

Trade union approaches towards precarisation in Sweden - LO and job security 1990–2022

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Introduction

In recent decades, most European countries have seen a sharp increase in more precarious employment relationships, such as involuntary part-time work, zero-hour contracts, various forms of temporary employment, self-employment, and agency work. In combination with cuts in social security during the same period, these changes are often referred to as *precarisation* to point to that more and more people experience vulnerability and insecurity due to unstable employment conditions. Blue collar workers, women, young people, and people with a foreign background have been particularly affected. For those in various forms of precarious employment the consequences are increased ill health, poorer opportunities to maintain social relationships and precarious livelihoods in a working life where many are expected to be available for work at short notice.¹ On a societal level the development with more forms of precarious employments has increased economic inequality in many countries.²

Many researchers agree that institutional changes aimed at liberalising labour market regulations have played central a role for this development.³ In several European countries, since the 1980s, legal changes that have meant a reduction in employment protection have been implemented.⁴ Sweden, which has experienced an increase in unstable employment specifically since the beginning of the 1990s, is no exception. In 1991 and 1993, the state staffing monopoly was deregulated and paved the way for the establishment of the staffing industry and agency work, and in 1982, 1993, 1997 and 2007, the possibilities of employing a fixed-term basis were expanded in the Law on Employment Protection (LAS). In 2022, employment protection was weakened for permanent employees while the regulation for fixed-term employment was strengthened marginally. With these changes, Sweden went from having the world's strongest employment protection for both permanent and temporary workers to having among the weakest protection for temporary workers in the EU.⁵

An actor that historically has played a vital role in how regulations in the labour market have been designed in Sweden is the Swedish Trade Union Confederation (referred to as LO in

¹ Se till exempel: Alfonsson (2022; 2020); Berglund et al. (2021); Jonsson et al (2021); Waenerlund (2013).

² OECD (2015), 136–137.

³ Se till exempel Alfonsson (2022), Berglund et al. (2021), Carlén & de los Reyes (2021), Rasmussen et al. (2019).

⁴ Emmenegger (2014).

⁵ Kjellberg (2021).

Sweden) who organise blue collar workers in public and private sectors. Thus, LO coordinates many of the unions that organise industries where workers have been affected by precarious employment. In the light of the deregulation of employment protection the question of how LO has acted to ensure the security of all workers arise? My dissertation aims to investigate the shift towards an increasingly precarious working life by studying how LO has behaved and acted in relation to legal changes in employment security between 1990 and 2022, with a focus on fixed-term employment and part-time employment.

This paper present previous research on union approaches towards processes of precarisation and precarious workers, the aim and preliminary research questions of the dissertation as well as theoretical and methodological points of departure. The main part of the paper provides a very preliminary draft of what will become the first empirical chapter of the dissertation which addresses LO's approach and union interest in relation to legal changes of employment security 1993-1996.

Previous research

Most previous research on union approaches in Europe towards precarious workers and processes of precarisation point to power resources of the unions, structural economic changes, or sectorial conditions as explanations for unions strategic considerations and interests⁶. An interpretation adopted by several international organisations, such as the OECD and the European Commission, is based on the insider-outsider theory.⁷ The theory assumes that trade unions prioritise their core members with a secure position in the labour market (insiders) at the expense of those with looser attachments to the labour market (outsiders). From this perspective, the gap between insiders and outsiders is thus the widest where unions are the strongest. Other researchers argue that trade unions' prioritisation of the conditions of workers with more secure positions at the expense of those in precarious employment is rather caused by unions losing power because of changes in the economy.⁸

Both of these perspectives assume that precarious workers are distinctly different from the core workforce and that their interests are in conflict. Descriptions of precarious workers as an emerging class of their own, as the labour economist Guy Standing's the precariat, are based on similar assumptions.⁹ Others, however, argue that we have seen an overall increase in uncertainty in the labour market, rather than the emergence of a separate social class. Sociologist Arne Kalleberg points out, for example, how employment protection for those with standard employment has become weaker in countries such as the United States and the United Kingdom.¹⁰ This makes the distinctions between permanent and temporary contracts more fluid. Although we have mainly seen deregulation of fixed-term contracts in Sweden, exceptions in the 'last in, first out' principle in dismissal

⁶ e.g. Carver & Doellgast (2021), Bengtsson (2013), Davisson & Emmenegger (2012), Palier & Thelen (2010).

⁷ Rueda (2007).

⁸ Carver & Doellgast (2021), Palier & Thelen (2010).

⁹ Standing (2011).

¹⁰ Kalleberg (2018), 78.

procedures, which make it difficult to lay off permanently employed workers employed for long time and the existence of "hyvling" (reduction of an employee's working hours by the employer) have made employment security weaker even for workers that are categorised as more secure.¹¹

If we assume that precarisation is a process that has been affecting larger part of the labour market, the boundaries between secure and precarious workers become less clear. Some researchers have noted that whether unions are inclusive towards workers with non-standard employment depends on the extent to which they identify common interests with those workers.¹² The fact that many established trade unions in Europe have begun to represent precarious workers to an increasing extent contradicts the image that unions in times of reduced power necessarily choose to prioritise their core workforce.¹³ For example, a study by economic historian Erik Bengtsson's, which looks at how three LO unions made different choices regarding organising migrant workers or not, goes against this image. Instead, he provides an argument of that in sectors where unions are weaker and where jobs are more precarious, unions rather have stronger incentives to renew their strategies and organise vulnerable groups such as migrant workers.¹⁴ Whether unions view the development of more precarious employment as linked to their own interests or not can thus be assumed to be decisive for how unions act in relation to these processes.

In relation to the Swedish context of deregulation of fixed-term employment political scientists Johan Davidsson and Patrick Emmenegger use a power resource perspective to explain that LO prioritised to defend the employment protection for permanent employees at the expense of the regulation of fixed-term employment.¹⁵ They describe how the LO during the 1990s, in a context of heavy political pressure to liberalise the employment protection, accepted a deregulation of fixed-term employment to ensure that the 'last in, first out' principle would not change. They argue that the LO's defence of the 'last in, first out' principle and consequently the defence of permanent employees' job security had to do with the institutional power resources that the "last in, first out" principle represents for the union in the longer term. Thus, LOs' strategic considerations are explained in terms of rationality and pragmatics given the prevailing structural conditions and the interests of the organisation are largely taken for granted. Additionally, LO is portrayed as a homogenous actor and possible conflicts that may have occurred are absent from their research. In the context of the central negotiations between the unions and the employer organisations before the change of the Employment Protection Act in 2021 in Sweden, Sociologist Anders Kjellberg puts emphasis on the different sectoral conditions of the LO-unions when explaining their different approaches. He means that different sectoral conditions meant different views on problems and thus led to different approaches

¹¹ Kjellberg (2021), 23.

¹² Benassis & Dorigattis (2010).

¹³ Meardi et al. (2021).

¹⁴ Bengtsson (2013).

¹⁵ Davidsson (2018), 175–176, Emmenegger (2014), 73, Davidsson & Emmenegger (2012), 21–22.

among the unions.¹⁶ He provides a more heterogeneous image of LO as an organisation but does not attach any importance to how the different perceptions of problems were constructed as he explains them by sectoral conditions. However, the fact that some unions chose different approaches despite similar situations regarding precarious employment indicates that the question of unions choosing different alternatives of action is more complex than solely sectoral conditions.

Moreover, LO's union agenda has traditionally been shaped largely based on the Swedish man with permanent full-time employment. Groups outside the norm have often been marginalised.¹⁷ Previous researchers have drawn attention to how both LO unions and groups affected by precarious forms of employment, such as women and immigrants, have had limited opportunity to influence union demands.¹⁸ It is therefore reasonable to assume that power structures and subordination may have influenced whose interest LO has prioritised in relation to deregulation of employment protection. How and based on whom LO's interests have been constructed in negotiations on job security is, however, unexplored in previous research.

Aim and preliminary research questions

My research contribution is to show what is behind LOs pragmatic and homogenous approach. The thesis aims to investigate what understandings of precarisation and views on solutions as well as how different groups and their interests have been constructed in relation to the changes of the Employment Protection Act between 1990 and 2022 with LO, its' member union and at the workplace level. More specifically, the dissertation aims to answer the following questions:

How has a common worker interest been created in LO's negotiations on employment protection in relation to the differentiation that occurs in the labour market during the period?

What differences have existed between and within the unions and which views of problems, solutions and goals have taken precedence in LOs approach?

Theoretical and methodological approach

Previous research on union approaches towards deregulation of employment protection and processes of precarisation has, as mentioned, largely been based on a power resource perspective. The theory was first theorised by Walter Korpi and has since then been used within both Swedish and international research when studying union action.¹⁹ In relation to the deregulation of the use of temporary contracts in Sweden, the power resource theory can, like sociologist Johan Alfvén uses it, help us understand the context of the deregulation of employment protection in Sweden and give us

¹⁶ Kjellberg (2022), 36, 40–48.

¹⁷ Mulinari & Neergaard (2004), Waldemarsson (2000), Hirdman (1998).

¹⁸ de los Reyes (2011), 256.

¹⁹ Alfvén (2022), Davidson (2018), Schmalz (2018), Bengtsson (2013), Selwyn (2013), Korpi (1978).

clues about the scope for union action in this context. Moreover, as Davidsson and Emmenegge use it, the theory can help explain why certain parts of employment protection have been prioritised by LO over others. However, for the understanding of how union attitudes are shaped, what choices are made, and the processes of alternative course of actions being pushed aside the power resource theory provide limited tools. As Ben Selwyn has pointed out, whether structural power resources are used depends on the ideology of workers' organisations.²⁰ This aspect, I mean, is disregarded by the power resource theory. The theory overlooks the processes that create views of problems, solutions and goals and consequently, the role of ideology and its' changes. A given level or combination of power resources does not presuppose a particular course of union action. At any given moment, there are several possible options for action. Consequently, power resource theory does not describe how power resources are made productive.

Instead, a discursive approach to power and change inspired by Stuart Hall and Ernesto Laclau and Chantal Mouffe will guide the dissertation's method.²¹ With such an approach language, concepts, categories, and systems of representation that different social groups use to understand and describe how society functions, as well as the struggle over the meaning of these, are given a central role for how the society is organised and understood and thus for how change occurs. LO's union interests will be studied through discursive struggles over concepts that has stabilised views on problems, solutions and goals within LO. As described by Andersson, changes in ideology have previously been highlighted by studying conceptual struggles, the battle to formulate what the problem is.²²

In addition to the LO-level, to provide a more heterogenous perspective on the organisation, the dissertation will have special focus on the Union for Commercial Workers (Handels) och the Union for Municipal Workers (Kommunal) and how their approaches have been relating to LO's. They provide suitable objects of study as they are representing workers within sectors such as retail and healthcare and care that been the largely affected by part-time work and temporary employment.²³ The two union are also dominated by female members which becomes interesting in relation to LO's union agenda historically having been constructed with a man with full time employment in mind. The primary material for the dissertations is material produced by LO, Kommunal and Handels. Different forms of protocols from congresses, board meeting and other representative assemblies is used as well as union press and daily newspapers. Additionally, interviews (oral history) will be conducted with trade union representatives. Labour force survey data from SCB (Statistics Sweden) on fixed-term employment and part-time work for LOs' larger sectors/

²⁰ Selwyn (2013).

²¹ Hall (1996), 26. Laclau & Mouffe (1985), 158-159.

²² Andersson (2003).

²³ Alfonsson (2022), 89-93, 105–106, Wingborg (2019).

occupational groups will also be used as these data has often been used among the unions when talking about precarious employment.

Preliminary results 1991-1996:

With a focus on Kommunal and Handels I will in this section present a very preliminary draft on LO's union interests that were articulated in relation to the changes of the Law on Employment Protection 1993-1996. What issues and whose employment security were prioritised by the actors, what conflicts appeared, what understandings of precarisation in relation the deregulation of employment were apparent? To provide possible answers to these questions, I have relied on source material primarily consisting of LO's, Handels' and Kommunal's congress protocols, the protocols of LO's representative assembly as well as the respective organisations own printed newspapers. Additionally, daily newspapers and governmental reports have been used. I am still waiting to get access to LO's board protocols for the period and interviews has not yet been conducted. Hence, the following section is as mentioned a very early draft and adjustments will have to be done. For example, the theoretical approach needs to get better integrated in the empirical material.

New ideas on employment protection

Previous researchers have highlighted how dramatic increase in unemployment caused by the 1990s crisis paved the way for new ideas about how the labour market should be organised.²⁴ Between 1990 and 1992, unemployment rose from 1.6 to a staggering seven percent. By 1993, unemployment had reached eleven percent and remained at a higher level, thereafter, fluctuating between six and eight percent. Export companies' and industries collapsed, and budget deficits led to extensive cutbacks in the public sector. Older individuals were affected as companies went bankrupt, and the youth struggled to enter the job market.²⁵

In November 1992, the conservative government appointed an economic commission led by economist Assar Lindbeck. The commission, popularly known as the Lindbeck Commission, concluded that the Swedish model needed a fundamental revision to adapt to globalisation. It was argued that there was need for a more growth-oriented economic policy needed. The costs of the welfare sector were supposed to be reduced and incentives for an increased labour force supply would be enhanced. Efficiency and labour productivity would be promoted by making the labour market more flexible and dynamic. Among other things, it was proposed that temporary employment should be more widely allowed, 'last in, first out' rules should be revised, and companies' ability to hire agency work should be expanded.²⁶ Similar views on the labour market's needs were also advocated

²⁴ Alfonsson (2022), Carlén & de los Reyes (2021).

²⁵ Davidsson (2018), Larsson & Magnusson (2012), 280, Östberg & Andersson (2012), 366–267.

²⁶ SOU 1993:16: 63, 83–84.

by the EU Commission and the OECD during the same period. According to their perspective an inflexible labour market was responsible for increased structural unemployment.²⁷ Based on these ideas, changes were subsequently made to the regulations for temporary employment and agency work during the 1990s and 2000s by both conservative and social-democratic governments.

In parallel with the Lindbeck Commission, the Labor Law Committee of 1992 was addressing the issues related to employment protection more specifically. The directive of the commission emphasised that the law proposals were supposed to facilitate a flexible labour market and promote sound economic development.²⁸

The bill resulting from the committee introduced a new fixed-term employment with a limit of 12 months, extended the probationary period from 6 to 12 months and introduced two exceptions to the ‘last in, first out’ principle. The changes were justified by that the law needed to consider those who were currently outside the labour market. Small and medium-sized enterprises (SMEs) were argued important for ensuring the dynamic development of the economy and for providing jobs for the unemployed.²⁹ According to the employer’s central organisation, SAF, international competition had meant fewer jobs in large companies. Hence, more small businesses were needed as well as conditions for employment expansion at smaller companies. This was considered particularly important when the economy was about to turn after the crisis and economic conditions for expansion existed.³⁰ To create more jobs in SMEs, longer probationary employment, and greater opportunities to use fixed-term contracts were considered necessary.³¹ The second major problem, according to employers, was that it was too expensive for companies to layoff of the elderly. SAF's representative on the governmental committee claimed that since the unions often said no to exceptions to the “last in-first out” rules, companies were forced to lay off young, well-educated people and had to keep older workers who perhaps could not or did not want to learn new technology or new working methods.³² It was hence argued that the rules had consequences for the age structure in many workplaces and industries by both private and public sector employers, for example in healthcare and in the construction industry. Their solution was to loosen up the “last in-first out” rules, something they meant would benefit young people³³

As Davidsson and Emmenegger highlighted, maintaining the ‘last in, first out’ rules was the most important issue for LO. They argued that loosening up the rules in combination with the ability to make exceptions from them would lead to a substantial weakening of the employment protection in the event of a shortage of work.³⁴ Moreover, there was a fear that increased opportunities

²⁷ Engstrand (2007), 74.

²⁸ Dir. 1991:118.

²⁹ Hörnlund (1992).

³⁰ Hörnlund (1993).

³¹ Hörnlund (1993).

³² Carlsson (1993).

³³ Jerkert (1993), Jacobsson (1993).

³⁴ Olauson (1993).

for fixed-term contracts and an extension of the probationary period from six to twelve months would make fixed-term employment the norm in the labour market.³⁵ Thus, the issue of fixed-term contracts was considered to be something that would affect the entire labour market and was not seen as a separate issue to the employment protection of permanent workers. According to LO, women and especially mothers of young children would be the ones hardest affected by the changes. In LO's view companies hired if they needed but wanted to be able to get rid of people who were not productive enough. Hence, the elderly, sick and injured at work would together with mothers of young children suffer if employment protection were to be relaxed.³⁶ According to LO, the deregulation of employment protection had no relationship to unemployment rates. They claimed that the purpose of the changes in the Law of Employment Protection was to give employers increased power at the expense of workers.³⁷ In LO's perspective the high unemployment was linked to the austerity measures initiated by the conservative government in combination with the high interest rates, which meant that people could not afford to shop, and companies could not afford to invest.³⁸

LO repeatedly emphasised that they were open to changes in the law, but that the workers' interests needed to be considered as well.³⁹ The changes LO wanted to see were in stark contrast to SAF and the government. Among other things, LO wanted to limit employers' ability to use part-time workers by restricting part-time work in the law and by giving part-time workers priority to extra hours on the contract instead of the employer recruiting new staff.⁴⁰ The part-time issue was particularly a priority for Handels och Kommunal, who had a large proportion of female members involuntarily working part-time. In the retail sector, the problem was considered to be linked to the opening hours of stores and the deregulation of the Business Hours Act as well as staffing strategies built on flexibility for the employer.⁴¹ For Kommunal, the issue was partly connected to the economic situation with large cuts in the public sector which had led employers within the health- and care sector to turn full-time employment into part-time contracts.⁴² Thus, especially for Kommunal workers who had previously experienced more secure positions were now experiencing the precarity of part-time work. The consequence of part-time work was considered to be poor health as well as poor opportunities for livelihood and difficulties to maintain social relationships and leisure time.⁴³

The Labor Law Commission of 1995

³⁵ Olauson (1993).

³⁶ Wänman et al (1992), Carlsson (1993a).

³⁷ LO's representative board, (1993b), p 15. 9 November 1993, p 15

³⁸ Lundin-Wedin (1995).

³⁹ Andersson et al (1993).

⁴⁰ LO's representative assembly protocol, (1993a) 9 June.

⁴¹ LO Congress protocol (1991), p. 242–244

⁴² Kommunalarbetarförbundet Congress protocol (1993), p 427.

⁴³ LO Congress protocol (1991), p 242.

After the Social Democratic Party had promised that the government's changes to LAS would be torn up if there was a Social Democratic government after the elections in the fall of 1994, LO's strategy became focused on bringing down the conservative government.⁴⁴ When the Social Democrats came back to power, they reversed the changed of LAS.⁴⁵ Shortly after in March 1995, the Social Democrats established a Labor Law Commission with the aim of supporting the trade unions and the employers in their negotiations on a new agreement on employment protection. If no progress was made, legislation was presented as an alternative.⁴⁶ The commission's mission was to achieve a long-term and stable labour law that promoted flexibility and productivity development within companies and the public sector, but also that met the need of employees' development, influence, freedom and security, as well as promoted gender equality and migrants' conditions in the labour market.⁴⁷

Progress in the commission were few and the positions of the employers and the unions were far apart. In May 1996, Tony Hagström, chairmen of the commission, presented a proposal that both parties rejected. The proposal included a limitation to substitute employment of maximum three years and introduced a fixed-term contract allowed for 12 months and 18 months for newly started companies. If companies needed to employ, they were supposed to first consider whether part-time workers who wanted to increase their number of working hours could do so. However, LO's demands regarding the right to full-time employment were not included. A few key employees would be exempted from the 'last in, first out' rules, how many was not stated in the proposal. According to Hagström, it had been difficult to reach a compromise when the union did not even want to discuss the issue of the 'last in, first out' rules and the employer side had stated that there would be no agreement if these rules were not addressed.⁴⁸ In the public discourse, the impression was that LO was not prepared to compromise on this issue.⁴⁹ However, there exists different indications as to whether LO was prepared to compromise or not.

At the start of the commission's work, LO-representatives expressed that they were prepared to compromise. Göte Larsson, deputy chairman of the Industrial Workers Union and one of the representatives in commission, emphasised, that while consideration for the competitiveness of companies must be combined with workers' influence and security, "*you have to realise that working hours and working life must become more flexible*".⁵⁰ However, later during the work of the commission', Hans Karlsson, LO's negotiating secretary stated that even though the value of an agreement was enormous, LO "*could never compromise on the 'last in, first out' rules or the right to re-employment.*"⁵¹ A few weeks later, it was possible to read in the LO newspaper that many within

⁴⁴ LO's representative assembly protocol (1993b). 9 November, p 15, LO's representative assembly protocol (1993). 04 29

⁴⁵ Prop. 1994/95:76.

⁴⁶ Davidson (2012).

⁴⁷ Dir. 1995:30.

⁴⁸ Andersson (1996).

⁴⁹ Chrisensen (1996).

⁵⁰ Mattisson (1995).

⁵¹ Kommunalarbetaren (1996). 29 Jan 11 Feb

the LO-leadership were of the opinion that a bad agreement was better than no agreement, as a law that could change if the conservatives came to power again was considered a worse solution. Thus, according to the article, there was a common perception that LO was prepared to give up certain things depending on what employers were prepared to compromise on. LO's union leaders had agreed that the employer should be able to exempt one person from 'last in, first out' rules at each operating unit if there were objective grounds for doing so.⁵² LO was also prepared to compromise on the possibility of extending the probationary and fixed-term employment. They were prepared to compromise on the length but wanted a strict limit so that one temporary employment could not follow another.⁵³ Jan Sjölin, Kommunal's Negotiating Secretary highlighted that the motive behind a temporary employment was much more important than its' length. A limit to the total length was also an important requirement for Kommunal as it was common in the health- and care sector for one substitute employment to follow after another.⁵⁴ According to Handels a limit on how long you could be employed on a fixed-term basis was needed, as people should not have to go on temporary work for several years without knowing if they have a job next month.⁵⁵ LO wanted a fixed-term employment to be transferred to a permanent one after 12 months. Young LO women, in the private sector, were the ones who were considered to be primarily affected by fixed-term employment, especially women under the age of 25.⁵⁶ The right of part-time workers to full-time employment was also more important than the length of the probationary period for both Kommunal and Handels. The need was considered urgent, not least since the government had made changes that decreased part-time workers access to the unemployment insurance⁵⁷

Like the discourse that preceded the changes of LAS in 1993, the employer side argued that the law protected those who already had a secure position in the labour market. In contrast, the unemployed and female workers with substitute employment in health care who could work year after year for the same employer without getting a permanent job were argued to disadvantage by the law.⁵⁸ With reference to the outsider-insider theory, DN's editorial page engaged in the debate with similar arguments.⁵⁹ Kommunal among others, questioned the view that female substitutes would get permanent jobs with deregulation of the 'last in, first out' rules. They claimed that the employers' arguments were based on a view where the possibilities for women on substitute employment to get permanent jobs was dependent on employers knowing that they could get rid of them if they wanted. According to Kommunal, decreased job security would mean that many more people would be more

⁵² Jacobsson (1996).

⁵³ Jacobsson (1996).

⁵⁴ Jacobsson (1996).

⁵⁵ Handels Congress Protocol (1996), p 144.

⁵⁶ LO's information unit (1995), p 2-3

⁵⁷ Jacobsson (1996) Handelsnytt (1995), LO Congress Protocol (1996), p 526.

⁵⁸ Hagström (1996).

⁵⁹ Dagens Nyheter (1996). 04 09 Dagens Nyheter (1996a). 05 10, Schück (1996).

or less regarded as substitutes in the future.⁶⁰ The issue of employment protection for permanent workers and those with substitute contracts was thus linked and not seen as regulations necessarily affecting separate groups. Several motions at Kommunal's congress in 1996 also highlighted how temporary positions, hourly contracts and probationary periods had become part of everyday life for those who previously had permanent jobs but who were laid off due to cuts in the public sector.⁶¹

However, for Kommunal the 'last in, first out' rules do seem not to have been a priority in their argumentation. A possible explanation could be that most of their working places were large and 'last in, first out' rules could not prevent the mass layoffs that the public sector was experiencing.⁶² For LO, the 'last in, first out' principle was about legal certainty rather than job security. No law had stopped the more than 600,000 employees who lost their jobs in the wake of the economic crisis. In LO's view, however, there was a big difference between being dismissed due to a labour shortage situation and thus because you were the last one employed in contrast to being dismissed without any objective motive.⁶³ Since many of Handels' members were found in small workplaces, the union emphasised that their members, along with members of some other service unions, were among those who would be the worst affected by exceptions to the 'last in, first out' rules. In these workplaces, the employer would obtain increased power in a situation of labour shortage.⁶⁴

“The biggest gender equality reforms in many years”?

After the Labour Law Commission and mediation attempts had failed to get the parties to come to an agreement, it remained for the government to present a bill. There was great concern within LO that the government would meet the employers' demands regarding the 'last in, first out' rules.⁶⁵ However, the bill, which was presented in the beginning of September 1996, after a compromise with the Centre Party and the Social democrats, kept the rules unchanged. On the other hand, a new form of fixed-term employment was introduced, with a limit of 12 months and five employees per workplace, but it did not require any special motives to be used as previous requirements in the law. The government framed the introduction of the new form of temporary employment as a way to facilitate unemployed, especially young people, to enter the labour market. However, the 'last in, first out' rules remained unchanged as it did not need to get easier to lay off staff, according to government.⁶⁶ Moreover, the requirement for the central union to approve local exemptions from the LAS was abolished on several points. On the positive side for the unions, substitute employment was limited to a maximum of three years over a five-year period and if companies needed to employ, they were obliged to consider

⁶⁰ Kommunal Congress Protocol (1996), p 10.

⁶¹ Kommunal Congress Protocol (1996), p 100-101.

⁶² Kommunalarbetaren (1996a). 23 Sep – 6 Oct

⁶³ Karlsson (1996).

⁶⁴ Handels Congress Protocol (1996), p 29.

⁶⁵ Karlsson (1996a). -09-05,

⁶⁶ Messing (1996), Prop. 1996/97:16.

whether part-time workers who wanted to increase their working hours could do so. However, there was no requirement for the employer to do so if the work organisation did not allow to.⁶⁷

The bill was presented as one of the biggest gender equality reforms in many years. The 200,000 part-time employed women within LO who wanted to work more would now be given priority to full-time employment, and LO women who, year after year were forced to work in repeated and precarious substitute employment, would, according to the government, gain a stronger position in the labour market through the proposal's limit for repeated substitutes.⁶⁸ While substitute employment was regulated and framed in relation to gender equality, the possibilities of using fixed-term employment without justification were extended to provide employment to young people. LO, however, raised the question of who the government thought would get employed on the new form temporary employment. LO's answer was that women were going to be the ones suffering which has later shown to be a correct assumption.⁶⁹

Several Social Democratic MPs with a background in LO pointed out that they could only approve the law proposal as the 'last in, first out' rules remained unchanged, even if there were other details, they were critical of.⁷⁰ LO, however, called the proposal the most anti-worker policy a Social Democratic government had ever put forward. Neither was SAF, who felt that the changes were insufficient, satisfied.⁷¹ LO's main criticism of the bill concerned the possibility of making exceptions from the law through local agreements, exceptions that previously required an approval from the central union level. LO's fear was that employers would blackmail local unions by making reduced employment protection for those with permanent jobs a condition for, for example, employing more workers or not laying off workers.⁷² The new fixed-term employment relationship also obtained great criticism and it was argued that it risked overturning the fundamental rule of the law that permanent employment should be the norm in the labour market. As more workers would be temporarily employed, LO argued that it was not true that the 'last in, first out' principle would remain unchanged. With more fixed-term contracts, employers would have more power to decide who they wanted to keep and not at the workplace.⁷³ LO wanted to see a limit for all temporary employment, not only substitute employment.⁷⁴ Handels highlighted how new form of employment would have severe consequences for the employment security at their small working places.⁷⁵ The restrictions on temporary work and priority for more hours for part-time workers would according to LO make little

⁶⁷ Prop. 1996/97:16

⁶⁸ Messing (1996).

⁶⁹ LO Congress Protocol (1996), p 370.

⁷⁰ Karlsson n(1996b), Prop. 1996/97:16.

⁷¹ Messing (1996).

⁷² Martos Nilsson (1996).

⁷³ LO Congress Protocol (1996), p 388-391.

⁷⁴ LO Congress Protocol (1996), p 428.

⁷⁵ Åberg (1996).

difference in practice. As part-time workers often were used during the same times of the day to adapt to variations in workload, employers in health and care sectors as well as in retail could argue that they needed to have their staff part-time. Moreover, if the workers who wanted to work more hours already was scheduled during the hours that had become available, the rule becomes irrelevant. In addition, Handels' collective agreements for retail already had this type of writing but has shown to be too weak to have any significant impact in practice.⁷⁶

However, in contrast to LO, union representatives from Kommunal emphasised that for their members there were positive elements in the government's proposal, especially for women care work⁷⁷. Hence, a conflict arose between Kommunal and LO in which Kommunal was accused of breaking the union solidarity and for undermining LO's opposition against the changes of the law.⁷⁸ In their defence, Kommunal, pointed out that they had worked for long to get a solution to endless substitute employment as well as for a restriction on part-time employment, but without the employers listening to their demands. However, they agreed with the critique of law's new form of fixed-term employment.⁷⁹ Moreover, from Kommunal's perspective, it was a problem that cuts in the welfare sector, that caused people to be laid off and forced to go on benefits even though they were needed in the care sector, were overshadowed by the debate on employment protection.⁸⁰

While LO previously had emphasised the role of women's position when putting forward their demands in relation to LAS, the interests of male industrial workers were now framed in contrast to the interests of women in the public sector. According to Hans Karlsson at LO, it was a well-thought-out strategy by the government to put forward a proposal that aroused resonance among public workers and women, but which was unacceptable to industrial workers. He claimed that the proposal's improvements were primarily aimed at Kommunal's members, something the government also had emphasised when framing the law in relation to gender equality⁸¹ Moreover, the part of government's proposal that would allow unions and companies to agree on exemptions from the law of employment protection locally without the approval of the respective central unions was claimed to not a major problem for Kommunal as they had members at large workplaces and strong local organisations.⁸²

LO's board adopted a statement condemning the government's bill which Kommunal supported, but only after toning down the tone of the statement. In the original statement there was a call for the LO unions to break with the Social Democrats if they would go through with the legal changes. This demand did Kommunal not support.⁸³ After adjustments the statement instead stipulated

⁷⁶ LO Congress Protocol (1996), p 388-391.

⁷⁷ Martos Nilsson (1996).

⁷⁸ Martos Nilsson (1996).

⁷⁹ Martos Nilsson (1996a).

⁸⁰ Kommunalarbetaren (1996a). 23 Sep – 6 Oct krig-grejen

⁸¹ Martos Nilsson (1996), LO Congress Protocol (1996), p 47.

⁸² Martos Nilsson (1996).

⁸³ Kommunalarbetaren (1996a). 23 Sep – 6 Oct krig-grejen

that LO would consider whether their funds of 20 million SEK in support of the Social Democratic Party should be withdrawn⁸⁴. Furthermore, demonstrations against the changes of the law on employment protection were arranged, in which LO participated. According to researchers Bo Rothstein and Lars Magnusson, it was unique to have a demonstration supported by LO that targeted its own party.⁸⁵

The government seemed to have been somewhat influenced by LO's criticism. When the final bill came, some minor parts of the law was not possible to agree on locally. A further change was that the new fixed-term employment relationship could only be used once in three years for the same person.⁸⁶

Some preliminary conclusions

While Davidsson and Emmenegger has rightly argued that LO prioritised the issue 'last in, first out' rules and that this may have been done at the expense of regulation of fixed term employment my material is able to provide answers to how union interests have been articulated and in what way they have been differing. It becomes clear that the employment protection of permanent workers and the one of the temporarily employed is not seen as separate issues. For Kommunal for example, the permanent workers being laid off the health and care sectors in the wake of the economic crisis were soon employed on temporary contracts. Thus, the regulation of temporary employment, especially substitute employment, was one of Kommunal's priorities. However, this did not mean that Kommunal was in favour of deregulation of the 'last in, first out' principle. Rather, they argued that decreased employment protection for permanent workers would mean that more people would experience the insecurity of substitute employment. Similarly, both Handels and LO shared the view that both deregulation of fixed-term employment as well as of the loosening of the 'last in, first out' principle would have similar effects: to undermine the legal certainty connected to the employment protection.

While previous research has portrayed the regulation on temporary employment as homogenous, it is clear that especially the Social Democratic government presented the regulation on fixed-term employment without any motives and substitute employment as targeting different groups. The new form of fixed-term employment was framed in relation to employment creation for the unemployed youth while the regulation of substitute employment was presented as gender equality reform targeting women in the health and care sector. The situation of women runs like a red thread through the material. Before the legal changes in 1993, LO was highlighting how women with young children would be among the workers most hardly affected by the loosening of the 'last in, first out' rules. That women were the ones suffering from different forms of fixed-term contracts was also

⁸⁴ LO Congress Protocol (1996), p 393-394, Sedvallsson (1996).

⁸⁵ Jacobsson (1996a).

⁸⁶ Dagens Nyheter, (1996b)

emphasised. The employers claimed that the law disadvantaged women on substitute employment. When the new law was presented in 1996 it was framed as an improvement for women, especially in the health and care sector. However, when the proposal of the new law in 1996 was presented the interests of industrial workers entered LO's discourse as they claimed that the proposal favoured women in the public sector at the expense of workers in the private sector, especially industrial workers. Thus, one could say that a distinction was created between interests of workers with permanent employment and those with substitute employment. While it is too early to draw any conclusions as I am still waiting to get access to LO's board protocols and as a large part of the period remains to be studied, one can say that between 1992 and 1993 the interests of permanent and workers with non-standard forms of employment was not seen as separate for most of LO's, Kommunal's and Handels's discourses in relation to employment security. As no agreement between the unions and SAF was achieved it is hard to tell what LO was willing to compromise on and whose interests would have been prioritised in that case. However, although priorities of Handels and Kommunal such as the issue of part-time work and temporary employment was put forward by LO, the 'last in, first out' principle still seems to have been a priority for LO, which may be argued to be related to hierarchies based on gender within the organisation.

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