

Swedish engineering employers terminates the cooperation agreement

On the 29th of April, the Association of the Swedish Engineering Industries terminated the cooperation agreement on wage formation and development of the industry.

“We are surprised and consider this as strange behavior. This is not what the Swedish industry is asking for right now. It creates uncertainty about wage formation in Sweden and the industry playing a leading role in the national bargaining procedures”, said IF Metall President Stefan Löfven.

The notice of termination was delivered very sudden at a press conference held by the Association of the Swedish Engineering Industries CEO Anders Narvinger and the Head of Bargaining Anders Weihe.

“The way it was brought to us, underlines a strange behavior. The usual procedure after each bargaining round is that we in the trade unions make an evaluation. Then we normally make a joint evaluation between the trade unions and the employers”, said Stefan Löfven.

At the same time as Engineering employers terminates the cooperation agreement, they announce that they remain open for discussions.

“We want an open discussion about how future collective bargaining should be conducted”, said Anders Narvinger.

”A more rational approach to wage formation is needed”, said Anders Weihe.

Exactly what this rational approach includes is not clear. However, less centralization and more adapted to each individual company is certainly one way the Association of the Swedish Engineering Industries wants to take.

“If one of the agreement signers would like to make changes, the normal way is to call for negotiations. Instead, the Association of the Swedish Engineering Industries, chooses to terminate it”, said Stefan Löfven.

Facts:

Cooperation Agreement within the Industry

In March 1997, the parties within the industry, employer associations and trade union organizations, reached an agreement on industrial development and wage formation. The object of this agreement on industrial development and wage formation has been to promote industrial development, profitability and competitiveness. This provides the necessary conditions for favorable developments on the labor market, with high employment and low unemployment. It also lays down a foundation for favorable wage developments, and sound conditions for employees in other respects. The agreement is based on certain common judgments regarding the conditions for industrial enterprise in Sweden.