



THE SWEDISH UNIONS WITHIN INDUSTRY

DECLARATION OF INTENT

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The Swedish Unions within Industry

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§ 1 Name and participants

The cooperation between the Swedish unions within Industry includes unions that are covered by the Industrial Agreement. The five unions involved in the cooperation are; The Swedish union of forestry, wood and graphical workers (GS), The Food Workers' Union (LIVS), IF Metall, The Swedish Association of Graduate Engineers (Sveriges Ingenjörer) and Unionen. When the unions act together, they do so under the name The Swedish Unions within Industry.

The cooperation includes unions with members in one or more sectors of mining and manufacturing industry. Three unions organize blue collar workers and two unions organize white collar workers. The unions belong to three different confederations and have, in various constellations, common employer counterparts both at a local and central level.

§ 2 Purpose and objective

The purpose of the cooperation is to promote the unions' common interests. Furthermore, the objective is that all union members should have a strong position in the labour market and that all employees can develop in a dynamic and competitive mining and manufacturing industry.

The aim of the cooperation is to:

- ✓ To strengthen the position of the unions and increase their strength against the employer counterpart
- ✓ To uphold the nationwide sectoral collective agreements and the principle that bargains on new national agreements must include rules to raise the wages
- ✓ To strengthen the wage setting role of the sector subjected to international competition on the Swedish labour market

§ 3 Common ground

The Swedish Unions within Industry agrees to pursue the following common starting points.

Cooperation between sovereign unions

The Swedish Unions within Industry agree to mutually observe certain rules when conducting wage negotiations within the employer organizations that are covered by the Industrial Agreement (see § 7). The unions agree that the cooperation should in no way restrict the unions' sovereignty and their power to act alone.

All unions should benefit from cooperation

Furthermore, to have a strong and long lasting partnership it is necessary that all the members of the unions involved gain from the cooperation. This requires the unions to, in addition to taking their own members in consideration, consider the members of other unions regarding the result of the cooperation.

Wage formation is the social partners responsibility

Wage increases, the distribution and forms of negotiations should be determined by the social partners. Wages are the social partners' responsibility. The responsibility for wage formation and economic policy should be kept separate. Financial policy, including adjustment of the tax scales, are the responsibility of parliament and the government, and should not be mixed up with wage negotiations.

The inflation target

Parliament has decided that the target for Swedish monetary policy is to maintain price stability. The Riksbank¹ has specified an operational target. The target means that the annual change in the consumer price index (KPI) should be 2 percent. The inflation target is an important starting point for the social partners. The social partners should, in the negotiation of new wage agreements, act as if The Riksbank reaches its inflation target. The partners should not, take into account the temporary fluctuations in the Swedish exchange rate or changes in interest rates.

¹ The Riksbank is Sweden's central bank

The internationally exposed sector should set the wage norm

Sweden is a small country with great international dependence. The welfare level depends largely on how Swedish-manufactured products are valued on internationally competitive markets, in Sweden and abroad. Companies in the internationally exposed sector have little chance of passing on the costs to others. This constitutes a restriction on wage increases that has implications for the entire Swedish labour market.

The internationally exposed sector should set the wage norm for the entire labour market. Mining and manufacturing industry form the core of the internationally exposed sector. Therefore, social partners within the mining and manufacturing industry should be the first to sign new agreements. This is a good rule for industry, industrial employees and the entire socio-economic development.

§ 4 Common goals

The Swedish Unions within Industry has agreed to work towards the following goals.

Strengthen Collective Agreements

The Swedish Unions within Industry will work to strengthen the Swedish collective agreement system. Trade unions, employers and government need to develop a distinct approach to the question of the law or agreement. Employers need to be more likely to settle issues in collective agreements. Governments should act so that they strengthen collective bargaining.

National Agreements should cover all employees

The Swedish Unions within Industry should work to make sure that the national agreements regulate the employment conditions for all employees. All employees should be covered by nationwide sectoral collective agreements. The national agreements can be supplemented by local agreements in the workplace.

Strengthen the local trade unions

The Swedish Unions within Industry should work to strengthen the position of local unions. Local agreements regarding wages, working hours and other conditions of employment should be based on national collective agreements, but can be adapted and improved according to local conditions. This requires a strong local trade union who can counterbalance the power of local employers.

Real wage increase and improved conditions for all employees

The Swedish Unions within Industry should work for real wage increase and improved employment conditions such as fixed term contracts, secure employment conditions, rehabilitation, the right for employees to develop, increased investments in education and skills, a better working environment and a working life free from discrimination.

A strong, growing and competitive Swedish industry

The Swedish Unions within Industry should work for a strong, growing and competitive Swedish industry to improve the working conditions and development for employees within industry.

§ 5 Common tasks for the Swedish Unions within Industry

The Swedish Unions within Industry, with regard to § 2-4, is tasked with:

- ✓ Coordinating the unions' 'actions against the employer counterpart covered by the Industrial Agreement. (Information and approach between the unions during a negotiation period is stated in § 7)
- ✓ Working for forms of negotiation on the Swedish labour market which means that the internationally competitive sector should maintain a wage-setting role
- ✓ Working for increased partnerships with employers in industry in order to develop and strengthen Swedish industry
- ✓ Preparing questions ahead of meetings with representatives and the employer counterpart where the Swedish Unions within Industry act together
- ✓ Appointing union members in the social partners' joint groups who are to be appointed according to the Industrial Agreement and on other

cross-industry joint party groups
appointed within the framework of the
Industrial Agreement

- ✓ Produce reports concerning the economic condition
- ✓ Monitoring and reporting on wages and labour costs in Sweden and internationally.
- ✓ Promoting a deeper union cooperation within industry at all levels
- ✓ Carrying out joint projects, as well as testing and developing various forms of cooperation and collaboration in order to achieve greater efficiency and better use of resources

§ 6 Organization, Management and Administration

The Swedish Unions within Industry is led by the FI Council which is composed of 2–3 leading representatives from each of its affiliates. The chairman and the executive committee are appointed by the Council for one year at a time. The chairmanship rotates between the unions. The unions' chief of negotiations form the ALI group. Moreover, the organization is otherwise determined by the FI Council. The Swedish Unions within Industry has a secretariat. The duties of the secretariat include functioning as a resource, running projects, and coordinating and administering activities carried out by the Swedish Unions within Industry. The expenses within The Swedish Unions within Industry are distributed between the unions by specific decisions.

§ 7 Wage Negotiations

The Swedish Unions within Industry commits to undertake the following tasks and mutually observe the following approach before and during negotiations.

Preparations

The unions will when preparing for the negotiations in good time agree on a timetable for the wage negotiations. The purpose of the timetable is to make it possible to synchronize the timing of the unions' preparations for the wage negotiations with the preparations within the Swedish Unions within Industry.

Common platform

The unions will when preparing for each round of wage bargaining jointly draw up a draft for a common platform. The platform should be agreed in time by the respective unions so that they have the opportunity to form an opinion about the content before the demands must be submitted to the employer counterpart.

Demands for new agreements

The demands for new agreements on unions' major areas of agreement shall also be shown to the other unions. If the unions agree on a negotiation platform, the demands included in the agreement platform should be among the demands the unions hand over to the employers. If in addition, other demands are made by the unions that can affect the progress of the negotiations for other unions' and their opportunities to reach agreements, the Swedish Unions within Industry should inform each other. All unions should provide an opportunity for comment before the proposals are submitted to the employer counterpart.

The negotiating process

During the negotiating process, the unions will keep each other well informed. Continuous reconciliation is done in the FI Council and ALI group.

Signing new agreements

Before any union signs a new agreement the information shall be given to other unions and they should be given the opportunity to comment since it could affect the pre-conditions for other unions' agreements. The information should be provided at a time that makes it possible for the union, which is about to sign a new agreement to change the content and to take the other unions comments into consideration. If the proposal for the new agreement has great importance the information shall be given in the FI Council, or in other cases, the ALI group. If the content of a proposed new agreement are nearly identical to the agreements already signed, on which information has already been given, information can be given afterwards.

If new agreements on larger sphere of application are conducted the FI office need to be notified as well as the other unions.

Conflict actions

Before any union gives notice of some form of industrial action against an employer counterpart covered by the Industrial Agreement, the remaining unions should always be informed and given the opportunity to comment on the issue. This information is to be given within the FI Council. Furthermore, when a union gives notice of a conflict action, a copy of the document has to be sent to the FI office and other unions that might be affected. This can be done at the same time as the document is sent to the employer counterpart and The Swedish National Mediation Office².

If a union gives notice of industrial action, and this action is not linked to the national agreement negotiations or not directly targeted at an employer organization covered by the industrial agreement, but some other union within the Swedish Unions within Industry may be considered to be affected, then this affected union must be informed appropriately.

² The National Mediation Office in Sweden is a central government agency answerable to the Ministry of Employment

§ 8 Changes

The Swedish Unions within Industry is active until further notice. The five unions decide for themselves whether they wish to change or end the cooperation.

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