sweden, the decision of the CJEU determined the unlawfulness of the action, and the Labour Court ordered the trade union to pay damages on the basis of provisions of the Co-determination Act on unlawful collective action.

To comply with the CJEU’s ruling, in 2010, the Co-determination Act and the Posting of Workers Act were amended so as to restrict the possibility for trade unions to undertake collective action against companies established abroad posting workers to Sweden (the ‘*Lex Laval*’ amendment).

In particular, *Lex Laval*:

(a) placed limitations on the range of matters to be negotiated with foreign companies posting workers to Sweden (limited to those listed in the Posting of Workers Directive);
(b) limited the possibility of undertaking collective action in order to demand more favourable conditions of employment than the minimum levels set in national collective agreements and;
(c) precluded the possibility of undertaking collective action if the posting company already complies with those minimum conditions, albeit by applying a collective agreement signed in the country of establishment and incorporating its provisions into the employment contracts of the individual posted workers (known as the ‘evidence rule’ or *bevisreglen*).

In June 2017, the social-democratic government repealed *Lex Laval* by restoring the possibility of undertaking collective action against posting companies in order to seek a collective agreement with a view to regulating the employment conditions of the posted workers and by eliminating the ‘evidence rule’. However, the conditions demanded by national unions for posted workers may not be more favourable than the minimum conditions set by national collective agreements at sectoral level.
ILO

Decisions of the Committee on Freedom of Association (CFA)

There have been no recent decisions of the CFA concerning the exercise of the right to take collective action.

Observations of the Committee of Experts on the Application of Conventions and Recommendations (CEACR)

- In its 2011 Observation (adopted 2010, published 100th ILC Session, 2011), the CEACR took note of the matters raised by the Swedish unions LO and TCO in relation to the domestic application of the CJEU’s ruling in Laval, which resulted in punitive damages being levied against the unions, and of the ensuing legislative amendments. In this regard, the CEACR requested the Government to submit a detailed report.19

- In 2013, the CEACR’s Observations (adopted 2012, published 102nd ILC Session, 2013) report on the views of the social partners on the matters raised by Lex Laval. The unions complained that the restrictions on collective action would undermine the uniformity of working and employment conditions and would curtail collective bargaining rights. The employers’ association, on the other hand, maintained that uniformity in the labour market would be ensured by the application of the Co-determination Act, whose scope includes foreign companies temporarily operating in Sweden. However, the CEACR expressed ‘its concern that foreign companies may be exempt from collective bargaining demands provided they only “show” that minimum pay and conditions pertain’, while encouraging the Government to take action to ensure that foreign posting companies appoint a contact person in Sweden to engage with representatives of the social partners.20 Furthermore, the CEACR expressed its deep concern that the union ordered to pay the damages would have been held ‘liable for an action that was lawful under national law and for which it could not have been reasonably presumed that the action would be found to be in violation of European Law’. With regard to Lex Laval, the CEACR also expressed concern about the restrictions placed on the right to take collective action.21

- In its Observations adopted in 2015 (published 105th ILC Session, 2016), the CEACR ‘notes with interest’ the initiatives of the Swedish Government to amend Lex Laval in order to restore the centrality of anti-dumping collective action in the Swedish system of labour market regulation, as well as to introduce the possibility for Swedish trade unions to request posting companies to sign ‘confirmation agreements’ confirming the application of domestic working conditions to posted workers.22
In the CEACR’s opinion, the introduction of ‘confirmation agreements’ would constitute an effective deterrent against the practice of ‘double agreements’ highlighted by the Swedish unions, i.e. the practice of foreign posting companies adopting both an applicable collective agreement with less favourable conditions for the posted workers and an official collective agreement to be shown to the public authorities in order to demonstrate compliance with the terms and conditions of work as laid down in national collective agreements.  

(Revised) European Social Charter:

Collective Complaints under Article 6(4) of the ESC

- In June 2012, the Swedish trade unions LO and TCO filed a collective complaint against Lex Laval for violation of Articles 6(2) and 6(4) ESC (No. 85/2012). The 2013 ECSR Decision (published in 2014) on the complaint concludes that Lex Laval constitutes a disproportionate restriction on:
  (a) the right to engage in collective bargaining, since it imposes substantial limitations on the use of collective action in establishing binding collective agreements with posting companies and;
  (b) the right to undertake collective action, since it limits the autonomy of trade unions in protecting the interests and employment conditions of workers by restricting the aims of collective action to a closed list of objectives and limiting its use to demand minimum conditions.

In its subsequent assessments of the follow-up (2016 and 2017), the ECSR reiterated its conclusions about the non-conformity of Swedish legislation with Articles 6(2) and 6(4).

ECSR Conclusions

- In its 2014 Conclusions, the ECSR found Sweden not in conformity with Article 6(2) ESC owing to the statutory framework on posted workers, which did not promote the development of voluntary machinery for collective bargaining between national trade unions and companies established abroad. Because foreign posting companies are not obliged to have a representative in Sweden, Swedish unions are forced to negotiate with the responsible employers abroad.

The ECSR also found Sweden not in conformity with Article 6(4). This observation was made in relation to the collective complaint (No. 85/2012) filed by the LO and the TCO against Lex Laval. (see above) The ECSR noted that there had been no substantial changes to the situation and concluded that the statutory framework on posted workers constitutes a restriction on the free enjoyment of the right of trade unions to take collective action.

- In October 2017, the Swedish Government submitted its National Report on the implementation of the European Social Charter in view of the forthcoming Conclusions (2018) of the ECSR. With regard to Articles 6(2) and 6(4) ESC, the Government explains that, in June 2017, a new Act entered into force which restores the possibility for trade unions to request posting companies to sign a collective agreement, ultimately by means of collective action.
8. Recent developments

In spring 2017, as a consequence of a conflict at the port of Gothenburg, the social-democratic government has begun discussing the idea of introducing certain restrictions on the right to strike and more stringent rules on the peace obligation in order to preserve the Swedish model.29

On 22 June 2017, the Government appointed an inquiry committee to investigate the possible legislative changes to be introduced in this regard.30 The focus of the inquiry concerns:

(a) the possibility and suitability of introducing restrictions on the right to take collective action for aims other than the conclusion of a collective agreement regulating working and employment conditions and;

(b) the possibility and suitability of extending the scope of the peace obligation to any situation where an employer has entered into a collective agreement, such that a trade union not bound by a collective agreement with the employer may not engage in collective action if the employer has already signed a collective agreement with another union.31

The committee is expected to deliver its opinions on 31 May 2018.

The Government’s proposal has raised concerns by the LO about the risk of ‘agreement shopping’ that the proposed extension of the peace obligation might create.32 The majority of the 14 sectoral unions affiliated to the LO, however, seem to be against the proposed restrictions on the right to strike, including Transportarbetarförbundet. The only federation that seems to support the Government’s proposal is IF Metall.33 Also within the other trade union confederation SACO, 20 from the 23 unions have rejected the proposals.34

In view of the delivery of the report of the inquiry committee (and which was delivered on 8 June 2018), the Swedish trade union confederations LA, TCO and SACO reached on 5 June a common understanding/agreement on 5 June 2018 pre-empting government action. The social partners’ proposal involves a slight change to rules on trade union action. Specifically, they propose an amendment to paragraph 41 of the co-determination law, which provides a framework for the action trade unions can take when the employer in question is bound to a collective agreement. The agreement contains the following statements:

- It will no longer be permitted to organise strikes when the aim is not to reach a collective agreement.

- The proposal does not impact strikes organised in solidarity or support of political action.

- There is no restriction on the right to organise strikes with a view to reaching a collective agreement.
As a result, nothing changes for employers that are not subject to a collective agreement. The proposed amendment only applies to those already party to such an agreement and against which a trade union wants to engage strike action.

However, such a strike can only be called if it is with the **honest aim of reaching a collective agreement**, of presenting and negotiating over a set of demands, that are clearly set out, and for these to be respected. Furthermore, under the change, unions cannot use measures such as strikes to apply pressure in order to subvert existing collective agreements. This principle, known as the ‘Britannia’ principle, and referred to as such by the country’s labour court, would therefore be formalised.\(^{35}\)

Furthermore, it is worth mentioning that for several years there has been an ongoing political debate on limiting the right to take sympathy actions, where several parties are suggesting some kind of proportionality test.
9. Bibliography

Notes

1 For an overview of UN instruments ratified by Sweden, see
https://treaties.un.org/Pages/ParticipationStatus.aspx?clang=en
2 For an overview of ILO Conventions ratified by Sweden, see
3 The grundlagar (literally, fundamental laws) make up the Constitution of Sweden and consist of four acts: the 1974 Instrument of Government (Regeringsformen), which sets the general principles and the fundamental rights of the citizens; the 1810 Act of Succession (Successionordningen); the 1949 Act on Freedom of the Press (Tryckfrihetsförordningen); and the 1991 Fundamental Law on Freedom of Expression (Yttrandefrihetsgrundlagen).
4 In practice, these kinds of actions are in fact always deemed as wildcard strikes. Whether or not the employer chooses to take legal action against them may however be a subject to variation.
6 Section 45, SFS 1976:580.
7 Section 47b, SFS 1976:580.
8 Section 48, SFS 1976:580.
9 Section 51, SFS 1976:580.
10 Section 49, SFS 1976:580.
12 Section 59, SFS 1976:580.
13 Section 42, SFS 1976:580.
15 C-341/05, Laval un Partneri Ltd v Svenska Byggnadsarbetareförbundet, Svenska Byggnadsarbetareförbundets aveldning 1, Byggettan and Svenska Elektrikerförbundet, EU:C:2007:809.
17 For more details, see Laval un Partneri Ltd v Svenska Byggnadsarbetareförbundet, Svenska Byggnadsarbetareförbundets aveldning 1, Byggettan and Svenska Elektrikerförbundet, EU:C:2007:809, Full text of the Decision is available at:
18 Full text of the Observation is available at:
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25 Full text of the Observation is available at:
27 Full text of the Observation is available at:
28 Full text of the Observation is available at:
29 See the opinion of the Minister for Employment and Integration, Ylva Johansson, available at:
30 The establishment of the inquiry committee constitutes the first stage of the legislative procedure that leads to the presentation of a legislative proposal and ultimately to the adoption of an act.
31 See the full text of the decision to appoint the inquiry committee, available at:
http://www.regeringen.se/rattsdokument/kommittedirektiv/2017/06/dir-201770 [in Swedish only].
33 https://www.arbetaren.se/2018/01/12/12-aav-14-lo-fack-emot-inskrankt-strejkraft [in Swedish only].