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The Structure and Functioning of the Swedish Labour Market.

A study of its development in the light of formative discussion.

Thesis presented for the degree of Doctor of Philosophy by

Thomas L. Johnston, Master of Arts (Edin.)
The rank is but the guinea stamp;
The Man's the gowd for a' that.

Robert Burns

Amongst them all grows not a fayrer flowre
Then is the bloosme of comely courtsie,
Which though it on a lowly stalke doe bowre,
Yet brancheth forth in brave nobilitie,
And spreds itselfe through all civilitie:

Spenser, The Faerie Queen.
Acknowledgements

I am deeply indebted to many persons and institutions for their help in the preparation of this thesis. The greatest debt of gratitude I owe to my teachers, Sir Alexander Gray and Dr M.T. Rankin. It is due in no small part to the breadth of scholarship and international outlook of Sir Alexander Gray that I ventured to continue my studies in another country at all, and that I chose such a topic as this for a thesis is in very great measure a reflection of the stimulus that Dr M.T. Rankin provided in her lectures on the relations of labour and capital. The grasp of principles upon which she always insisted has been of infinite service to me in my later training. I also owe her a more immediate debt as supervisor of my work on this thesis. Her keen mind and balanced judgement have proved an inspiration and a corrective to any excesses I might otherwise have committed. It goes without saying of course that she is in no way responsible for the defects in content and presentation that persist.

It is quite impossible for me to enumerate the many scholars, trade union and other officials, employers and individuals who have helped and guided me in Sweden with my work. My initial debt is to the International Graduate School in the University of Stockholm, where I was sheltered from the full impact of a new and strange country until I had acquired such proficiency in the Swedish language as made me less vulnerable than I should otherwise have been to the new environment. In this connection, I wish to record my appreciation of the help given me by my language teacher, Mrs Siv Higelin. To Professor Anders Östling for advice and encouragement I am very grateful. I am also greatly appreciative of the courtesy and assistance I have always received from the staffs of the libraries I have frequented in Sweden, and in particular the Archives of the Labour Movement, the Libraries of the Swedish Employers’ Confederation, the Institute of Social Sciences, and the University College of Commerce. Many individual employers and trade unionists have also spared valuable time to answer my questions and guide me to a better understanding of the multitude of problems involved.

During the autumn of 1953 I was able to spend some time in Holland, and wish to thank Professor H.G. Levenbach of the University of Amsterdam, and officials of the Ministry of Social Affairs, the Board of Government Conciliators, and the Foundation of Labour in The Hague for the way in which they endeavoured to give me a clear picture of Dutch labour relations in the short time at my disposal. Although none of the material I collected there has been incorporated directly in this thesis, my visit to Holland served as a useful contrast to the entirely different system of labour relations in Sweden.

Finally, this study was made possible through generous financial assistance provided by the University of Edinburgh and the Carnegie Trust for the Universities of Scotland. I wish to record here my gratitude for the help I have been given, and in particular to thank Dr J.K. Peckie of the Carnegie Trust for having faith enough to allow me to set off for a strange land supported by funds but with a woeful ignorance of things Swedish.
Inevitably, it is frequently difficult to transplant terminology from one language to another while retaining the flavour of the original, and throughout this thesis some terminology is used which may be described as English-Swedish. The very convenient Swedish habit of referring to organisations by the initial letters of their names has been found so helpful that it is retained here. The following explanations may therefore be useful to the reader.

The "right of association" (föreningsrätt) applies both to employers and workers and is preferred to "right of combination".

"Interest" and "rights" disputes are a convenient form of translation for rätts (justiciable) and intresse (non-justiciable) disputes, and are frequently used as alternatives to "justiciable" and "jural".

"Ideological associations" has been chosen as the translation of the Swedish ideella föreningar, which covers labour market organisations. (See chapter VIII).

One further basic term that may seem strange is the use of the phrase "labour market", arbetsmarknad. This is common Swedish terminology, however, and no value content is implied in the Swedish term that would suggest that labour might be a commodity. It is therefore used here as it would be in Swedish.

The following are the main abbreviations used throughout to refer to certain organisations in Sweden:

LO - Landsorganisationen i Sverige, The Confederation of Swedish Trade Unions, established in 1898.

SAF - Svenska Arbetsgivareföreningen, The Swedish Employers Confederation, founded in 1902.

TCO - Tjänstemännens centralorganisation, The Central Organisation of Salaries, Employess in Sweden, founded (in its present form) in 1944.


CAF - Centralarbetsgivarförbunden, an early organisation of employers, mainly in building, which joined SAF from 1919.

SVF - Sveriges Verkstadsförbund, The Swedish Machine Industry Association, formed 1896, and a member of SAF from 1917.

DACO - De Anställdas Central, The Central Organisation of Salaried Employees, a forerunner of TCO.

SOU - Statens Offentliga Utredningar, Reports of Royal Commissions and other investigating bodies.

Three other abbreviations occur throughout parts of the text,

ECs - Enterprise (works) Councils.

TUF - Trade Union Federation.

LMB - The Labour Market Board, established by agreement between LO and SAF in 1938.
Volume One

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Introduction

The general background to this study is the interest in Sweden and Swedish economic theory and economic policy which was awakened in me during my undergraduate years of study in the University of Edinburgh. It was with a general interest in industrial affairs in that country that I originally went there in September, 1951, to study industrial conditions and policies. Soon, however, as my knowledge of the language improved, I found myself following the wages negotiations of December, 1951 - January, 1952 with some interest, particularly when I learned that it was proving possible for the Swedish Employers' Confederation and the Confederation of Swedish Trade Unions to arrive at a central and voluntary agreement for wages increases for 1952 which their member federations seemed willing to accept and follow. This seemed significant. Was it the case, as with Lear, that

- I will do such things, -
What they are yet I know not, - but they shall be
The terror of the earth.

Or had the Swedes a comprehensive wages policy? Was full employment in a free society with free collective bargaining being achieved?

This thesis is in part an attempt to answer these questions. On the surface it would seem that order prevails on the Swedish labour market. It is not, however, the task of the impartial investigator to accept this surface impression, which one obtains from the information and propaganda put out by the interest groups in Sweden. The approach cannot be an "all's well" one. Rather must we be concerned to dig down into the past and consider the background.
IF order reigns, why is this the case? What historical developments lie behind the apparent order? In response to such questions, the emphasis is placed on historical development, and development through discussion of different solutions and unacceptable ends and means. A free society excludes certain ends and means in its attempt to order industrial relations aright and acceptable ends and means are the product of development. At the risk of being tedious I am concerned to show that the present system of labour relations in Sweden did not, like Topsy, simply grow, but that it is the product of empirical discussion and trial by battle, and that Swedish industrial relations only stand where they do today because difficulties have had to be overcome and problems solved as the labour market organisations grew in power and strength. Thus it is an analysis in depth.

In the analysis emphasis will be placed on the structure of the organisations and their aims and goals, and on the manner in which they function both in their internal and external operations. The object is to present a comprehensive picture of the labour market, and in this respect the analysis is much wider than that usually presented by writers, Swedish and others, on labour market problems in that country. Some attention is devoted to a comparatively neglected group, the salaried employees, and to state and local authority spheres of activity, as well as to the more "popular" and well known private sector of the economy. Different forms of employment are discussed.

The aim throughout is to lead up through a comprehensive approach to the present nexus of relationships that find their central focus in the collective agreement and in the wages policies pursued by the different groups. No consistent attempt is made to draw international comparisons, because of the dynamism of the Swedish system itself. Industrial relations are never a matter of static analysis. It would of course be idle to deny that Sweden has been a vacuum in these matters,
that she has not assimilated ideas and impulses from abroad. Because of her comparative remoteness and little known language she has been a receiver rather than a transmitter of ideas, e.g., from Britain and, more particularly, from Germany, Denmark and Norway. No priority is claimed for Sweden in any of the successful arrangements she may have made, and no case is made out for trying to adapt her institutional arrangements to other countries and types of economy; for what emerges is that the peculiar Swedish contribution is adaptation of ideas to suit her own institutional and environmental circumstances.

Because of the language difficulty and the inaccessibility of sources to many readers it has been considered advisable to present the content of some debates and problems in some detail, and to avoid the condensation of material that the interests of brevity would applaud but the requirements of clarity and scholarship would condemn.

The argument is conducted in the following sequence. Part 1 deals with the organisations, their development, structure and functioning. In Chapter 1 the general economic background to the industrial society is set out. Chapter 11 deals with the growth and development of the manual workers' trade union movement, and an appendix to this chapter considers the relations between the movement and the social democratic party in the twentieth century. Chapter 111 discusses the employers' organisations, the history and development of SAF and rival bodies, and the early emphasis within SAF on byelaws that ensured centralisation of control. Other employer groups are also discussed. In chapter IV the growth and significance of a trade union movement among salaried employees is discussed. The remaining chapters of Part 1, chapters V to VII, then deal with specific problems of the manual workers' trade union movement. Chapter V discusses the structure of the federations within LO and the layers of organisation in the movement. Chapter VI analyses the constitutional
problems of LO, and the solutions that have been attempted in the centralisation of powers through byelaw amendments, while in chapter VII the trend to industrial trade unionism in the structure of the movement is traced.

In part II the relations of the labour market organisations to the state are discussed in the light of legislative proposals made at various times and the discussion that has centred round them. The regulation in law of associations is discussed in chapter VII. Chapter IX deals with the right of association and negotiation in general, while chapter X discusses this problem in relation to a certain group in society, "responsible officials". The growth of machinery for conciliation and private arbitration is then dealt with in chapter XI. The debate centring round the issue of compulsory arbitration for the purpose of enforcing collective agreements is considered in chapter XII, and the culmination of the debate in the two acts of 1928, on collective agreements and a Labour Court, is described in chapter XIII. The part ends with a consideration in chapter XIV of the limitations on direct action and the position of neutral third parties in the event of labour disputes.

Part III shifts the emphasis from legislation to constructive cooperation between the labour market parties, and is almost wholly concerned with an analysis in chapter XVI of the Basic Agreement of 1938 between LO and SAF and other peace agreements. This is preceded by a consideration in chapter XV of some of the forces at work which constituted the background to the Basic Agreement. Part IV follows on from this, in that it takes up problems that can be seen in a new light when the parties are prepared to co-operate in a constructive fashion in the labour market, namely employers' right and workers'
security. Chapter XVII discusses an old bone of contention, "Paragraph 23" in the byelaws of SAP, while the most recent attempts at co-operation through the growth of a system of enterprise councils are considered under the heading of industrial democracy in chapter XVIII.

The final section, part V, analyses the system at work as it is reflected in the collective bargaining and wages policies of the organisations. Chapter XIX discusses the content of employment agreements, methods of reaching and interpreting such agreements are taken up in chapter XX, while chapter XXI looks at the whole integrated system of relationships and organisations in the light of the wages policy problems that have been the centre of discussion in Swedish labour market circles since the era of full employment dawned. Some conclusions are then set out.
Part One

The Organisations on the Labour Market
Chapter 1
THE ECONOMIC FRAMEWORK IN SWEDEN

Sweden is one of the most northerly situated countries in the world, her southernmost point lying on the same latitude as that of the northern tip of Ireland and her northern extremities stretching far into the Arctic Circle, north of which one seventh of her total area is situated. The country has a north south elongation, the greatest length from north to south being 978 miles and the greatest width 310 miles. The total length of coastline is 4,735 miles. The total area of the country is about 173,350 square miles (cf. Great Britain - England, Scotland and Wales - with an area of 88,803 square miles) and of this area about 8½% is water in the form of lakes and waterways. More than half of the land area consists of forest, and a bare tenth of arable land. The rest is bogs, rivers and mountains. Sweden is not a first class agricultural country. Good soil is scarce and widely scattered.

In view of its northern location and shape one would expect to find great extremes of climatic variation in Sweden, but in part these variations are tempered by the Gulf Stream. The mean annual temperature varies from \(27^\circ F\) in the north to \(45^\circ F\) in the south. It is in part climatic conditions, and also the topography of the country, that account for the fact that the northern half of the country, which is almost entirely forest and mountains, is inhabited by only 20 percent of the population. Indeed the settlement of north Sweden (Norrland) was only begun on any scale in the mid nineteenth century, when the forest and iron ore resources began to be exploited. Likewise there is a large concentration of population in the fertile southern plain of Skåne (Scania), while Stockholm alone accounts for about one tenth of the total population of just over 7 million.

Historically, the Swedes had little experience of feudalism, slavery being abolished in the fourteenth century, and there is a strong
historical strain of free peasant proprietorship in Swedish society. The population is homogeneous in race, there are no minority problems in religion or language, nor any racial problems. This is not to say that the Swedes have not known immigrations, of Germans in the Middle Ages, Dutchmen and Walloons and Scotsmen in the seventeenth century, and in modern times of Finns, Norwegians and in particular refugees from the Baltic countries.

Politically, Sweden is a unitary state. Her great formative period as a nation was in the early sixteenth century under Gustav Vasa (1496 - 1560), and in the seventeenth century she emerged as one of the leading powers of Europe under Gustav II Adolf. But, after this eruption of energy and expansive international influence, Sweden declined as a power of first rate importance after the death of Charles XII in 1718, and by 1809 she had lost her last remaining foreign possession - Finland - to the Russians. Since then Sweden has steered clear of any direct participation in wars.

Economically, the development of Sweden as a modern industrial economy dates only from 1890, but when it did begin industrial expansion was rapid. Sweden was able to profit by the experience of other countries who had undergone a process of industrial revolution before her, and in her industrial development she has been favoured by her endowment of natural resources such as iron ore, timber and rivers that provide a medium for the transport of timber and which can be harnessed for the production of electrical energy. What Sweden does lack, however, are coal (there are only very small deposits in north west Skåne) and oil deposits. To a very great extent her economic structure is dictated by the presence or absence of these important raw materials of an industrial economy.

But although industry developed late there has long been an iron mining and processing industry in central Sweden (Bergslagen).
Iron ore has been mined there since the thirteenth century, and the oldest company in the world still in operation - Stora Kopparbergs - was also founded late in the thirteenth century. In central Sweden there is accordingly a long tradition of metal working. This was essentially a rural industry, iron and wood processing and smelting being combined with farming and forest operations. Now there is integration of a different kind in the large vertical organisations such as Uddeholm and Stora Kopparbergs, firms which own both the forest and ore resources for producing wood products and metal and engineering products. For a time prior to the discovery of new smelting processes based on coal Sweden, with her abundant sources of timber for charcoal making, was the world's greatest producer and exporter of iron. Bergslagen ore is non-phosphoric and free from sulphur, but is not rich in ore content. The iron ore of the north, of Kiruna and Malmberget, is rich in content (about 70%) but is phosphoric. The Arctic ore fields have been exploited only since the late nineteenth century and most of this ore is exported via the Norwegian port of Narvik. There is still a large home industry engaged in the manufacture of iron and steel products, however, and even in central Sweden electric power and imported coke have now replaced charcoal as the main fuels for steel making.

These are important data. It is important that one should get the "feel" of a country when one seeks to consider some of the problems relating to labour relations. When, for instance, we ponder the present high standard of material well-being in Sweden it is important to remember that she has not been directly involved in war for almost 150 years. Her important engineering and metal manufacturing industries have a long historical tradition behind them. Industrialization came late to Sweden. There is a long tradition of freedom. The peasants, although they were not always a dominant group in the old parliament of the Four Estates of nobles, clergy, burghers and peasants, were at least represented. The
traditionally phlegmatic Swede is, at least in part, the product of a stern climate.

Although the year 1850 provides a convenient landmark from which can be described the beginnings of industrial change and the first signs of a new social and economic framework, changes can nevertheless be seen taking place in earlier decades. Montgomery¹ draws a boundary in economic development in Sweden in the 1860s, but points out that the half century preceding was a time when the barriers of the old static society of agriculture, of guild restrictions and industrial regulations were being broken down, and the soil was being prepared for the era of "free competition". State policy in the early nineteenth century still aspired to be conservative in economic matters and policy. Competition in handicraft trades was restricted, attempts were made to prevent the iron working and sawmill industries from over-reaching the very narrow limits which the supply of raw materials was considered to allow, and foreign trade was restricted through a protectionist trading policy. But nevertheless the static bonds were becoming strained. The rapid rise in population, the demand from Britain for wood and iron ore, technical changes and ideological changes in economic thought and policy gradually found their way into the static economy and stepped up the tempo of economic activity.

The introduction of steam driven saws in the 1850s led to an upswing in the forest industry, which now became less dependent on proximity to waterfalls for the requisite motive power. Sawmilling communities sprang up along the coast of Norrland. By the end of the century the annual exports of sawn and planed wood had increased more than twenty-five times over the figure for the 1830s of 190,000 cubic metres.

¹ Industrialismens genombrott i Sverige, p. 30.
During the boom of 1871-75 wood products accounted for 43.5% of total exports. In agriculture, changes in techniques that followed on the enclosure movement of the early nineteenth century led to increasing production efficiency, although the industry was about to suffer a relative decline in relation to the other forms of economic activity that were developing rapidly.

In 1848 recognition was given to the company form of conducting business through its regulation by an act of that year. The free trade movement in Britain affected the old restrictive approach to foreign trade, and reforms were helped along in Sweden by the rise in the price level during the boom of the 1850s. This led to the suspension of the tariff on grain and animal products. The trade treaty with France in 1865 also gave an impetus to free trade. Influences from abroad have in fact frequently been very important in determining the path that developments in Sweden have followed. This is perhaps only to be expected in a small country. "In the formation of economic opinion it has not been economic changes in the narrow sense that have been of greatest significance, but the general cultural impulses and currents of ideas." ¹

There had been strong cultural ties with France since the early 18th century, and the free trade policy of Napoleon III found a ready echo in Sweden. Mercantilism, which still had fairly strong roots in 1850, suddenly declined in the face of the free trade policy of Grimenstadt. French economic writings, and in particular those of Bastiat and Chevalier, also influenced this development. At the other extreme, British economic thinking was at the time almost entirely unknown in Sweden because of the

language barrier, but an even more fundamental barrier in Heckscher's view was the fact that British economic ideas required for their understanding a grasp of theoretical ideas which was lacking in Sweden during this period.

When the building of railways was planned, the policy laid down by parliament in 1854 was that the state was to be responsible for the building of the most important trunk lines, feeder lines being entrusted to private builders. (Since 1939 it has been official policy to nationalise the railways and now the state owns well over 90% of the total track mileage. About 40% of the track is electrified, but since this covers all the main lines the traffic carried by the electrified track is almost 90% of total traffic.)

After the period of falling price levels\(^1\) from 1875-1895 there began from the year 1895 a marked upward trend in manufacturing industry in Sweden. This decade is considered by Gårdlund to be the period that corresponds best in Sweden to the idea of an industrial revolution.\(^2\)

The reasons for the upswing are worth noting. The quality of Swedish raw materials, high technical skill, and Swedish inventions are considered by Montgomery to have been more decisive in promoting industrialisation than the rising level of prices from 1895.\(^3\) Progress in electrical techniques, inventions for processing wood pulp, the exploitation of the iron ore resources by new processes, all contributed to the upswing.

This was the age of the great Swedish inventors, of Laval's separators, of AGA beacons, Swedish matches, Swedish pulp, primus stoves, of Nobel and Bofors.

\(^1\) Sweden adopted the gold standard in 1873.

\(^2\) Industrialismens Samhälle, p. 60.

The development of new products based on manufacturing processes led to a change in the composition of Swedish exports, from being predominantly sawn wood products in the 1850s to becoming much wider in range. Now they covered not only raw and semi-manufactured materials, but industrial products, the fruit of Swedish inventions. Until 1910, however, Sweden remained a net importer of capital for the financing of her industrial development.

The share of the state in economic activity in Sweden is significant and worthy of comment in an introductory survey such as this. The state has been a part owner in mines, forests and waterfalls resources since olden times and no great revolution in economic thinking and policy is involved in the state being at the present day a direct and important participant in economic activity. State plants now supply about 40% of the electrical energy from waterpower, while local authorities supply 6% and private companies the remainder (over one third of which is generated by industrial firms for their own use.). The state and local authorities own about one quarter of the forest resources, companies own one quarter, while individuals, mainly farmers, own the remainder. As has already been noticed state interest in railways has been a dominating one since the building of railways was first contemplated, and state operation of the Post Office, and the telegraph and telephone network is likewise a feature that precedes the rise of the Social Democratic Party, first to influence and then to power. Some monopolies of a semi-government nature also exist in the import, manufacture and sale of tobacco and liquor.

1) Fleetwood, Erin E., Sweden's Capital Imports and Exports.

2) The state power authority also undertakes the development of sites for production, and is responsible for the construction and maintenance of the main power transmission lines throughout the country.
State intervention in economic life in a more indirect way, via subsidies, price and other controls has of course flourished anew since the 1930s, when price supports were given to agriculture, and tariff protection was given to a number of consumer goods industries such as textiles and footwear. During and since the second world war there has been a growing tendency for price, investment, import and export controls to make the influence of the state in the course and tempo of economic activity a major one. In the field of social reforms the late rise of industry meant that reforms were already on the way when the numbers employed in industry began to grow rapidly.

In 1846 and 1864 two significant changes were made in the legal framework governing economic life, both of which were to be of importance in the change to a dynamic from a static society. In 1846 the guilds were abolished. Prior to that year there had been strict regulation both of the guilds and of "factories and manufactories" such as textile, glass and paper manufacturing establishments. Control of these latter, which did not come under the guild handicraft regulations, had been revised at intervals, e.g. in 1770, when meetings between journeymen and workmen were prohibited and both collective and individual agitation for rises in wages were discouraged by the liability to pay fines for conspiring to bring about a rise in wages. 

The regulations were made less onerous in 1846, and it was provided that the place of the guilds in looking after the interests of handicraft workers was to be taken by a handicraft association in each town.

1). See Montgomery, The Rise of Modern Industry in Sweden, p.203. Montgomery does not consider that the regulations controlling factories and manufactories at the beginning of the 19th century were a great obstacle to industrial expansion. And it was in these groups that industrialisation began. See Industrialismens Genombrott i Sverige, p. 133.
In 1864 the economic freedom ordinance was passed, which provided that everyone in Sweden was in principle now free to exercise economic activity through trade, factory, handicraft or other work. The freedom was not absolute, however, since it was provided that, if no other agreement were arrived at, the worker should be subject to the authority of his master. This meant that the old Master and Servant Act, which had originally regulated the master-servant relationship in the Swedish agrarian society, was still lurking in the background.

According to the most recent act of 1833 the servant's contract ran for a period of one year, with term time on 24th October. The master was obliged to look after the servant in time of sickness in order to prevent his becoming a burden on the rates, and the servant was in turn to be "Godfearing, loyal, diligent, obedient, sober and well behaved, and not try to evade work and tasks that the master set him". Punishments went so far as to allow the master resort to "moderate use of the whip".

This static approach in terms of master and servant was closely related to the concept of "unprotectedness" which had developed since the first statute on the subject was passed in 1664 in order to take care of the problem of vagrancy and idleness. No tramps, vagrants or idlers were to be tolerated in the towns or countryside; a person who was not resident in a place, did not possess property or his own business, or had no lawful service was liable to be sentenced to service as a seaman or soldier. Anyone who had no settled form of livelihood was thus said to lack the "defence of law", to be unprotected. ¹ Varying emphasis was placed at different times on the objects of the unprotected statute, stress sometimes being laid on the burden of the poor (Poor Relief was organised on a parish basis) and at others on the necessity for a cheap supply of labour. When the statute was revised in 1885 compulsory

¹ Schmidt, Folke, Kollektivarbetsrätt, p.8, says the term originally referred to the right of the nobility to exempt or "defend" their court and estate servants and their agricultural tenants within a certain radius of the family seat for military service.
labour for vagrancy still remained as a deterrent prescribed by law, but
no mention of the idea of being unprotected was made. The statute was in
fact still of some importance at this time. It is estimated 1) that in
1866 - 3,576 persons were arrested for vagrancy under the act, and in
1885 - 4,131 persons. The provisions of the statute had also been of
some importance in the big Sundsvall strike of 1879, and it thereafter
became a matter of some urgency to the workers to have the idea of
unprotectedness abolished if freedom of contract in the expanding labour
market were to be a reality and indeed a possibility. Although
restrictions on freedom of contract remained until the repeal 2) of the
Master and Servant's Act in 1926 it had by then long since lost all
practical importance except for workers in agriculture who were employed
by the year and were not organised in trade unions.

Although the declared economic freedom of the 1864 decree was not
immediately matched by complete freedom of contract between employers and
workers, what was really significant was that neither strikes nor trade
unions were prohibited. Common action was not prohibited by any
Combination Laws. Thus, when in due season a trade union movement began
to arise, it had no special legal barriers to overcome. But the state

1) Casparssson, Ragnar, LO under fem årtionden, vol.1., p.15.
2) See proposition 183, 1926. The upper house of parliament
   approved repeal by 64 votes to 49, and the lower house by
   117 - 72. No new legislation adapted to modern conditions
   was suggested at the time, although, as will be discussed in
   Part II, proposals have at various times been made for
   legislation on the relationship between the individual
   employer and employee.
did not appear to be absolutely aloof from all concern with labour relations, for it was accused of bias in favour of employers under the guise of maintaining order in such disputes as the Sundsvall sawmill strike of 1879. On this and other occasions the workers quite firmly believed that they were being persecuted by the government, in spite of the absence of formal barriers to the development of workers' organisations. It is in fact still a matter of faith in trade union reviews of the history of the period that the workers were downtrodden. There was considerable justification for this view, in relation for example to the Åkarp legislation of the 1890s. But, indeed, as will be seen later in the discussion of the state and the labour market, it is doubtful whether one side or the other does not at any time feel it is being unjustly dealt with by the State.

One decisive factor making for a change in Swedish society in the 19th century was undoubtedly the rapid growth in population that had been taking place since the middle of the 18th century. In 1720 the Swedish population was about 1.45 million, by 1748 it had increased to 1.75 million, and thereafter the population trends can be accurately recorded, since organised population statistics have been kept in Sweden since 1749.

1) See, e.g., Fackföreningsrörelsen och den fulla sysselsättningen, pp. 7-9.
## Population Development in Sweden

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<td></td>
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<td>5.93</td>
</tr>
<tr>
<td>1780</td>
<td>2,118,300</td>
<td>35.70</td>
<td>21.74</td>
<td>13.96</td>
<td></td>
<td></td>
<td>13.62</td>
</tr>
<tr>
<td>1790</td>
<td>2,187,700</td>
<td>30.48</td>
<td>30.43</td>
<td>0.05</td>
<td></td>
<td></td>
<td>-0.56</td>
</tr>
<tr>
<td>1810</td>
<td>2,396,400</td>
<td>32.95</td>
<td>31.57</td>
<td>1.38</td>
<td></td>
<td></td>
<td>0.94</td>
</tr>
<tr>
<td>1820</td>
<td>2,584,700</td>
<td>9.82</td>
<td>32.97</td>
<td>24.46</td>
<td>8.51</td>
<td></td>
<td>8.90</td>
</tr>
<tr>
<td>1830</td>
<td>2,888,100</td>
<td>9.73</td>
<td>32.91</td>
<td>24.08</td>
<td>8.83</td>
<td></td>
<td>8.68</td>
</tr>
<tr>
<td>1840</td>
<td>3,138,900</td>
<td>9.67</td>
<td>31.43</td>
<td>20.35</td>
<td>11.08</td>
<td></td>
<td>10.38</td>
</tr>
<tr>
<td>1850</td>
<td>3,482,500</td>
<td>10.09</td>
<td>31.39</td>
<td>19.79</td>
<td>12.10</td>
<td></td>
<td>11.92</td>
</tr>
<tr>
<td>1860</td>
<td>3,859,700</td>
<td>11.26</td>
<td>34.83</td>
<td>17.65</td>
<td>17.18</td>
<td>0.09</td>
<td>18.83</td>
</tr>
<tr>
<td>1870</td>
<td>4,168,500</td>
<td>12.95</td>
<td>28.78</td>
<td>19.80</td>
<td>8.98</td>
<td>4.80</td>
<td>2.35</td>
</tr>
<tr>
<td>1880</td>
<td>4,565,700</td>
<td>15.12</td>
<td>29.36</td>
<td>18.10</td>
<td>11.26</td>
<td>9.21</td>
<td>0.66</td>
</tr>
<tr>
<td>1890</td>
<td>4,785,000</td>
<td>19.80</td>
<td>27.95</td>
<td>17.12</td>
<td>10.83</td>
<td>7.16</td>
<td>2.21</td>
</tr>
<tr>
<td>1900</td>
<td>5,136,400</td>
<td>21.49</td>
<td>27.00</td>
<td>16.84</td>
<td>10.16</td>
<td>4.04</td>
<td>1.57</td>
</tr>
<tr>
<td>1910</td>
<td>5,522,400</td>
<td>24.76</td>
<td>24.66</td>
<td>14.04</td>
<td>10.62</td>
<td>5.06</td>
<td>1.48</td>
</tr>
<tr>
<td>1920</td>
<td>5,904,500</td>
<td>29.52</td>
<td>23.61</td>
<td>13.30</td>
<td>10.31</td>
<td>1.74</td>
<td>1.84</td>
</tr>
<tr>
<td>1930</td>
<td>6,142,200</td>
<td>32.49</td>
<td>15.37</td>
<td>11.71</td>
<td>3.66</td>
<td>0.93</td>
<td>1.23</td>
</tr>
<tr>
<td>1940</td>
<td>6,371,432</td>
<td>37.37</td>
<td>15.07</td>
<td>11.44</td>
<td>3.63</td>
<td>0.49</td>
<td>1.07</td>
</tr>
<tr>
<td>1950</td>
<td>7,047,000</td>
<td>46.58</td>
<td>16.42</td>
<td>10.01</td>
<td>6.41</td>
<td>1.83</td>
<td>3.98</td>
</tr>
</tbody>
</table>

Source: Statistisk Årsboken, 1951.
The trend in the absolute numbers of population has been a steadily rising one, and in only eleven of the years since 1750 has there been a decline in population from the preceding year. But the manner in which the increase in population has come about at different times is worthy of consideration. In several years in the late eighteenth and early nineteenth century the birthrate dropped below thirty per thousand, but only from 1879 is the trend definitely below thirty, since when it has declined steadily, reaching a record low around 1940. There is no upward trend in the birth rate at any time during the nineteenth century, and in fact the increase in population is much more attributable to a decline in the death rate, which has fallen steadily since 1870. There is a remarkable decline from 1810. In part the fall in the death rate is considered by Montgomery to be explained by the rural character of Sweden and the absence, at least during the nineteenth century, of large urban concentrations of population. In the 1840s the death rate was lower in the countryside than in the towns.

The rapid rise in population in the nineteenth century, together with changes in agricultural technique and the enclosure movement at the beginning of the century, led to the rise of a large rural proletariat. Up to 1860 there was an agrarian "reserve army" which had difficulty in finding employment in agriculture and which pushed wages down. "Only an industrial revolution could give all these semi-unemployed a reasonable livelihood. But on the other hand industrialisation was made easier by the fact that there was such a rich supply of cheap labour". An outlet was in fact ultimately found in industry or in emigration.

1) Industrialismens Genombrott i Sverige, p.45.

2) Ibid, p. 67.
In the late nineteenth century there was a tremendous flow of population from Sweden across the Atlantic, the peak year being 1887, when 50,786 persons emigrated. Between 1866 and 1914 about 1,200,000 people emigrated, the largest proportion going to the United States. On the other hand, immigration has played an important part in the population increase in the 1940s, the immigrants being mainly refugees from the Baltic countries.

In spite of the population growth in the nineteenth century Sweden long remained a predominantly rural country. Even in 1950 the percentage of town dwellers was less than half the total (46.58%), and the increase in the previous ten years (from 37.37% in 1940) had been unusually great. The absolute size of the rural population increased until 1915 when a peak of 4,157,604 was reached. (The population engaged in agricultural industry had, however, begun to decline from 1890). A new peak of 4,193,397 was reached in 1925, and since then there has been a steady decline. Rural depopulation is in fact a major sociological problem in Sweden at the present time. One important point, the reverse side of the picture, is, however, that Sweden has never had any considerable urban proletariat or "industrial reserve army".

There was a steady increase in urban population, from 229,433 in 1800 to 1,103,951 in 1900. Latest developments of rural and urban population are shown by the following table:
Figures for the growth of towns support the conclusion that the modern traveller through the Swedish countryside that there are few industrial belts with their accompanying large centres of population. Stockholm was a city of 75,000 souls in 1800, and only in 1850 did it begin to grow rapidly in size, reaching 300,000 by 1900. By 1950 its population was 746,000 i.e. slightly more than one tenth of the total population of Sweden.

No. of Cities with population in ranges above 10,000.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total over 10,000</th>
<th>10,000 - 20,000</th>
<th>20,000 - 30,000</th>
<th>30,000 - 50,000</th>
<th>50,000 plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1870</td>
<td>9</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>1890</td>
<td>18</td>
<td>10</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>1900</td>
<td>21</td>
<td>11</td>
<td>6</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>1910</td>
<td>24</td>
<td>11</td>
<td>6</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>1920</td>
<td>31</td>
<td>15</td>
<td>7</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>1930</td>
<td>35</td>
<td>18</td>
<td>5</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>1940</td>
<td>39</td>
<td>19</td>
<td>7</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>1950</td>
<td>47</td>
<td>12</td>
<td>16</td>
<td>16</td>
<td>3</td>
</tr>
</tbody>
</table>

The increases in the two middle groups in the 1940s are striking.

That there has been a shift from the country to the towns there is no doubt. What it is important for us in Great Britain to grasp, however, from the point of view of industrial relations is that there are no black population spots in Sweden, no Great Wenz, no Black Countries.
In spite of the shift towards urban life Swedish industry is still fairly rural in location. In part this is the product of natural and geographical factors, such as sources of supply of timber for pulp and paper mills, where the location of plants in quite naturally by a river estuary, or of ore for the iron working industry, which always has been rural in its location and still preserves its rural flavour. Nothing is more startling to someone familiar with Clydeside or Sheffield than to find that Borlänge, one of the largest steel plants in Sweden, is situated in lovely rural scenery, by the side of the Dal river and amid rolling hills covered with pine trees. And this is typical. Borlänge, the town which is built alongside the mill, is a parasite on the mill. Without the steel plant the town would simply not be there. This close relationship between one plant and a community dependent on it is typical and not of course without its dangers in the event of the firm running into economic difficulties.

The changeover from agricultural to industrial occupations since 1870 is brought out in the following table, which shows the percentage distribution of the population by branch of the economy.

<table>
<thead>
<tr>
<th>Branch of the Economy</th>
<th>1870</th>
<th>1880</th>
<th>1890</th>
<th>1900</th>
<th>1910</th>
<th>1920</th>
<th>1930</th>
<th>1940</th>
<th>1945</th>
<th>1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, forestry and fishing</td>
<td>51.6</td>
<td>49.6</td>
<td>49.6</td>
<td>45.8</td>
<td>42.0</td>
<td>38.4</td>
<td>34.7</td>
<td>31.9</td>
<td>28.2</td>
<td>23.4</td>
</tr>
<tr>
<td>Mining, Manufacturing and Industry</td>
<td>9.5</td>
<td>11.5</td>
<td>16.2</td>
<td>21.8</td>
<td>27.4</td>
<td>31.4</td>
<td>35.7</td>
<td>37.8</td>
<td>41.0</td>
<td></td>
</tr>
<tr>
<td>Transport, Communications and commerce</td>
<td>3.0</td>
<td>4.3</td>
<td>5.7</td>
<td>7.3</td>
<td>10.4</td>
<td>12.8</td>
<td>15.5</td>
<td>18.2</td>
<td>19.2</td>
<td>21.1</td>
</tr>
<tr>
<td>Public admin. and Professions</td>
<td>5.6</td>
<td>5.1</td>
<td>5.1</td>
<td>4.7</td>
<td>4.1</td>
<td>4.6</td>
<td>5.3</td>
<td>7.6</td>
<td>8.7</td>
<td>9.5</td>
</tr>
<tr>
<td>Domestic Service</td>
<td>4.6</td>
<td>4.3</td>
<td>4.0</td>
<td>3.7</td>
<td>3.5</td>
<td>3.7</td>
<td>3.9</td>
<td>3.1</td>
<td>2.3</td>
<td>2.1</td>
</tr>
<tr>
<td>Unspecified</td>
<td>25.7</td>
<td>25.2</td>
<td>19.4</td>
<td>16.7</td>
<td>12.6</td>
<td>9.1</td>
<td>8.9</td>
<td>3.5</td>
<td>3.8</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Source: Statistisk Årsboken, 1951, p. 35 and 1953, p.29
The shift here is quite typical of a country that is becoming industrialised and is enjoying a high standard of living. There has been a decided drop in the percentage of the population engaged in agriculture, a very large increase in mining, manufacturing and industry, particularly between 1880 and 1910, and in service industries and transport, and a slight tendency for the professions and administrative classes to claim a larger proportion of the population from 1930. This last is closely related to the growth of salaried employees' organisations, as will be discussed in chapter IV.

By source of livelihood industry is now the predominant sector in the Swedish economy, and the above table reflects the changes in the structure of the economy, which have of course had important effects on the structure of the labour market. The rapid increase between 1890 and 1910 in the percentage of workers employed in industry coincided with a very rapid growth in the membership of the trade union movement. Within industry the types of production are brought out by the following tables showing the different industries and the number of workplaces and workers in the year 1945.

(Source: Statistisk Arsbok, 1951, Table 110).
<table>
<thead>
<tr>
<th>Type of Industry</th>
<th>No. of workplaces</th>
<th>No. of workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mining and metalworking</td>
<td>5,631 (1)</td>
<td>250,039 (1)</td>
</tr>
<tr>
<td>Textiles and clothing</td>
<td>1,348</td>
<td>86,996</td>
</tr>
<tr>
<td>Wood processing</td>
<td>4,217</td>
<td>69,063</td>
</tr>
<tr>
<td>Paper and printing</td>
<td>1,280</td>
<td>63,008</td>
</tr>
<tr>
<td>Foodstuffs</td>
<td>4,884</td>
<td>55,094</td>
</tr>
<tr>
<td>Stone and quarrying</td>
<td>1,672</td>
<td>52,924</td>
</tr>
<tr>
<td>Leather, hair and rubber goods</td>
<td>834</td>
<td>27,318</td>
</tr>
<tr>
<td>Chemical products</td>
<td>894</td>
<td>22,605</td>
</tr>
<tr>
<td>Power, light and waterworks</td>
<td>1,114</td>
<td>12,365</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>22,074</strong></td>
<td><strong>639,432</strong></td>
</tr>
</tbody>
</table>

1) Of this, the mechanical engineering industry accounted for 3,238 workplaces and 114,715 workers.

The size of industrial plants is also of significance. As the following table shows, there has been no great change since 1913 in the relative sizes of the various groups.
Industrial workplaces and number of workers employed.
(Source: based on Statistisk Årsbok 1951, table 110).

<table>
<thead>
<tr>
<th>No. of workers</th>
<th>1913 Workplaces</th>
<th>1913 Workers</th>
<th>1945 Workplaces</th>
<th>1945 Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 and less</td>
<td>4,729</td>
<td>21,034</td>
<td>6,010</td>
<td>11,374</td>
</tr>
<tr>
<td>4 - 10</td>
<td>3,026</td>
<td>71,912</td>
<td>7,607</td>
<td>48,570</td>
</tr>
<tr>
<td>11 - 50</td>
<td>696</td>
<td>48,835</td>
<td>1,038</td>
<td>73,114</td>
</tr>
<tr>
<td>51 - 100</td>
<td>432</td>
<td>61,261</td>
<td>624</td>
<td>88,124</td>
</tr>
<tr>
<td>101 - 200</td>
<td>294</td>
<td>88,828</td>
<td>361</td>
<td>110,624</td>
</tr>
<tr>
<td>201 - 500</td>
<td>59</td>
<td>39,361</td>
<td>123</td>
<td>81,570</td>
</tr>
<tr>
<td>501 - 1,000</td>
<td>21</td>
<td>29,513</td>
<td>46</td>
<td>86,882</td>
</tr>
<tr>
<td>1,000 plus</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,257</td>
<td>360,744</td>
<td>22,074</td>
<td>639,432</td>
</tr>
</tbody>
</table>

In 1945 less than 10% (2,192) firms employed more than 50 workers, and only 169 firms employed more than 500 workers, although they accounted for 26% of workers in industry.

In spite of the predominance of industry agriculture still remains an important employer of labour. In 1945 - 240,000 workers were employed in agriculture, and, what is even more significant for the structure of the industry, there were 325,000 employers.
The following table shows the distribution of salaried employees and wage earners by occupation as between town and country in 1945:

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Rural</th>
<th>Urban</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State service</td>
<td>98,252</td>
<td>170,453</td>
<td>268,705</td>
</tr>
<tr>
<td>Municipal service</td>
<td>52,220</td>
<td>106,836</td>
<td>159,056</td>
</tr>
<tr>
<td>Private service</td>
<td>757,767</td>
<td>903,266</td>
<td>1,661,033</td>
</tr>
<tr>
<td>Private service and boarded by employer</td>
<td>220,400</td>
<td>51,619</td>
<td>272,019</td>
</tr>
<tr>
<td>Other</td>
<td>9,897</td>
<td>23,649</td>
<td>33,546</td>
</tr>
<tr>
<td>Total</td>
<td>1,138,536</td>
<td>1,255,823</td>
<td>2,394,359</td>
</tr>
</tbody>
</table>
Chapter 11
THE RISE AND DEVELOPMENT OF THE TRADE UNION MOVEMENT

It is not possible to establish any precise agreement in time between the rise of industry in Sweden and the origins of the trade union movement. Industrial development proceeded slowly in the 19th century and, although there was a big expansion in the 70s, the middle of the 90s is generally accepted as being the period when industrialism finally began to gather momentum. Trade unions date from the 1870s and the connection between industrialisation and trade unionism in Sweden is therefore not direct. Nor can it be argued that industrialisation and free competition put the worker in such a state of need that a combination movement was forced upon them in economic self-defence, for it is the case that the standard of living in Sweden rose quite considerably in the second half of the 19th century. It has been estimated that the annual incomes of industrial workers rose between 1861 and 1913 by three times, while real income rose by two and a half times, and the number of workers in industry increased almost sevenfold during the same period. There was some stagnation in money incomes after 1875, but real income continued to improve because of the falling cost of living. This is however a general trend, and overlooks cyclical fluctuations in particular industries, e.g. sawmilling. 1)

Again, it was the better off group of workers, those in handicrafts, who organised first in trade unions. There combination cannot be explained on the theory that the growth of industry forced the handicraft workers to combine for, as Lindbom shows, Swedish handicraft production

1) On this see Gårdlund, op.cit., p.356, and Westerståhl, Jörgen, Svensk Fackföreningsrörelse, p.20.
did not suffer from any excessive inroads from industry. What it did suffer from in the 80s was the influx of rural population to the towns, which was the product more of excess agrarian population than of attractive industrial jobs in the towns. 1)

The gild regulations had had some advantages for the workers in the form of unemployment, sickness and old age assistance, and the new economic freedom after 1846 and 1864 was at first more formal than real in its benefits. The economic freedom ordinance did not cater for the transition from a static agricultural and handicraft society to a mobile industrial society - in fact some of the regulations such as the unprotected decree had been designed to prevent mobility of labour - and attempts soon began to be made to obtain advantages in new forms, advantages which in the static society had often been guaranteed by employment all the year round and through benefits in kind.

The reasons for forming trade unions could therefore be many and varied. Hansson emphasises that it was not socialist agitation that urged on the workers to form trade unions. "The driving force was the feeling of helplessness against employers, discontent with social and economic conditions." 2) But this does not alter the fact that social democracy did play an important part in the formation of unions in the late 80s and the 90s through emphasising class solidarity and providing financial and organisational support.

In sum, wages issues, unemployment, bad hours, housing, ideas of worker solidarity, better education, self help organisations and funds all


This is the definitive work on the trade union movement's history prior to 1900.

2) Hansson, Sigfrid, Den svenska fackföreningsrörelsens, p. 18.
gave impulses to the attempts to organise. Society was changing from a static to a dynamic form. There was a vacuum to be filled when the old organisations were either abolished or ceased to be suited to the new tempo of life. Unemployment constituted now a negative reason for combining, the freedom of the employer a positive one.

It is not easy to determine just how far there was continuity between former gild and other self-help organisations and the trade unions which began to develop at the beginning of the 70s. Lindbom distinguishes four pre-trade union types of worker association, educational circles, sickness and burial funds, self-help organisations on the Schulze-Delitzsch pattern (which enjoyed a short boom in Sweden after 1866) and workers associations of a political character. Of these associations the sickness and burial funds and the political workers' associations were of most importance when the first trade unions began to be formed. The former organised by factory and trade while the political associations were generally open to all workers and other interested persons. Some of the sickness and benefit funds were descendants of gild organisations on the friendly society side, but many new funds were also formed after the abolition of the gilds. These, unlike the gild journeymen's associations, were independent of the employers. Where the political and self-help organisations were valuable was in providing a knowledge of economic and political questions, and experience of work of organisation. "Many trade union pioneers were educated politically in the workers' associations, and it was these liberally minded men who usually led the opposition to socialist agitation in the trade union movement in the 80s." 2)

1) Lindbom, op. cit. p 12 et seq.
2) Lindbom./ op. cit. p.16.
The first trade union formed was the Printers' Association in Stockholm in 1846, the year when the gild system was abolished. In its early years it seems to have interested itself mainly in educational activity and, although a wages issue arose in 1858, it was not till 1872 that the association put forward tariff proposals for Stockholm printing works, arguing that as long as there was no tariff the conditions of work could be arbitrarily determined by the employers. The immediate reason for presenting the proposal seems, however, to have been the rising cost of living. Better working conditions (re hours and overtime) were asked for, negotiations with the book printers' society took place, and the printers' society became a trade union in the sense that it attached importance to the terms of employment. However, it was only in the 80s that it began regularly to discuss economic questions. Other trade unions were formed before 1880 among the bookbinders (1872), hatmakers, foundry workers, painters (1874), glovemakers (1875) - an attempt was made to make this Scandinavian in scope - upholsterers (1876), and carpenters (1880). But on the whole trade union activity in the 1870s was on a very modest scale. The associations dealing mainly or in part with trade union questions were very few in number, and all were in handicraft or highly skilled trades. This is worth noting. It was the handicraft workers, not the unskilled, who were the pioneers of the movement and, as will be seen later, this was to leave its mark in the forms of organisation of the Swedish trade union movement.

These early unions were on the whole protectionist, favourably disposed towards employers and generally opposed to strikes. But that is not to say that the strike weapon was unknown. Pressure of a rise in the cost of living often led in turn to handicraft trades submitting proposals for increases in pay under the threat of a strike.

1) **Lindbom, op. cit., p. 18.**
There had been some sporadic work stoppages in the 60s, the first in the harbour at Hälsingborg in 1863, and a large one involving 3 - 4,000 workers in the Persberg iron mines in Värmland in 1869. There was a minor wave of strikes in the early 70s. Of 60 strikes between 1871-75 which Lindbom investigated, 25 were in handicraft trades and 35 among manual and industrial workers. A noteworthy strike, the largest hitherto in Sweden, took place among the bakers of Stockholm in 1873. About 7 - 8,000 bakers were involved with their masters over the issue of no night work on Sundays. Formally; the bakers were not organised in a trade union but in a journeymen bakers' association, but it was very successful in establishing a united front, in preventing the importation into Stockholm of strikebreakers and ultimately in carrying the day. After three days of negotiations the masters agreed to no Sunday work, and this victory of the workers attracted much attention. Subsequently the association functioned as a forum for discussing trade matters and in particular as the defender of the gains of 1873.

There was a clear correlation between the boom and high prices of the first half of the 70s and trade union activity. The most active trade union years in this decade were 1872-77, but the depression of 1878-79 put a stop to all trade union discussion and action, and the associations that survived the crisis did so as social and support organisations. "The trade union associations of the 70s offer too scanty material to make any precise judgements over and above this. The activity was sporadic in part, quantitatively insignificant, and never had time to acquire any widespread influence in the handicraft trades or geographically."

2) Ibid., P.36.
Why this was so, in spite of the strikes and wages actions of the 70s, is perhaps explained by the fact that the masters were often too weak to oppose the workers and the unions were not yet strong enough to survive depressions.

A landmark in the development of the trade union movement, both because the outcome showed the disadvantages of not having a trade union and because the legal position of the workers was called in question, was the Sundsvall strike of 1879. It was notable also because the military were called in. This was the largest stoppage in Sweden so far, occurring as it did in the sawmill industry in the north east coastal area of Norrland around the town of Sundsvall. It was not the first strike in sawmills, but hitherto the stoppages had affected individual firms.

On this occasion, however, because of the industrial concentration around Sundsvall, a whole district was involved. No industry had been so sensitive to cyclical fluctuations as the sawmilling industry and at the time the industry was feeling the effect of poor prices. In fact Parliament had just voted a loan of 3 million crowns to the industry. This does not seem to have been a big enough rescue operation, however, for the sawmill owners decided to cut operations and wages in the whole Norrland sawmill district. At the beginning of the shipping season in the spring of 1879 the day wage was lowered by 15 - 20%. The reduction caused discontent and a strike began on 26th May which soon extended to thirty sawmills and about 5,000 workers. On the evening of the 28th many of the workers streamed into Sundsvall and encamped on property belonging to the local volunteers.

Two points should be noted at this stage. There was no trade union organisation behind the strike. It was simply a spontaneous stoppage of work, spontaneous in response to the issue of a cut in what were already considered to be low wages. The object was then to prevent the cut being put into force.
A settlement of the strike was brought about through the action of the county governor, Treffenberg, 1) who was able to make use of two weapons against the workers which were allowed by law, namely ejection of workers living in houses belonging to employers and the invocation of the unprotected provisions against the seasonal workers employed casually. After the camping ground had been surrounded, Treffenberg set up a court of enquiry on the spot, in the sense that he conducted an examination of all the workers in order to find out who was unprotected and who could adduce proof of residence. This action led to a rapid resumption of work.

Opinions about the strike and the action taken varied. Tingsten says 2) that it was generally recognised that the workers had the right to strike, even though strikes were often considered disadvantageous and dangerous to the workers themselves. But the state did sometimes intervene in such a way as seemed to place its authority solidly behind the employers. "Treffenberg, whose measures were approved by the government and praised by a large section of the press, described the strike in his official report in such a way that it appeared to be a matter of revolutionary action." 3)

In this case of course the state was directly interested, having just made a loan to the industry.

1) Treffenberg incurred much odium for the action he took, and it is usually overlooked that shortly after the strike he had an enquiry made into the living conditions of sawmill workers, and recommended the employers to think more about the welfare of their men and to plan for the future in order to avoid disturbances.

See Olsson, Reinhold "Norrländskt Sågverksliv under ett sekel. pp. 97-118.


3) Ibid., p.52.
Hallendorff considers that as a wages movement the strike was badly timed, for the curtailment of operations meant that plenty of workers were available. 1) Lindbom concludes that "the Sundsvall strike did not lead to a settlement between workers and employers, but was a manifestation of the power of the authorities to defeat attempts by the workers to obtain better working conditions through striking with the support of legislation and in defence of the common interests of the state and the employers". 2).

While the rise in the cost of living had provided much of the impetus to such trade unions as were formed in the 1870s, it seems paradoxical at first sight that in the 80s, when the cost of living declined on the whole, trade union activity increased greatly and the establishment of the trade union movement as an important social and economic instrument took place. Lindbom finds the main explanation for this growth of unions in the 80s to lie in the influx of population to the towns rather than in the rise of modern industry. 3) Indeed, as we have seen, industrial expansion was on a very modest scale until the 90s and the trade union movement was until then a predominantly handicraft one. But in the 80s the handicraft workers in the towns were forced to combine in increasing numbers against competition from their country cousins. But, again somewhat paradoxically, the wage level of the working class as a whole did not worsen as a result of this competition, although in some cases piecerates did fall. 4)

But the rapidly growing influx to the towns was not the sole factor in bringing about a growing interest in trade unionism.

1) Hallendorff, Svenska Arbetstagarföreningen 1902-1927, p.10.
2) This is not strictly true of the Sundsvall strike, which arose out of a cut in wages.
3) Lindbom, op. cit., p.26
4) Lindbom, op. cit., p.39
5) Ibid., p.41.
The workers' associations were becoming politically minded in the 70s, and both political and labour questions (e.g. strikes and the franchise) were discussed at the first meeting of Swedish workers in 1879, at which the representatives were mainly liberal in outlook and handicraft journeymen by trade.

The next significant step in the rise of trade unions was a meeting organised by the carpenters' union in December, 1881. This union had been constituted the previous year and, in addition to the fact that it placed emphasis on the trade union rather than the friendly society side of its activities, its members had acquired some experience of direct action in a strike in the Stockholm building trade in the summer of 1881, although the union itself had not been involved. The December meeting was addressed by August Palm, a socialist agitator and a tailor to trade, who was greatly interested in the formation of an independent socialist working movement. A committee was appointed at the meeting to discuss the formation of trade unions and worked out what it took to be the most suitable lines of development for the incipient trade union movement. The ideas were expressed in the March programme of 1882, which contained concrete and practical recommendations about normal trade union constitutions and forms of activity. The unions were to look after the interests of the trade and of workers and employers, help workers to obtain better incomes, promote skill, and endeavour to prevent a shortage of work and also strikes.

1) Palm had recently been turned out of Germany, and had begun his agitation with an address in Malmö on 6th November, 1881. The date is a landmark in the development of socialism in Sweden. Asking himself the question "What do the Socialists want?" Palm answered in brief that they wanted a different form of society.

Tingsten is the best authority on the origins of social democracy in Sweden. He suggests (op.cit., vol.1, p.23) that when socialism came to Sweden in the 80s it was in advance of its time, in that it was inspired from abroad (primarily Denmark and Germany) before the ideas had any background of general democratic and cultural radicalism in Sweden.
Provision was made for organised co-operation between employers and men, although the main emphasis was placed on the unions being primarily associations of workers for the purpose of looking after the material interests of the workers by uniting all the workmen in particular trades. This programme also recommended the formation of local central committees consisting of representatives of all the unions in the locality.

There was no great political and social radicalism about this March programme, in spite of the fact that Palm had been one of the leading lights. The socialist disciples had at that time no great roots among the workers in Stockholm. 1) Palm's one idea about unions was that they must be socialist, but he advanced no coherent principles or plans for the place of trade unions in the working class movement, their duties and objects. "One has the impression that Palm had neither the aptitude nor interest for practical questions of organisation." 2) But he urged energetically that the trade union movement must become socialist and as such also participate in purely political activity. Even in Malmö, however, where Palm exercised most influence, a "strictly trade union" movement had won the day.

However, a definite political side to the trade union movement was suggested in the new year of 1883, when a central trade union committee was formed in Stockholm. This followed the recommendation in the March programme, and at the time it was quite a natural arrangement to have central committees for all the unions in one place, particularly when problems of geographical isolation and the fact that many workers in a trade were scattered over many small factories and localities made national

1) Lindbom, op. cit., p.50.

2) Ibid., p.52. John Lindgren arrives at much the same conclusion. Summing up on Palm he says (August Palm p.72), "August Palm was no leader. Nor was he an organiser. He was an agitator pure and simple. And it is as such that he has carved out a name for himself in our history as the pioneer of socialism". But as an agitator he did serve a purpose. And he did on numerous occasions attempt to form organisations and found newspapers.
co-operation somewhat difficult. However, the Stockholm central committee went further than the March programme, in that it definitely directed its activity towards the promotion of political reforms for the benefit of the working class in general and of skilled workers in particular. It declared its objects to be those of uniting the various trades in a proper labour party, and to work in unity for the accomplishment of such reforms as were necessary for social developments based on national grounds. Trade unions represented in the committee were to be entitled to appoint representatives in proportion to their membership, a condition of representation being that every representative would sign and approve a programme for trade union activity. This was set out in fourteen points, and involved the unions in both political and economic issues. At this stage, it should be noted, there was no explicit statement that the political interests were to be those of socialism. Some of the points covered in the trade union programme were shorter working hours, more hygienic working conditions, pensions for old workers, labour exchanges, state support for producers' associations, promotion of temperance, and of good industrial relations through ad hoc conciliation boards. Political reforms asked for were direct and progressive taxation, better elementary education, revision of the criminal law, and adult male suffrage for those of good character.

This was the first political programme declared by the organised workers, and almost immediately thereafter the trade union movement and the rising socialist movement became intertwined. Until the turn of the century the problem had to be faced of whether the unions were to engage in political activity, and what was to be the relationship between the trade union movement and political, i.e. social democratic party.

The number of trade unions grew quite rapidly in the early years of the 80s, from 7 in 1880 to 48 in 1884 and 105 in 1885. Of these 105
unions 73 were handicraft unions, and all the manual and factory workers' unions had been formed in 1884 and 1885. If the division is made on the basis of skill there were in 1885 - 85 skilled and 17 unskilled workers' unions. Total membership of unions was estimated at between 8 - 9,000 in 1885, while the movement was pretty well confined geographically to central and south Sweden, Skåne having 30 unions, a feature explained by its population density and proximity to Denmark. There were fewer strikes in the period 1880-85 than there had been in the 70s. Of the 40 strikes traced, 19 were in handicraft and 21 in non-handicraft trades, 11 of the strikes took place in the building industry. Only five of the forty strikes were begun and carried on by trade unions. 1)

The year 1885 marks a convenient dividing line in the development of trade unionism in Sweden for, although there was stagnation in the numerical development of trade unions in the years immediately following, arising out of the depression which followed the building industry crisis in the summer of 1885, there were significant new departures both in thought and in the organisational structure of trade unions. Philosophically, differences of opinion were developing on the subject of socialism, its pros and cons, while organisational developments were marked by attempts to knit the individual unions together into more efficient units, either through the formation of national federations, central committees at the local level, or through Scandinavian co-operation.

Politically, the change in thinking can be seen in the history of the central trade union committee formed in Stockholm in 1883. It had rather a chequered career. Although most of the unions in Stockholm joined, it never achieved much by way of forming new unions. It had almost no financial resources and, as a body that was intended as an organ of opinion and propaganda rather than an executive, it had no power to act on behalf

1) Lindbom, op. cit., P.71.
of or jurisdiction over the affiliated unions except in questions they referred to it. At first it had nothing to do with the organising and supporting of strikes, but as a result of changes made in the organisation of the central committee in 1887 the right of decision in strikes and also the power to approve whether other member organisations would support the strike was transferred to the central committee, whose power was also increased through its functions being concentrated in an executive board instead of the previous representative council. But in respect of its political functions, the committee played a much more significant role. The exact relationship of the trade union movement to development of socialist ideas was a thorny problem in the Stockholm committee during the winter of 1885-86, and the debate culminated in the adoption of a new programme in 1886 which was much more radical than that of 1883.

This led to a fall in the membership of the central committee in Stockholm, but the decline in membership which took place after 1885 in other towns where committees had been formed was due also to bad economic conditions. "To attach to socialist propaganda part of the blame for the stagnation of the trade union movement must be considered unjustified, particularly when the political strife was localised principally to Stockholm, and the stagnation of trade unions was marked throughout the whole country". Indeed the social democratic associations being formed in the 80s were often the bodies that stimulated trade union activity, particularly in localities where there was no central committee. Further, in at least one instance, Gothenburg, the social democratic association was a member of the central committee of unions there.

Why the social democrats were interested in the formation of trade unions and in having co-operation between the trade union and political branches of the rising working class movement is of course a relevant question. The picture was at that time a confused one and no one was terribly clear what the exact relationship should be until the early 20th century. In the 80s the issue was clouded to a certain extent by the fact that many officials were common to trade unions and the socialist movement, and the attitude of most socialists to the unions was that the party needed members who could best to found among the mass of workers in the unions. The leaders of the rising socialist movement were also far from clear about the exact relationship. Branting argued in 1886 that, while the common goal of complete freedom for the working class should be pursued by the political and trade union wings, the trade unions, which tried to cover ALL the workers, irrespective of views and opinions, should devote themselves to labour market questions, leaving the political associations to carry on the political work of the movement. Unity was the important thing. Danielsson recognised the importance of the trade union movement as a training ground for socialism, and grasped the importance of organising unskilled workers. In 1888 he argued that although the trade unions should be socialist they should have a separate form of organisation, preferably in national craft federations.

When the social democratic party was formed in 1889, therefore, the position of the local central committees as bodies concerned with both trade union and political questions became a matter for urgent debate. By some it was argued that the formation of a social democratic party made the central committees unnecessary, while others took the view that a trade union form of organisation for co-operation between unions on labour matters would still be necessary, since not all trade unions would necessarily affiliate to the political party. In the event it was decided
in August, 1889, to dissolve the Stockholm central committee. By that year there were central committees in ten towns, but thereafter they declined in importance.

The consequences of the dissolution of the Stockholm committee was that unions that did not join the party came to lack a common organisation, while the party was in turn strengthened by becoming the centre for both political and trade union matters. Hansson considers 1) that the justification given for dissolving the Stockholm central committee was that the unions would join the newly constituted political party, and that this made co-operation between the unions old fashioned and unnecessary, since it was generally recognised that if progress were to be made association must take place in and through one large party. But, as will be seen shortly, the relations of unions and party were not to be solved by such easy acquiescence of the unions in affiliation, for affiliation on certain terms might mean subordination. Until the Swedish TUC (LO) was formed in 1898, and indeed later, this remained a problem.

However, it is not easy to argue that the relationship of party to unions could be solved at one swoop when the party was formed. It was hardly possible to form a party without the help of the unions in some form and, indeed, most of the representatives at the constituting congress of the social democratic party in April, 1889, were in fact trade unionists, mainly from handicraft organisations. Lindbom estimates 2) that of about 250 - 275 trade unions in Sweden in 1889 about one fifth accepted the invitation to the congress. The observations of congress on the relations with the unions were very cautious. The unions should concern themselves

1) Hansson, op. cit., p.28.
2) Lindbom, op. cit., p. 124
with political questions, but otherwise congress limited itself to giving practical advice on the many questions of trade union interest that were raised by the organisations represented at the congress. This suggests that the unions were in need of some kind of Father Confessor, some guiding hand to help them with the problems arising out of their growing pains.

Attempts had in fact already begun to solve the problem of trade union organisation along new lines. When the Stockholm central committee was dissolved in 1889, therefore, it was not simply the case that the unions were drowned in the party. They did become predominantly socialist in outlook in the 80s, but already in 1886 the unions had begun to develop a new form of organisation to watch the growth in the movement, namely national federations in each trade. The central committees had seemed an adequate solution in the early years of the 80s, but since they arose out of the desire to overcome the weaknesses of diverse units in isolation, and in different trades in particular, this dissimilarity soon bred discord and weakness when each trade began to grow in organised strength and national loyalties to the craft were felt to outweigh local loyalties to unionism at large. At the local level there could easily arise misunderstandings of the problems of other trades. That is not to say that the committees had not served some useful purpose as a focus of workers' views when no other was available, for the discussions conducted in and through the committees did help to spread a knowledge of trade unionism throughout the country. 1)

The first national craft federations were established in 1886, in the printing trade and among postal workers. There had been discussion as early as 1874 on national organisations, when the foundry workers and

hat makers tried unsuccessfully to organise on a national basis, and earlier in the year 1886 a general workers' meeting at Örebro had discussed the question of consolidating the trade unions into national craft federations. In the same year the best form of organisation for the trade unions was discussed at the Scandinavian workers' congress in Gothenburg, and solutions at the local, national and Scandinavian levels and the formation of nation-wide organisations covering all the unions were discussed. After a start had been made with the first national federations in 1886 others soon followed suit; and in 1887 the painters formed a national federation, while in the following year the shoemakers organised nationally and the iron and steel workers' federation began operations on a modest scale. This last was to cover all workers employed in the working of iron and other metals - a sort of comprehensive group of craft federations - but fairly soon the foundry workers left and formed their own small craft federation (in 1893), as did the sheetmetal workers. In 1889 a federation was formed among woodworkers. Here a problem arose between the "craft" faction and adherents of the view that the "material worked on" should form the basis of organisation. Some delegates to the first congress wanted to include carpenters only, but most of the delegates reacted against driving the craft principle so far, and congress ultimately agreed that the following trades were to be included in the federation: furniture, building, machine, model and ships carpenters, instrument and carriage makers, building and ship construction workers, turners and woodcarvers. The tailors and tobacco workers also formed national federations in 1889, and by the end of that year there were 8 federations in skilled trades. It was of course mainly among them that unionism had originated and had by then had time to gather momentum, while the bonds of craft solidarity were a positive factor that encouraged national organisation. In two of the federations, iron and metal and the
woodworkers, it was not, however, as easy to draw craft boundaries as in the case of shoemakers, tailors and other crafts.

Numerical affiliation to these federations formed by 1890 was not very great, Lindbom's estimate being 6,000, although the total number of workers organised in trade unions was put at 14 - 15,000. More than 200 unions were formed between 1886 and 1889, but since a large number also became defunct during the depression Lindbom estimates that in 1889 there were 250 - 275 trade unions, and of these 185 were in handicrafts. 1)

The movement was thus still a predominantly handicraft one, and organisation was best in the trades where national federations had been formed. From 1886 there was a considerable increase in the number of strikes, and between 1886 and 1889 there were 124 conflicts, including three lockouts. The building industry accounted for most stoppages during this period (25) and there were more stoppages (50) among industrial workers than in handicraft trades (43). The first lockout was in 1886, against dyeworkers in Gothenburg over wage increases forced through by the union, and in 1886 also the first dispute about the right of association took place.

There was a rapid increase in the number of unions and federations in the 90s, and organisation on a national scale became the accepted form of organisation. During the nineties the trade union organisations grew in strength and membership increased fivefold, the greatest increase being between 1896-1899. The development from local to national forms of organisation continued rapidly, and between 1890 and 1900 more trade union federations were formed in Sweden than at any other time, the number increasing to 32. Thus within fourteen years 32 federations had been formed. A shift in the character of the federations formed is observable from 1897. Prior to that year only two federations had

1) Lindbom, op. Cit., p.148
been formed in work that was definitely unskilled, the General and
Factory Workers' Federation 1) (1895) and the Mine Workers' Federation
(1895). The Transport Workers' Federation (1897) also aimed at a pretty
wide coverage.

The year 1897 is in fact a boundary line. Only one of the 13
federations formed between 1897 and 1899 was in a handicraft trade. The
explanation is on the one hand that by then there were federations in
nearly every handicraft trade and on the other the fact that the general
upswing in economic activity from the mid 90s and the growth of
industrial processes of production helped along the formation of federations
of industrial and unskilled workers. The number of organised workers
in industry and manual work now began to exceed the number of organised
handicraft workers. Thus in 1900 there were 14 industrial and
unskilled workers federations with 33,891 members
15 handicraft federations with 28,555 members
and 3 federations for state
employees with 1,709 members.

The total number of wage earners at the turn of the century was
somewhat over 400,000, the total number of trade unionists somewhere
between 65 - 70,000, and the percentage of organisation therefore
between 15% and 20%. As yet organisation was very weak among workers
in agriculture, forestry and trade.

1) At first it took the name of the Unskilled Workers' Federation and was formed mainly of unskilled workers in
the building industry who could not aspire to the heights of the skilled workers in the Masons' federation, although
there were also some unskilled groups from other spheres, such as dockyard workers, and some factory workers.
Gradually the federation acquired the character of a mixed federation of unskilled and factory workers,
There was no conscious plan or organisation of and demarcation between the national federations. The idea of a conscious blueprint that set out the recruiting ground of the respective federations is something that emerges early in the 20th century, when LO had gained experience. This development is discussed in Chapter VII.

The objects and internal structure of the federations will also be the subject of a separate chapter (V), and it is sufficient to state at this stage that the objects were usually described as being those of organising the workers in the trade or industry that the activity of the federation covered, and of defending and promoting their common interests. These objects were pursued through a hierarchy stretching from the federation congress down through an executive board (and sometimes a supervisory board) to the individual local trade union and its workshop and factory clubs. There were sometimes local combinations of unions in the same or closely related trades (not to be confused with the local central committees, such as that in Stockholm in the 80s) although they were not of great importance prior to 1900.

The number of work stoppages increased considerably during the 90s, particularly from 1896. From 1890 to 1899 the total number of stoppages was 840, and 306 (35%) of these were in handicraft trades. Most strikes were about price lists, wage increases, prevention of wage cuts and, towards the end of the century, the right of association. The outcome of conflicts shows an interesting development: 1)

<table>
<thead>
<tr>
<th></th>
<th>Victory for workers</th>
<th>Defeat</th>
<th>Compromise</th>
</tr>
</thead>
<tbody>
<tr>
<td>1886-89</td>
<td>28</td>
<td>25</td>
<td>14</td>
</tr>
<tr>
<td>1890-99</td>
<td>225</td>
<td>82</td>
<td>131</td>
</tr>
</tbody>
</table>

1) These figures take account only of disputes where the outcome was known (approximately half the total). See Hallendorff, op. cit., pp 17-18.
What is significant about these figures is not merely the increase in the number of worker victories, but in the number of compromise solutions, which was due more to the growth of orderly negotiations and good trade than of formal mediation machinery. Settled forms of negotiation were in turn the product of a growing trade union movement and the rise of some employer organisations.

The necessity of the federation board to have authority to conclude and plan the wage movements and strikes of the branches was soon realised by the federations which had not secured such provisions from the beginning. For example, the Shoe Workers had some bitter experiences with this. To begin with, the board had no right of decision, only advice, in wages and strike questions. 1) But it was soon realised that planning and leadership were being prejudiced by this lack of co-ordination and the independent action of branches, so in 1896 the rules were amended to make the branches give immediate notice of disputes to the federation. No stoppage could henceforth be undertaken without first obtaining the opinion of the board of the federation.

This provision soon became common form and by the end of the 90s most federations had succeeded in getting the unplanned strikes under control. By the fact that federation permission was necessary if strikes were to be supported, wage movements and strikes could be planned. However, it was not always easy for the federation to weigh what might be justifiable complaints from individual branches against general expediency. Attempts were usually made to arrange wage movements so that they were set in motion successively, in order to prevent several branches being dragged into the conflict at the same time. This might be difficult in the case of trades which were accustomed to negotiate at particular seasons.

1) Lindbom. op. cit., p.198.
Just as important as leadership and planning was the position of the federation as regards the financing of conflicts. When strikes tended to become more than local in character, careful financial preparations were also required. Organisations made it possible to give regular support to approved strikes, but funds were often very small for supporting big strikes since fees tended to be low. Appeals and levies were often the chief means employed for giving financial support. The costs to the federations of strikes increased towards the end of the 90s.

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of federations</th>
<th>Outlay - crowns</th>
</tr>
</thead>
<tbody>
<tr>
<td>1897</td>
<td>13</td>
<td>31,000</td>
</tr>
<tr>
<td>1898</td>
<td>16</td>
<td>109,000</td>
</tr>
<tr>
<td>1899</td>
<td>18</td>
<td>224,000</td>
</tr>
<tr>
<td>1902</td>
<td>25</td>
<td>more than 224,000</td>
</tr>
</tbody>
</table>

The amount of strike support varied considerably from one federation to another, e.g., in the Norrland conflict of 1899 the Sawmill Workers' Federation paid out 143,000 crowns. Lockouts were not so frequent, but some were costly, e.g., in 1899 the Unskilled and Factory Workers' federation paid out 112,000 crowns.

Social democracy and the trade union movement 1889-1900. In the last decade of the century the formative influence of the party on the trade union movement was very great, while the unions formed the main body of party members.

At the end of the 80s only one fifth of the unions had socialist majorities, but in the 90s the influence of the party on the movement grew, as the following figures show:
The total number of unions in 1900 was about 1,000. The party was greatly dependent on the unions for its membership, and in 1900 over 43,000 (60%) of union members were affiliated to the party through their unions.

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of unions affiliated</th>
<th>No. of unskilled workers' unions affiliated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1895</td>
<td>127</td>
<td>49</td>
</tr>
<tr>
<td>1896</td>
<td>173</td>
<td></td>
</tr>
<tr>
<td>1898</td>
<td>343</td>
<td></td>
</tr>
<tr>
<td>1900</td>
<td>418</td>
<td>214</td>
</tr>
</tbody>
</table>

The party members, unions as % age of member organs, union members as % age of total party membership:

<table>
<thead>
<tr>
<th>Year</th>
<th>Party members</th>
<th>Unions as % age</th>
<th>Union members as % age</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889</td>
<td>3,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1892</td>
<td>5,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1895</td>
<td>10,250</td>
<td>89.5</td>
<td>94.9</td>
</tr>
<tr>
<td>1896</td>
<td></td>
<td>90.1</td>
<td>94.2</td>
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<tr>
<td>1898</td>
<td></td>
<td>94.7</td>
<td>97.7</td>
</tr>
<tr>
<td>1899</td>
<td>44,489</td>
<td>96.0</td>
<td>97.4</td>
</tr>
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The party only grew slowly in strength, and enjoyed a big growth in membership between 1900-1914. Total membership in 1915 was 86,000. In spite of the fact that trade unionists formed the great majority of the party membership in the 90s, the party was not entirely representative of trade union interests. In order to see why this was so it is necessary to glance briefly at the rise of socialism in Sweden. The early leaders in the 80s were young theorists, intellectuals such as Brantling, Danielsson and Sterky. "These and other theorists in the party were completely captured by the socialist doctrine they found in a number of foreign and primarily German works. None of them showed any marked theoretical
independence. The socialist doctrine became a gospel for them all ...” 1) It was on the ideas of Marx that they built their gospel for Sweden.

The first party programme adopted in 1889 was based on the German Gotha programme, which was based in turn on ideas of Marx and Lassalle. But just as Marx was adopted automatically in the 80s, the Swedish theorists were quick to adopt foreign criticisms of Marx. There was a change of emphasis by both Branting and Danielsson, and the first programme of its own that the social democratic party adopted, at its fourth congress in 1897, while based on ideas of the German Erfurt programme of 1891, also contained some Swedish ingredients of a reformist nature. 2) In the course of a decade the trend was a rapid move away from revolution to reform, a switch in the focus of interest from long term to short term goals of reform. As reasons for the change Tingsten suggests the contradictions in Marxist ideology which experience and foreign criticism revealed, the growth of the party to be a strong peoples’ party - and working people wanted things done. The complexity of realities was grasped. As long as the party was small it could be abstract, but when it began to enjoy practical influence it had to be more concrete. The growing trade union movement wanted immediate social reforms, and the franchise was probably the biggest short term attraction for workers becoming interested in the party. 3) Other moderating influences on original socialist dogma were the Swedish milieu of freedom, respect for law and absence of censorship, and the interest of other political parties in social reforms. The late growth of industry favoured greater willingness on all sides to avoid the social evils that experience of

1) Tingsten, op. cit. vol.1., p.148
2) Tingsten, op. cit. vol.1., p. 143
3) Ibid., vol.11, p.427.
industrialism abroad had brought.

In the 90s the trade union movement did proceed to dominate the social democratic movement, primarily because the working class lacked the franchise and had no channel for influencing policy via any of the existing parliamentary political parties. They accordingly turned to the unions, and the party found itself tied up with trade union problems. At the same time the party had to try to draw the unions into political activity in order to gain numerical and financial strength for the franchise struggle. This intimate connection between the political party and the unions raised certain problems of function and of organisation, but it was not until the third party congress in 1894 that an attempt was made to clarify the situation by separating union and political questions without, in the words of Lindbom, "removing the party entirely from influence over the former". ¹ Some attempt was made to define the authority of the party in relation to strikes, and a complex procedure ensuring it the right of co-decision was drawn up. This was of importance for the party, which found during the 90s that it was being relied on to an increasing extent as a source of financial support during the increasingly prevalent strikes. The trade union federations had only scanty funds, so it became a matter of financial importance for the party to have strikes controlled. There was also a proposal to create a central board in Stockholm for federations and unions there, the idea being that meetings would be held once a month to co-ordinate plans. This was not envisaged as a really strong central body, however, and in part the explanation seems to be that the party and unions had to solve the dilemma of not having the political side of the movement engulfed by the unions, which must not become too strong and independent. The problem was still that which Branting had posed - how to reconcile unity of aim with diversity of function. The party and trade union movement had in fact

¹ Lindbom, op. cit., p.225.
derived benefit from one another. The unions obtained support and the party gained members. "Thus the social democratic party was not simply a unifying organisation for the unions affiliated to the party, but served also as a sort of central trade union confederation for the whole of the Swedish trade union movement. Although this relationship was criticised and a change was considered necessary, the commitment of the party to union activity was in the circumstances inevitable, and it was generally recognised that the party gave the trade union movement valuable support through its intervention in wages issues and conflicts." 1)

By 1897, when the next (fourth) congress of the social democratic party met, events had shown that a special and separate central organisation for the trade union movement was essential. The trade union federations at the national level were progressing rapidly. Just before the party congress met a significant decision had been taken at the fifth Scandinavian labour congress in Stockholm, namely that national confederations should be established for each of the three Scandinavian countries, the confederations to co-operate with one another and the basic form of organisation being as far as possible national trade union federations. A very vague resolution was adopted on the relationship between the trade union and political aims of the workers which agreed that the trade union movement should go hand in hand with the political struggle of the workers for freedom, at the same time as no obstacle was put in the way of non-socialist workers joining the movement. The unions might be schools for socialism, but just for that reason they should also include non-socialists. 2)

When the party congress met soon afterwards the question of organisation was fully discussed. Historically, the party had been based on trade unions for "natural reasons", but now trade union federations

1) Lindbom.op.cit. p. 231
were growing and the party form of organisation was not suited to this form of trade union combination. No detailed proposals were made to congress about a solution of the problem, but it was proposed that, in order to preserve the good relations between party and unions, the party congress should AUTHORISE the trade union organisations to arrange their methods of co-operation in the best way possible, but in such a way as to ensure co-operation with the social democratic party. There was thus to be no question of a split, and this was in any case unlikely, since most of the delegates to the party congress consisted of trade union representatives. The task of working out a complete plan for the organisational relationship between party and unions was referred by congress to a conference of trade union officials. It grew up proposals for a central co-operating body for the trade unions - an LO - which was to cover the whole country and be based mainly on trade union federations. The basis was thus, as the workers' congress had recommended, national trade union federations. The LO was primarily to ensure mutual support to conflicts of such a size that an organisation involved could not "go it alone" and, although local committees of unions, which were to look after both union and political activity in their areas, were to have a place in the plan, they were not to be entitled to approve strikes for which the trade union federation board to which the union involved belonged had not given its approval. One very important draft proposal was that all trade union organisations that affiliated to the LO should join the social democratic party within two years.

When the proposals were sent out in September, 1897, they met with a cool reception. Of the 19 federations to which the proposals were sent only 9 replied, and of these nine only two favoured the proposals. Objections were advanced to the stipulation that no changes could be made
in the proposed byelaws. They must either be accepted in full or rejected. Some thought that the local central committees had not enough power in relation to the decisions about strikes, that the national federations were being favoured at their expense. Less frequently there was criticism of the requirement to affiliate to the social democratic party. However, when the proposals received such a cool reception it was decided to hold a national congress of unions in August, 1898, and revised proposals were sent out in May.

LO was now to be given a more independent position, in that provision was made for a congress, a representative council and an executive council, and it was also to be more independent of the party, since the compulsory affiliation clause was removed from these draft proposals. However, the ties with the party were to be retained by two party representatives being appointed to the executive council of LO. Provision was made for LO being consulted in the event of its help being invoked in conflicts. Conflicts to be supported were all lockouts and strikes that could be anticipated to lead to a lockout. The local central committees were given much the same position as in the 1897 proposals, except that the opinion of the committee board had to be sought by a federation if it asked for LO support for a conflict in a place where there was a committee.

Before the congress met in August to consider the proposed byelaws they were thoroughly aired, and much controversy developed about the absence of the compulsory affiliation clause to the party. In addition, another set of proposals was circulated by Nils Persson, the main amendments suggested by him being that LO would support lockouts only and that the local committees would have a stronger position. When the constituting congress met to discuss these various suggestions and problems from 5th to 8th August, 1898, 266 delegates from 24 federations, 13 Stockholm unions
and 30 local committees, plus a fraternal delegate from Denmark, were present. 1)

A committee was set up to consider the proposed byelaws and it reported to congress both on the purpose and duties of LO and the question of affiliation to the social democratic party. The focus of organisation was to the federation. LO was to consist of trade federations (by a federation was understood a nation wide organisation covering a certain trade or trades) and of such individual unions as had no federation to which to affiliate, and all of which agreed to the purpose of LO and were prepared to follow the provisions of its byelaws. A congress was to be the highest authority of LO, while between congresses the highest authority was to be a representative council in which every federation was represented. This council was also to supervise the activity of the third body in the hierarchy, the secretariat, which was to consist of 5 persons, of whom LO congress was to elect 3, the chairman, vice chairman and secretary, and the board of the social democratic party the remaining 2 members.

The purpose of the LO was to be as follows:

to obtain as complete a picture as possible of union activity within the country through the receipt of reports and information, through the secretariat to collect and act as a clearing house for those reports and to give support to organisations when the purchasers of labour attempted through LOCKOUTS to prevent the work of organisation or attempts by the workers to improve their wage conditions, and also on all occasions when the right of association was threatened and workers were locked out because of attempts to organise, and when BIG cuts in wages took place. 2)

1) See the account of LO's 1st congress, compiled by Sterky. It is a very summary document, running to only 21 pages.

2) Casparsson, op.cit., vol.1, p.63. The "big" in the phrase referring to big cuts in wages was removed by congress. Herr Tholin, one of the committee members, had made reservations on this matter.
LO was thus to function mainly as a central statistical bureau and as an insurance office for the federations. It was to intervene only in "defence conflicts", i.e. when the employers were the attacking side. Charles Lindley of the transport workers' federation wanted support to be given in cases where the unions were the attacking side 1) as well. But when Blomberg explained that it was simply a question of time before the purpose of LO was extended in the direction Lindley suggested the congress decided unanimously that the LO to be formed should for the present not give support to strikes where the workers were the side taking the initiative.

The provisions accepted were accordingly that LO would be prepared to give financial support in lockouts if a federation or union had belonged to LO for at least six months, and when the number of participants in the lockout exceeded 5% of the membership of the federation or union. Indeed support was made a right, provided these requirements were satisfied. If the lockout was expected to be wide in scope the secretariat of LO had to get the views of the representative council either by correspondence or through calling a meeting, and the decision of the council would be final. If the secretariat did not think it could approve a demand or request for its support the federation or union could ask the representative council to give a decision. Only conflicts approved in the light of these rules were to obtain LO support. Where doubt existed as to whether a conflict was a strike or a lockout the secretariat and council decided, after the local committee of unions had had its say.

LO support was to be financed out of the ordinary fees payable to it, 20 öre per year and member, and from special levies of (at most) 25 öre per member and week, made on the call of the secretariat.

1) Lockouts in transport were rather unusual, whereas strikes were quite common. See Lindbom. op. cit. p. 264.
Voluntary collections were also allowed. LO was only to give support after 14 days, the amount depending on circumstances but being subject to a maximum of 12 crowns per week and member.

So much for lockouts. In relation to strikes the local committees of unions had an important place. A formulation approved by congress (§3) was that the unions affiliated to LO ought to form local co-operating bodies (samorganisationer) with the tasks of directing the work of organisation in the place, working for the formation of unions in trades where they did not exist, and controlling and supporting the local organisations in conflicts and other matters. Individual unions that had no federation to which to affiliate were to affiliate to LO through such a local body where one existed in the locality. In the event of a union planning a strike which might be anticipated to lead to a lockout on a scale that made LO support necessary, both these local organisations and the appropriate federations were to be asked for their views before the secretariat of LO decided whether a strike might be commenced. Before a strike broke out the local organisations were to investigate whether negotiations had taken place with the employer and were to try to mediate in disputes, including lockouts that had begun. The position being given here to these local bodies was essentially a compromise between the adherents of centralised control and the advocates of local independence. The outbreak of every strike or lockout, including those on a minor scale for which no LO support was demanded, was to be reported to the secretariat.

These proposals adopted as to the purpose and duties of LO received surprisingly little deliberation at the constituting congress before being approved. The reason was simple. Congress spread itself very liberally

1) The name was changed to workers' communes (arbetarkommuner) by the LO congress in 1900, to bring them into line with a decision of the social democratic party a few days earlier. See the appendix to this chapter.
on the great issue of affiliation to the social democratic party. There was general agreement that the unions and party should be related somehow, but the issue was whether affiliation should be compulsory or not. The proposed byelaws sent out before congress met had not included compulsory affiliation, but the committee within congress that considered the byelaws proposed that unions joining LO were also to affiliate to the party within three years; this being a condition of membership in LO. After lively discussion by congress Lindquist, who was personally opposed to compulsory affiliation, proposed a compromise formulation, that every affiliated association ought to belong to the party, and the federations and local organisations were to work hard to promote this affiliation. But when a vote was taken on the question compulsory affiliation was approved by 175 votes to 83.

This did not settle the method of affiliation, but congress decided that the secretariat and the board of the party would make an enquiry and present proposals to the next congress in 1900. When in 1898 the secretariat of LO sent out invitations to join it said that the form of affiliation to the party had not yet been decided, but it would take place either through the federations or local committees, or in some other way. Congress also decided to have a brochure issued on socialism in order to remove ignorance about the party and to promote its ends. As events were to demonstrate, however, the issue of affiliation was not to be settled for another ten years, and there is ample justification for Casparsson's comment that "the congress had clearly over-reached itself on the political side of its agenda." 1)

When the secretariat held its first meeting in September, 1898 it actually had a party majority, for the two representatives elected by the party attended while the chairman, Sterky, who had been elected by the LO congress, was not a worker and had only taken part in union activity previously as a party leader. It was decided to issue invitations to unions to join LO, but that the compulsory party affiliation requirement might prove a stumbling block seems to have been realized by the secretariat, for it stated in its circular to organisations that those that were not members of the party need not worry about joining for three years i.e. much could happen in that interval. 1) Much did. In the meantime compulsory affiliation served as one reason and excuse for not joining LO. By 1st April, 1899, 14 organisations with 28,000 members had joined, and by 1st January, 1900 - 19 federations and 2 local committees were members, and LO covered 39,000 workers (about half the Swedish trade union movement). The reasons for staying out were many. Some federations were new, awaited congress decisions, or were too small to consider joining. The transport workers did not join because they had little to gain from support in defence conflicts only. The Iron and Metal workers objected to compulsory affiliation and to the financial obligations, and the Compositors had stated already at LO congress that they could not consider joining if there was to be compulsory affiliation to the social democratic party. It was not long therefore before modifications were introduced into the relationship between the party and unions, and the changes and later position are discussed in an appendix to this chapter.

By the end of 1900 LO had 21 member federations and 43,575 members and was becoming firmly established as the central focus of trade union organisation in Sweden. Progress had indeed been rapid, for within twenty-five years the Swedish trade union movement had progressed from a small

1) Casparsson, op. cit., vol. 1. p. 137
number of handicraft unions via local committees and national craft federations to a comprehensive central organisation. Subsequently, it is this central body, LO, which has been the main focus of trade union organisation in Sweden, and later chapters will be devoted to a consideration of its internal forms of organisation and to the external relations that it has developed with other groups in society. Because of the absence of serious ideological or religious differences within the Swedish working class LO has never had to face any serious rival for the trade union loyalties of the workers. The syndicalists formed a Central Federation of Workmen in Sweden in 1910 after the big strike of 1909, but it has never won very great adherence among the workers, its peak membership being 37,366 in the year 1924. Now its membership is less than 19,000, and much of its original significance as a body that was revolutionary in doctrine and decentralised in organisation has disappeared with the acceptance by the syndicalist sections of collective agreements. SAF has always stoutly opposed dealing with syndicalist groups, and, after an attempt to amalgamate the syndicalist organisation with LO had failed in 1929, LO has also set its face consistently against negotiating alongside the syndicalist organisations. Only incidental reference will therefore be made to syndicalist bodies in the subsequent chapters. 1)

The difficulties of internal organisation that LO has had to overcome and the problems that arose through the growth of a powerful employers' organisation (SAF) were, however, so many and varied that it becomes impossible to see the problems and different aspects of labour relations in a general setting. The emphasis after 1900 must accordingly shift to a consideration of particular problems. What principles of organisation did LO adopt? How did it adjust its original constitution in the light of experience of negotiations and conflicts with employers' organisations?

1) For an analysis of Swedish syndicalism, see Åman, Valter, Svensk syndicalism.
Such problems merit detailed consideration, and are taken up in Chapters V to VII, after an analysis of employers' and salaried workers' organisations has been made. At this stage, therefore, all that is added about LO is a picture of its numerical growth. As the following table shows, the membership of LO has grown steadily throughout the past half century, with the exception of one brief period of decline immediately after the strike of 1909, and in the year 1921. Now LO has in fact almost reached saturation point as regards potential membership, and emphasis has shifted to employees in the salaried or white collar range. But LO is still by far the largest organised interest group in Swedish society.
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Some landmarks may be noted briefly. In 1902 LO was involved in a demonstration in the form of a political strike, the occurrence of which provided an incentive to employers to organise in SAF. In 1903 and 1905 the trade union movement had experience of lockouts in the engineering industry, but in 1905 formal recognition was given by SVF of the collective agreement as a means of regulating relations. The right of association and of negotiation was also recognised, and in the following year this was made explicit for SAF's sector by a clause (§23) in its byelaws which also established the proposition that the employer was master in his own house. Although collective agreements grew rapidly in number and scope after 1905 a period of bitter relations followed, culminating in the general strike of 1909. This led directly to legislative proposals being submitted in the following year for a law on collective agreements and a labour court, while LO at the same time took stock of its position and endeavoured to revise its constitution and to win recognition for the form of trade union organisation based on the industry. An organisation plan for LO was approved in 1912.

Industrial relations were comparatively peaceful during the first years of the 1914-18 war, but the immediate postwar period was marked by much unemployment and bitter relations. The 48 hour working week and adult suffrage were approved by Parliament in 1919. An enquiry on industrial democracy was begun in 1920 and the mediation law of 1906 was expanded. Arising out of unemployment, wage cuts and conflicts from 1920 to 1925, a labour peace delegation was appointed in 1926 and its work culminated in 1928 in the collective agreements act of 1928 and the act setting up a labour court. In the same year a labour peace

1) See Chapter VII.
conference was held, but this fruitful development was abandoned when the depression hit Sweden and industrial unrest found a focus for bitterness in the Ådal tragedy of 1931, when five people were killed by the military during a labour demonstration. The bad industrial relations of the depression, as shown by the ten months conflict in the building trade in 1933-34, led in 1934 to the appointment of a committee (the Nothin) to look into problems of labour peace, and its report was followed in 1936 by a momentous decision on the part of LO and SAF to endeavour themselves to put their houses in order and to promote better labour relations. In part this was the outcome of attempts to pass into law provisions ensuring the neutrality of third parties in labour conflicts.

In 1936 too LO decided to co-operate with DACO (an organisation of salaried employees in private employment), and the movement of white collar workers towards attempts to organise began to assume significant proportions. An act was passed to ensure the right of combination and negotiation. 1938 saw the signing of a basic agreement between LO and SAF for the purpose of improving relations, and thereafter a change comes over the labour market scene in that, while agreeing to differ, both sides are prepared to co-operate with each other. The number of open conflicts has declined steadily since then. In 1939 the first index wage agreement was arrived at. In 1941 the byelaws of LO were revised in the light of a report by the "15 men" who were appointed in 1936 to consider the position of LO in relation to its growing responsibilities as a dominant group in society. In May, 1942, the membership of LO reached 1,000,000. An independent central organisation for salaried employers (TCO) was formed in 1944.

The postwar period was immediately disfigured in 1945 by a long strike in the metal working industries which involved 120,000 workers for a period of five months, but apart from this conflict and a
combined strike-lockout in the foodstuffs industry in 1953; relations have continued to be based on co-operation. In 1946 SAF and LO arrived at an agreement by which works councils were to be set up. In 1948 they agreed on certain principles in relation to work study. Another important postwar development has been the emergence of a strong organisation for university trained persons (SACO). But the dominant feature of postwar labour relations has undoubtedly been that of wages policy in a full employment society.

It is as well to be quite clear thus early that the Swedish labour market has not by any means been distinguished by peaceful relations during the past half century of "regulation by organisation". The statistics given in Appendix I for stoppages, days lost and amounts paid out in conflicts show how troubled and disrupted the scene has sometimes been. At the same time the recent trend from 1935 has been a remarkable one, indicating that at some stage during the thirties a change in the climate of opinion took place. Why it took place, why — to put the matter more strongly — it HAD to take place and the results of the change will form a major part of the analysis in Parts III and III.

Some commentary on the bare bones these statistics for work stoppages provide is called for. An important feature throughout has been the readiness of SAF to make use of the lockout on a broad front, while the workers have preferred where possible to operate on a narrow front. The years 1908 and 1909 were very bad for industrial relations, reflecting as they did the strong arm policy of SAF in using lockout threats to force through its demands in a period of bad business, and the ultimate desperate remedy that the workers resorted to in 1909 in the form of the great strike. Subsequently relations were more settled but, as was to be expected towards the end of the first war when the cost of living was very high, food was scarce and revolutionary ideas were being

1) See page 326A
preached and practised in various countries, 1917 marks the beginning of a period of bad feeling that lasted right through to 1926. The legislation of 1919 on the 48 hour week at once raised the issue of adjustments in pay, and the problems this engendered, together with the very large unemployment in 1921 and 1922 (163,200 persons were registered as unemployed in January, 1922), made for bitter conflicts over wages cuts. In 1923 there was a six months stoppage in steel foundries. Another big lockout in 1925 followed from attempts by SAF to prevent the wage level of domestic industries forcing up wage levels in export trades. Wage cut demands in 1928 also led to a lockout in the paper pulp industry which was subsequently extended to sawmills and paper mills. 45,000 workers were locked out. An eight month conflict also developed in the central Swedish iron ore field, mainly as a result of communist tactics. The early 30s saw the return of large scale unemployment, the peak being reached in March, 1933, when 186,600 persons registered as unemployed. Wage reductions led to many conflicts. One important conflict in building, which showed the responsible attitude developing within LO towards its dominant position in the economic life of the country, will be discussed in Chapter VI. The almost total absence of lockouts from 1933 reflects changes in the employers' attitudes as well.

From 1935 an improvement in relations begins, in part because of recovery from depression but also because the parties felt that society might not again tolerate the bad industrial relations and trials of strength that had characterised most of the 1920s and early 1930s. Subsequently the parties have been helped in their attempts to negotiate peacefully from strength by the policy and presence of full employment, and only occasional outbursts of trials of strength have disrupted the peaceful trend. At the same time such conflicts as those of 1945 and
1953, and the threatened lockout of 600,000 workers by SAF in February, 1955 have served to show that both sides are prepared to co-operate and to make concessions in material matters only up to a certain point.
APPENDIX TO CHAPTER 11

Relations between the trade union movement and the social democratic party in the twentieth century.

There had been very close ties between the trade unions and the social democratic party from the time the latter was constituted in 1889, the party membership consisting almost entirely of trade unionists at first. The common background was the struggle by the various aspects of the labour movement for political and industrial recognition, and in the 1890s this common struggle found practical expression through the party and its local organs fulfilling many of the functions of a central trade union authority. But although the intention was that co-operation with the party was not to be prejudiced when LO was formed in 1898, a shift in emphasis and organisation soon followed on the setting up of this central trade union body, and it was not long before the issue of compulsory affiliation came up again for debate. Both the party and LO congresses of 1900 discussed the problem.

In that year a new feature was introduced by the party into its organisation, through the decision to make the primary unit of organisation the labour commune, which was to be a district body connecting the various local organisations with the central party. Societies were to affiliate to the party through joining the commune, whose task was to organise propaganda. All local associations of the party, trade unions as well as political associations, could affiliate, and the communes were themselves to be recognised as trade unions and thus to be represented at LO congresses. This aroused criticism in union circles, and the woodworkers argued that the Communes should not participate in decisions at LO congresses when they had perhaps only a small trade union affiliation. 1)

1) Casparsson, op. cit. vol. 1, p. 148.
The party congress issued a statement emphasising the unity of the workers' movement and expressing the view that LO, although not a political federation, should declare for and try to influence workers to join the party.

When the LO congress met a few days later a resolution was put forward by Branting which proposed that LO should include among its aims that of working "for the affiliation of every trade union to the local organ of the party and through it to the party". This was a less rigid formulation of the link between party and unions than the original compulsory affiliation clause of 1898. This proposal was approved by 79 votes to 64, and was incorporated in the preamble of LO byelaws. The compulsory affiliation clause was at the same time removed from §1. Here was indeed the formality of a change. LO was to WORK FOR the affiliation of unions to the party. Lindquist (who became chairman of LO in 1900) thought Branting's proposal was a very satisfactory one in setting out the unity that existed between "both branches and the movement". 1) One other modification made in the LO - party relationship was that the secretariat of LO, which would in future comprise 7 and not 5 members, would not include any representatives of the party. But in spite of the formal change the position was still obscure. Was LO still to remain in fact a propaganda centre for the party? That the position is still unclear is reflected by Casparsson's comment, that the new relationship was a decision "that helped to prolong the discussion and give rise to new and enduring irritation". 2) The reason why the party seems to have been prepared to relax its tight hold on the unions was that it was gradually becoming reformist in outlook and could afford to exercise its influence through its policy and its appeal to the growing working class. 3) In part also there was some fear that

1) LO Congress Report, 1900, p. 25.
2) Casparsson, op. cit. vol. i. p. 140
excessive pressure on the unions might throw them into the arms of the liberals. But the trade union side was also seeing reasons for change, with the growth in strength of the national federations and of LO.

The secretariat of LO had second thoughts on the subject of labour communes by 1903 and it submitted a proposal to the congress of that year for new rules that did NOT include the communes as trade union organisations. Motions 30 and 31 also proposed that the communes should go, since they were political bodies and it was considered dangerous to have them represented at LO congresses. But congress decided in favour of keeping the clause about communes (§3). On the other issue, that of working for the affiliation of unions to the party, the secretariat proposed no change, and congress agreed to this by 106 votes to 27. Both issues were raised again at the following LO congress in 1906. A motion from the Metal workers' federation (no. 31) thought it was quite wrong that organisations other than trade unions should be represented in LO, while the board of the wood workers argued (motion 32) that §3 of the byelaws on communes, was not now necessary, since the communes were mainly political bodies and the political interest ought to be furthered in other ways than through provisions in the byelaws of the central organ of the trade union movement. Although Lindquist stated that §3 had been necessary when LO was formed, the secretariat agreed with the view that it was now unnecessary since no individual unions affiliated to LO through the communes and the communes had in any case enough to do with their political activity. Moreover, certain communes had intervened in trade union matters in such a way as to make it wise to delete them. Congress approved this recommendation without debate and the communes therefore ceased to be considered as trade union bodies. This left a gap in the local trade union organisation which was filled by local central organisations concerned strictly with trade union affairs. (See Chapter V.) On the problem of working for
affiliation to the party the secretariat proposed, but not unanimously, that there should be no change in the position by arguing that it was the PARTY congress that was entitled to make decisions about the forms of organisation it adopted, and until the party changed this the status quo should be preserved. (Lindquist had argued in similar terms in 1900, and was again to do so in 1909.) This argument that "it is not our concern", of passing the buck to the party was, says Casparsson, "an open confession that the leaders of the trade union movement felt bound by decisions arrived at by a non-trade union association." 1) In the event congress decided by 257 votes to 161 that there should be no change in the rules dealing with the relationship between the party and LO, or in LO's obligation to work for affiliation of unions to the party. It should be noted that there was no corresponding clause in federation and union byelaws that required them to work on behalf of the party.

But at the 1909 congress of LO the Iron and Steel workers' Federation and the Woodworkers (the two largest federations) returned to the charge (see motions 63-66) and again asked for the clause in §1 (Objects of LO) to be altered which contained the obligation for LO to work on behalf of the social democratic party. Again the secretariat referred to the party, whose duty it was "to decide the form of organisation of the party". Since the party had not made any decision on the matter, the secretariat again recommended a status quo decision. However, the party had made a significant change (although not in the forms of organisation) at its congress in the previous year when it was agreed that individuals who did not wish to affiliate to the party (through their unions) should be absolved from the obligation to pay the party membership fee. In the familiar phrase,

1) Casparsson, op. cit. vol.1., p. 150
they were to be allowed to contract out. Casparsson considers that this change was obviously designed to make it easier for LO to retain the debated clause of its preamble about working for the party. But this it did not do even though the secretariat argued that there was now no need to change §1 until such time as the party decided on a change in its composition. For in spite of the status quo recommendation of the LO secretariat the LO congress of 1909 decided by a small majority (232 votes to 224) to repeal the declaration formulated by Branting in 1900.
Thus ended a feud lasting over a decade. The constitution of LO was freed "from any suggestion that the organisation was not free and independent in every way" 1) The affiliated organisations now had obligations only to one another and to LO. Since then there has been no provision in the byelaws of LO about co-operation between it and the social democratic or any other party, but that did not mean that the LO congress of 1909, any more than the trade union movement since, intended that there was to be no co-operation with the party. For congress accepted by 367 votes to 55 a resolution formulated by Lindquist which emphasised the solidarity existing between the party and the trade union movement in the following way:
"In connection with the decision of congress that no provisions will in future be contained in the byelaws of LO that formally refer to co-operation with any particular political party, congress wishes to avoid any misinterpretation of the meaning of this decision by stating that it does not mean any change whatsoever in the spiritual unity and solidarity of the labour movement, which has from the beginning bound the Swedish trade union movement and social democracy together. Congress considers the Swedish social democratic party as the natural and obvious vehicle for the political aspirations of the Swedish working class".

1) Casparsson. loc. cit. p. 152
This declaration, as we shall see, might very well have been written today, for the co-operation declared by this resolution is still cherished by both the trade union movement and the party. Formally the position is that there is no official recognition in LO or federation byelaws of co-operation with the party, it is for the individual unions affiliated to a federation to decide whether to affiliate collectively to the party through applying for membership in the workers' commune in a locality, and individual members of unions are free to contract out of the decision made by the majority of the union's members. But what should be stressed is that contracting out is allowed, NOT because of any clause in the byelaws of trade unions, but because of the decision made by the social democratic party congress in 1908 that a person may contract out of any obligation to that party.

The issue has by no means been a dead one since 1909, and has tended to recur at successive congresses of LO. A motion (number 21) in the LO congress of 1917 wanted to have introduced into the preamble that sets out the objects of LO the phrase "and as a final goal to work for the reorganisation of society on a socialist basis". The secretariat commented that this motion seemed to have the same object as the clause repealed in 1909, and that it would not be advisable to reintroduce a provision in the byelaws that would give rise to new disputes. In any case the well organised trade union movement still stood in close co-operation with the social democratic party, "a co-operation that is based on natural and more secure foundations than any byelaw provision". Congress agreed. In his speech Th. Zetterling suggested that the trade union was the organ for converting society. In the workplaces they were, he said, working for control of production and distribution. But there were unions that did not affiliate to the party. Indeed, the fact that no
final goal for trade union endeavour was set out in LO byelaws was perhaps a big reason why a number of federations did not join LO, he said.

But not all the effort at this (or later) congresses was directed towards making the ties of party and unions closer. Two motions (numbers 6 and 6) in the 1917 congress wanted the unions to be politically neutral. The secretariat commented that it was not possible to have political neutrality and again repeated that it was the party that set the rules governing affiliation to it and that individual members could contract out. The secretariat statement was approved by 178 votes to 139, not too overwhelming a majority. Similar arguments for political neutrality on the one hand (motion 69) and against compulsory affiliation to political parties on the other (motions 57-61) were rejected by the LO congress of 1922. Again, however, there was not complete unanimity of view that the trade union movement and the party were heavenly twins. Hilding Wolander in fact suggested they were Siamese twins, and recommended an operation to separate them as soon as possible.

Objection to political affiliation to the social democratic party as distinct from other working class parties emerged clearly in the ninth congress of LO, held in 1926. Whereas previously the issue had been that of choosing affiliation to the social democratic party or to none, the issue now became a wider one, in that there was now another working class party, the communist. The Kiruna branch of the Mineworkers' Federation said that collective affiliation was possibly justifiable "as long as the political branch of the labour movement was assembled in one party", (Motion number 47), but it could not be right to apply this arrangement when several parties had arisen which recruited from among the workers. But congress decided to agree with the statement (Number 8) of the secretariat, repeating the well-worn formula that neither LO
nor the federations were affiliated to any political party, that unions could do so, and that at the same time members could contract out of a union decision to affiliate to the social democratic party.

Thereafter opinion in the official organs of LO began to harden against communism, for in 1928 LO strongly opposed co-operation between Swedish and Russian miners' unions in the big conflict in the Swedish ore fields of that year, while in 1929 the representative council condemned communist attempts to win control of the trade union movement. In April, 1933, the council again condemned communist activity in the trade union movement.

This issue took the form at later LO congresses of deciding to which political parties to vote funds. In the 1931 congress motion 144 wanted the LO congress to grant funds to the social democratic party in order to fight the anti-trade union propaganda of the conservative party. To this the secretariat pointed out that the representative council was empowered to grant funds, and suggested the matter be left until the following (an election) year. It did ask Congress to agree in principle, however, to the proposal of the motion. Congress approved. Motions 148 and 149, on the other hand, wanted congress to decide that no funds be given to political parties. But congress agreed with the comment of the secretariat that it would be best if congress and the representative council were left free to examine questions of economic support in the light of the purpose in view, and whether they were thought to be of gain to the working class. In fact 250,000 crowns were voted at this time to help the social democratic party fight the threatened legislation.

In 1936 Sven Linderoth proposed to the LO congress that financial support should be given in the coming Parliamentary elections not only to the social democratic but also to the communist party. Albert Forslund, in giving the secretariat view commented that "The secretariat has said
that LO has no connection, either organised or unorganised, with any party other than the social democratic party. In these circumstances there is in our view no reason for contributing to any other party than the social democratic one. We are all aware of the co-operation that has existed over the years between the party and LO, and we have endeavoured to make it more intimate year by year.\(^1\) There had been times when the trade union movement had had to borrow from the party. Forslund proposed that 350,000 crowns be voted towards the election funds of the social democratic party. Congress was more generous, and it made 400,000. But twenty delegates to the congress recorded dissent on this decision, most of them objecting because the social democratic party ALONE was to get financial support.

Ivar Olsson reckoned that no grounds existed for discriminating between one workers' party and another. The trade union movement did not consist entirely of social democrats. Valter Andersson said much the same. Motion number 70 in the congress of 1941 asked that, in order to make it possible for the trade union movement to carry on with its rightful tasks, congress should decide to prohibit both collective affiliation to political parties and the voting of funds for such activity. The secretariat in reply\(^2\) repeated the old argument about no compulsion and the possibility of contracting out, and went on to say that it thought the motion was lacking in understanding in wanting a prohibition made against the granting by LO, the federations and branches of funds for political activity. The trade union movement was to a great extent dependent on and must therefore be interested in political developments in Sweden. For the democratically minded working class the social democratic party was the natural and obvious representative of

\(^1\) Congress report, p.488 et seq.
\(^2\) LO congress report, 1941. p.393 et seq.
their political aims. As evidence the secretariat pointed to the high social standard, and social legislation. It would thus be in the highest degree irreconcilable with the interests of the working class if the trade unions did not give their economic support to the social democratic party which undertook the task of looking after the interests of the workers in the political sphere. Congress agreed to reject the motion.

Two motions in the 1946 congress renewed the grand theme. Motion 150 wanted the question of the independence of the trade union movement of political parties taken up for discussion and, if possible, settlement, while motion 151 wanted LO to try to get the social democratic and communist parties to unite. The secretariat responded with a statement. 1) The trade union movement being open to all workers, political differences could not be kept outside it. But the trade union movement must insist categorically that the leaders of the political parties did not interfere in or set up the line of action for trade union activity. It was desirable that political factors should not influence decisions on trade union matters (this view was obviously inspired by communist domination of some of the federations in the immediate post war years) but it was hardly possible to prevent party viewpoints from arising even in the treatment of trade union matters, since these were now so seldom purely trade union questions.

The secretariat saw no prospect of amalgamation between the social democratic and communist parties, and in any case this was not a question that LO had reason to busy itself with. Individual members might have their private views as to the desirability of such co-operation and were free to work for it. Congress agreed and the motions were rejected.

1) LO Congress report 1946 p.457 et seq.
Gunnar Anderson thought there was no prospect of amalgamating the social democratic and communist parties. The communists must show by action as well as words that the time was ripe. And in the past few years they had been extremely critical of trade union leaders in their press. Perhaps in a few years' time they might be prepared to come into the social democratic party.

The voting of funds was again in the fore in this congress. In view of the co-operation between the trade union movement and social democratic party, and of the work the party had done and was doing to better the social position of the working class, the secretariat asked congress to vote 400,000 crowns to the social democratic party. This congress agreed to, and it also rejected a proposal to grant 50,000 crowns to the OTHER workers' party, i.e. the communists. Congress also agreed to support an election advocating "a labour victory, for economic and social democracy, for the post war programme". The trade unionists should vote for the government's policy of reform. It is worth noting that this statement did not say outright which of the two workers' parties one should vote for.

By 1952 when there was an election to the second chamber there had been no change in the attitude of LO to co-operation and understanding with the social democratic party, for the representative council voted 600,000 crowns at its meeting on 22nd August to support the social democratic party and issued an appeal to the workers to support the "workers' party". "Since its beginning the trade union movement has co-operated with the social democratic party, which has been considered

1) Congress Report 1946 p. 481
2) Ibid. pp 477-8.
3) The Post War Programme of the social democratic party advocated full employment, fair distribution of the national product, greater security in the workplace and a higher standard of living.
by the workers organised in unions as the champion of their political views. In short, the aspirations of the trade union movement also have a political aspect .... social security in our country has been built up by the energetic efforts of social democracy. This work has been and will continue to be supported by the trade union movement ".

Support here was quite definitely being advocated for one particular party, for by 1952 LO was waging a war on communist infiltration into the unions. An enquiry into communist representation in the boards of trade unions was made and the results, published in 1953 showed that the communists had control of only 124 unions, a decline of 10 from the previous year. The number of trade union boards with communist members had fallen from 488 to 388 in the same period. Although this enquiry was not absolutely comprehensive, in that it covered only unions affiliated to local centrals, or 6,000 of the 9,000 unions, it was fairly accurate, since communist influence was greatest in large unions and places, where in fact local centrals are most prevalent.

LO also supported the social democratic party in the local elections of 1954. It pointed to all the social benefits that social democracy had helped to win for the workers and anticipated that this work would be continued in such questions as workers' pensions and shorter hours. This of course at once raised problems that concern employers intimately, and the Employers' Confederation argued in reply that such exclusive support from the workers for a party that was not necessarily favourably disposed to private enterprise tended to increase opposition of views between management and men.

1) The appeal was published, e.g. in Morgan Tidningen, 23rd Aug.1952.
2) Fackföreningarsrörelsen, 1953, vol. 1. p. 497
3) In the years immediately following the second world war the communists were estimated to have control of the executives of about 500 branches. See Morgontidningen, 24/5/1953. A further drop from the figure for 1953 has been recorded in 1954, when the communists had a majority in the boards of only 102 branches, a drop of 22 from 1953.
4) See Fackföreningarsrörelsen 1954, vol. 11. p. 143
The employers' organisations could not be indifferent to political matters either and, although their organisations were not engaged on the side of any party, the individual employers would obviously choose to support the parties that in their view looked after their interests. Further, asked Mr Haldén of SAF, was there much to be gained via political action nowadays that could not be gained via discussion between unions and employers? The logical consequence should surely then be a disassociation of the trade union movement from its political tie. 1)

Motions have of course been submitted to parliament on various occasions asking for legislation to prohibit collective affiliation to political parties. In 1934, for example, during the active campaign for labour legislation, motions were put forward in Parliament asking for a rapid enquiry into and presentation of proposals for legislation to prevent trade union and other trade organisations from affiliating collectively to any particular political party. Other motions on the subject of general regulation of the position, organisation and activity of the unions pointed out that membership of a trade union could be bound up with conditions as to a political viewpoint and that in this way the unions were subordinated to a particular political party.

In its statement (No. 52) on the subject of contracting out the second legal committee commented that to register the member of a union in a political party without his express assent did not seem to be in accordance with the right of political self-determination that every citizen ought to have. The right of reservation of the individual trade union member hardly seemed to remove the disadvantages connected with collective affiliation. A thorough enquiry seemed called for, and this the committee recommended to Parliament, which approved, by 42 votes to 25 in the upper house and by 79 - 78 with 16 abstentions in the lower house, that an enquiry should be made into the collective affiliation

1) Ibid. No. 16, p. 2 and p. 7.
of trade unions or other trade organisations to political parties. This never reported. The law committee was not unanimous in its view, however, the social democratic members headed by Sigfrid Hansson making a reservation. They pointed out that freedom to contract out had existed for the individual member since 1908, and no explanation need be given by a person contracting out. It did not seem that trade unions or their members investigated the reasons for anyone contracting out. At this time, 1934, 28% of the unions were collectively affiliated to the party and this seemed to support the view that there was no compulsory affiliation of members to the party. On the other hand, the fact that the right to contract out had been exercised only on a small scale within the unions that did take out party membership seemed to Hansson and to the others to be proof that this decision by trade unions did not in general seem to be considered as an unwarranted intervention in the freedom and rights of members. In their view proof had not been given in the motions that made it necessary for society to intervene in the manner proposed in the free system of organisations.

This reservation was quoted by LO in 1950 when it expressed its views on the problem of collective affiliation which had arisen out of motions put forward by the liberal party asking for an investigations into and legislative proposals on this question which would have banned collective affiliation of the members of organisations and associations to political parties. Parliament did not take any action on the matter this time. The social democratic members of the committee that considered the motions said the aim clearly was to prevent the use of the method that was applied to some extent within the trade union movement and by which trade unions could affiliate collectively to the social democratic party.

The percentage of members of the social democratic party who are collectively affiliated through trade unions has always been and 1) Annual report for 1950. p. 142
remains high. In 1912 80% of the party membership of 65,000 were collectively affiliated, in 1929 the percentage was 71, in 1933 - 67 and in 1939 - 68%, in which year the total party membership was 435,000. In 1948 over 60% of the party's membership of 636,000 were collectively affiliated and in 1953 "about 60%" of the membership of 754,000 affiliated collectively through trade unions. In 1948 the right to contract out is estimated to have been exercised by some 10,000 trade unionists in collectively affiliated unions, or 4% of the membership of such unions. This does at least show the right is exercised, but it should be noted that contracting out does not mean the fee paid to the union is any less, although no fee is paid to the commune or party for members who contract out. Fees are not collected separately for a political levy.

Apart from the strong ties between the party and unions via collective affiliation, co-operation is secured at the centre through an informal council consisting of the leaders of the party and of LO. This council was set up in 1940, and meets regularly to discuss questions of mutual interest. There is also a strong tie in the party press in which LO and the federations have large holdings.

Although a discussion of the significance and effect of these close ties between party and unions is perhaps best left until the relations of the state to the labour market organisations have been discussed, particularly since the social democratic party has for the past twenty years been the party in power and thus synonymous with the state in action, nevertheless it is worth summing up the position. Political action has been used by the unions but also by the employers to gain desired ends when this was convenient, although LO is careful not to become dependent and subservient, and SAP has no fixed political attachments. It can be argued by the labour movement that co-operation

1) This estimate was given me by the board of the party in September, 1954.
is vital in order to retain the gains made, and it is the case that both workers and employers need some organ to speak on their behalf on questions that come before Parliament. Historically, and beginning from a position of weakness, the unions and party have found in collective affiliation a source of financial strength. While it may very well be argued that collective affiliation is undemocratic in principle, though the actual decision may be made democratically, i.e. by majority vote, the practical reasons for it were no doubt originally sound. The end justified the means. Whether it is strictly necessary now is another question. One curious illustration of the dilemma was provided in 1953, when the Stockholm labour commune decided to introduce a representative council as its highest authority in place of the general meeting. General meetings had become quite unwieldy with a membership in the commune of 100,000, of whom 89,000 were collectively affiliated through unions, and the remainder individually affiliated through trade clubs, women's clubs and youth clubs. The proposed basis for allocating representatives in this council was to be that the political associations would have one representative for every 100 members, the unions would have one for every 500, 25 would be elected by general voting and the committee would be ex officio members. On this system and with membership as at 1953 the political associations would have 110 representatives and the unions, with eight times as many affiliated members, 178 representatives. It is difficult to see the democratic argument for underweighting the unions in this way. When the proposal was voted on by the members on 28th May, 1953, 65.5% of those voting voted in favour of the new council, while 34.5% voted against.

1) The party congress of 1944 authorised communes having a membership exceeding 5,000 to set up such councils.
No absolute figures for participation in the vote were given. 1)

It is a pertinent question to ask how many collectively affiliated members voted to reduce their influence in the commune. The intention is not to condemn or applaud on this issue, but simply to point out the position and the dilemma, between the advantage, mainly financial, of having people affiliate in masses (while conceding the individual the right to leave if he wishes) and the disadvantage, particularly in the eyes of other political parties, and especially the communist party, which also claims to represent the workers, of having one's flag nailed automatically to a particular mast.

It may be that, since adult suffrage was introduced in 1918, it is now easier to keep unions and party apart, in that the general strike is no longer a political tool 2), and that the dependence of the party on the trade union movement for its strength does actually make the unions more independent. But this is a difficult problem to pose and answer. For the party has been in power for twenty years, and it is only human for LO to prefer to have a party in power with which it knows that it can co-operate rather than to take any action that might weaken the party. LO reaps the best of all possible worlds. But collective affiliation remained none the less a live issue, for example when one finds the trade union mouthpiece saying that "our country cannot be ruled against the wishes of the trade union movement". 3)

1) See Morgon Tidningen, 29th May, 1953.

2) A general strike was not always favoured by the union leaders. The LO representatives in the labour committee of 1917 opposed it, and a moderate view prevailed as a result. See Westerståhl op. cit., pp.228-9.

CHAPTER III
EMPLOYERS' ORGANISATIONS

While the Swedish trade union movement has only progressed slowly and empirically towards a somewhat compact form of organisation and authority over the past fifty years, the Employers' Confederation (SAF) offers by comparison a picture of a nicely co-ordinated body which grasped very quickly what it wanted and planned its organisation accordingly. Why this came about, and how, is the subject of the present chapter. Just because of the streamlined organisation of SAF it is possible to consider, if not confine, the organisations problems of SAF in one chapter, but on a more general philosophical plane we might first pause to ask what it is that makes employers combine. Most of us have no doubt learned from Adam Smith that tacit agreements against the public are the frequent outcome of employers meeting in conclave, but in Sweden the employers' organisations that deal with labour relations deal with labour problems alone, and the public against whom they conspire is, in the first instance at any rate, represented by workers, who are usually organised in trade unions already. Ideologically, it is doubtful whether "private enterprise" is an adequate rallying ground for persons who are in the popular belief inexorably embroiled in cutting each other's throats. Indeed it could be argued that in combining employers recognise the practical inconveniences of private enterprise. It seems in fact that some practical basis for employer co-operation is necessary, such as the benefits of paying similar wages, cutting and raising wages by the same amount, adopting a uniform attitude to the cost item represented by "Labour", and leaving competition to find an outlet in other ways, through quality, advertising and other economies of the individual firm. Even agreement not to compete as to the price of labour requires, however, two basic incentives for success.
a) the positive one based on mutual insurance and compensation for stoppages, and b) the negative one of a strong workers' movement that is exercising pressure for uniformity. In Sweden both sides agreed at a rather early state that there were advantages in having uniform terms of employment settled by collective agreements. At one stage SAP did have some doubts about the advantages, when the depression of 1921 suggested the argument that it was foolish to have wage costs fixed for any length of time by collective agreement. But on balance SAP found the following advantages that favoured the retention of a collective front in relation to the workers:

1) the syndicalists would profit from the abandoning of collective agreements,
2) in a boom there would be a scramble for wages increases, and strikes,
3) the collective agreement bound not only the workers BUT ALSO EMPLOYERS. "If there is no such agreement there would be a risk of some employer acting in accordance with purely egoistical motives and thereby disturbing the uniform wages level that constitutes one of the aims of every organised branch of industry". 1)

It is such practical arguments as these that underlie the growth and development of employers' organisations in Sweden, at least as far as the private sector of the economy is concerned. If one has one's endeavours firmly fixed on some definite and also practicable objective it is probably true to say that organisation is more easily harnessed to the end in view than would be the case if one were pursuing an abstract or ephemeral goal. As we shall see, SAP knew what it wanted and it set out very early to ensure that its organisation was strong enough to attain it. In essence, then, the employers represent a much more simple group organisation that the workers' organisations.

In considering the historical development of employers' organisations a distinction has to be drawn between self-help organisa-

1) Hallendorff, op. cit. p. 156
tions of employers such as burial funds formed after the break up of the gild system, associations for regulating production and exploiting technical progress, purchasing and selling associations, and associations of employers designed to look after the interests of the employers in relation to organised workers. It is with this last type that we shall be exclusively concerned here. The boundary is comparatively easy to draw since SAF has taken the view that an employers' association shall not concern itself directly with matters other than relations to the workers. It is of course the case that the different aims were sometimes fused, as in the Stockholm Brewers' Association in 1885¹, and, at least to begin with, in the Machine Industry Association. In the early handicraft unions the position of the master had often been rather obscure because of the vague boundary that still existed between him and his journeymen. Many of the early unions in fact showed an understanding of the master's position and were more concerned with removing "unhealthy" elements from the trades, such as the middleman, than with opposing the employers. They sought to improve the conditions of the journeymen AND to promote the interests of the trade.

Before 1890 there are only isolated examples of employer organisations. In 1873 a Bakers' Association was formed in Stockholm after the defeat the employers had suffered at the hands of the journeymen bakers. The increase in building production in the 80s led to the formation of some local Master Builders' Associations. Organisation among employers was easiest in new industrial areas and branches and, like the trade unions, employer organisations had to overcome geographical difficulties. This explains in part why organisation was always most successful in the early days in the fertile south plain of Scania, where in addition employers, again like the unions, benefitted from developments in Denmark.

¹) Lindbom, op. cit. p. 216
There were difficulties in the way of employer combinations in the older Swedish industries, especially ironmining in central Sweden, for there individualism was very strong and the mining villages were almost patriarchal societies. There was on the whole less likelihood of employers combining unless it was in defence of something, or as a bulwark against something, such as trade unions.

Fairly rapid progress was made in the new industry of engineering. From 1882 Stockholm engineering bosses held meetings on matters of common interest and tried to establish a common front in labour conflicts. 1) The foundry workers' trade union in Gothenburg was also instrumental in leading the engineering employers there to organise.

A wages action by the union in 1896 led to a meeting in May of engineering bosses 2), at which it was decided to form a permanent association, the Machine Industry Association (Verkstadsföreningen), and in the same year this association completed the first collective agreement with the local branch of the Swedish foundry workers' federation. 3) The organisation idea was soon pushed further and this Association also became the most active section of the SWEDISH Machine Industry Association (SVF), which was founded in July, 1896, at a meeting in Malmö and was organised in sections for west Sweden (Gothenburg), the south, east and north (Stockholm). The purpose of the SVF was to promote common interests and the progress of trade.

1) Georg Styrman, in Verkstadsförening (2nd edition, p.56) thinks the Sundsvall strike and the building industry conflict in Stockholm in 1881 had a greater influence in furthering this co-operation than had the short sporadic strikes experienced in Stockholm workshops thitherto.

2) It is interesting to note that the leading protagonist of employer organisation was James Keiller, a Scotsman. See Styrman, op. cit. pp. 66 - 69.

3) The Iron and Metal Workers' federation was established in 1889 with 11 branches and 1,142 members. The foundry workers established their federation in 1894. It had 8 branches and 389 members.
It could thus be as much an organisation for purely economic questions as a fighting organisation to counteract the workers' organisations. Only the west section seems to have been very active and it carried on agitation to have the plan of 1896 put into effect. Styrman 1) says that even after SVF had been formed there were still doubts about the means of action to be used, insurance or lockouts, and also about the way in which to organise, whether by trade on a national level, or locally in general employer associations. The organiser of the south section favoured the local method, and Styrman considers this probably explains why it never functioned. Otherwise there was every reason why the South branch should flourish, since there the trade union movement had developed most quickly. As we shall see shortly, SVF reorganised in 1902.

In other trades organisational development in the 90s followed much the same lines as in the trade unions, from local associations via - in some cases - district federations to nation-wide organisations. Handicraft trades, and the building industry in particular, led the way, and by 1900 there were federations for master employers among masons, builders and painters, master bakers and sheet metal employees. In factory industries, national federations had been formed in the cigar manufacturing industry, among the Swedish sawmill owners (in connection with the Norrland conflict in 1899), and in engineering through SVF. But the preference for local organisation was by no means overcome. In 1898 a local "general" federation of Swedish employers was formed in Malmö, which seems to have been intended as an embryo national confederation of employers. The main basis of its organisation was to be mutual strike insurance, but the financial requirements for this were too great and it did not prosper. Rival associations were formed in the following year in Malmö and in Halsingborg. The latter association, the South Swedish Employers'

Federation, had a full time official, G. Falkenström, who became director of SAF in April 1903, but did not include strike insurance in the rules, which meant that its subscription fees could be kept low. But the association never gained very great affiliation except in Halsinborg itself, where it was fairly successful during its three years of activity in spite of its small coverage and loose form. Its experience proved to be of great value when meetings were being held in 1902 to try once more to form a nation-wide organisation for employers; for it had found that there was opposition of interests between large and small employers and between employers in different trades, so that it was important in any national organisation to have strong measures prescribed for sympathetic action and for the prohibition of employers engaging workers who were on strike from other firms.

A series of articles in Svenska Dagbladet 1) in 1902 discussed the relative merits of various forms of organisation, and reasons for and against employers organising at all. One view was that some employers would always gain from a strike, just as others lose. How then could they be forced to stick together? It could not be done if the workers held together long enough (but note that that is also a problem, though not for the employers). The employers had nothing to set up against the unions. Nor was legislation in this matter possible, although the writer in question did suggest an arbitration act, with advantages for those who respected it. Another wanted problems to be settled by consultation within the firm. A third suggested boards of arbitration within the firm to solve disputes, instead of leaving this to outsiders. He considered that the interests of employers were too divergent to make employers' associations successful. Those individualists who favoured local negotiation were

1) See Industria, No. 8-9, 1952 pp.89-93
opposed to outside trade union participation, in the main because of the fear of socialism.

But the supporters of the employer association idea considered that a centralised trade union movement would be a guarantee of peace, and that it should accordingly be met on the same level, so that collective agreements could be arrived at within a large sphere of industry. The trade unions were now too strong an institution to be ignored, whoever their leaders might be. There were real reasons for the rise of a trade union movement, quite apart from the connection of the Swedish movement with a political party.

The good employer must learn to know his workers. The employers and workers were advised by one employer writing in this series that if they wanted a higher standard of living they must work intensively, as in America, and in co-operation with one another. Some employers were also doubtful about the usefulness of a national organisation, though recognising the advantages of some form of organisation. Would not local associations among both employers and workers be sufficient to get rid of socialism? (This is begging the question, to the extent that, as we have seen, national organisation was already flourishing within the sphere of jurisdiction of LO). The right of association was also discussed.

Before the turn of the century employers had frequently shown disquiet about the growth of trade unions by attempting to persecute workers who did join unions, and towards the end of the century in particular there were disputes over the right of association. 2) Between 1896 and 1899 thirty disputes arose out of attempts to prevent the formation of unions. The biggest conflict on the right

1) Falkenström argued from the start that the only guarantee of peace was negotiation at a national level. As we shall see, the idea of collective agreements was not very widespread within SAP by 1905.

2) This right was still debated in the 20th century and only recognised in law in 1935. It will be considered in detail in a later chapter in Part II, Ch. IX & X.
of association was the Norrland sawmill conflict in 1899 which arose out of sawmill owners declaring that they did not want to have members of trade unions in their employ and that workers would be dismissed who joined or remained members of the sawmill workers' federation. Workers struck or were locked out. IO supported the workers at first, but when the conflict dragged on for some months the secretariat of IO, which had only recently begun its activity, announced that it could not give financial support any longer. The sawmill workers' federation also contemplated ending the conflict and negotiations were begun with representatives of the sawmill owners who, however, refused to accept the offer of the workers that they should either leave IO or that the unions concerned should leave the federation. The employers insisted that the federation should not only leave IO but also change its byelaws so that the workers in each mill would be entitled to negotiate themselves with the employer, and that arbitration should be resorted to in cases where no agreement could be reached by negotiation. The outcome was that the trade union branches in the Sundsvall district decided to cease their activity, although the federation remained in existence and affiliated to IO.

Although one important factor in this conflict was that the employers objected strongly to the fact that at the time one condition of affiliation to IO was the obligation to join the social democratic party within three years, it should be remembered that not all trade unionists were agreed on this issue either, and the real practical bone of contention in the eyes of the employers seems to have been a fear of the growing influence of trade union federations over the workers. They were prepared to accept unions locally, but used the right of association issue as a tool to get at IO and the federations. At the same time it is not difficult to grasp that individualistically minded employers would consider freedom to
combine in trade unions a dangerous weapon if it did involve the unions becoming identified with socialism. There was, however, a contradiction, between accepting the right of association at the local level but objecting to it when it took on a national form. The contradiction only resolved itself when it was realised from the employers' side that conflicts over the right of association were seldom profitable, since, as Ballendorff recognises, public opinion would not in the long run have supported a campaign against workers' combination. It was clearly along other lines that the conflict must be carried on from the employers' side - organisation must be countered by organisation. Hence Ballendorff considers that in the long run the victory won by the sawmill owners on this occasion was a fruitless one as long as the Swedish industry as a whole did not unite in such efforts.

What finally precipitated action for the formation of a national employers' organisation, however, amid all these arguments, organisational experiments, and conflicts was the political strike of 1902. The social democratic party programme had since 1894 included a "general strike" as a means of political pressure. Palm was for instance a strong advocate of a general strike in support of the adult suffrage question, e.g. in 1896 and 1897. An opportunity for trying out the weapon presented itself in 1901 when the conservative government introduced longer periods of military service and increased taxes. This led the workers to renew previous agitation for franchise reform on the argument that if the duties of the citizens were to be increased in respect of defence why should not their rights, in this case to vote, be extended also.

3) The attitude of Branting in the early 1890s to the question of rearmament was that defense was a necessity; but the obligation of the people to defend their country should likewise give them the right to have a say in the fate of their country. (see Nordström Fran den svenska socialdemokratins genombrottsar pp. 65-69). So opposition.
Discussions were carried on throughout 1901 between and within the party and, when no satisfaction was obtained on the franchise in the Parliamentary session of 1902, it was decided to have demonstrations and stoppages of work in protest. Demonstrations were begun on 20th April, 1902, with a peaceful march through the streets of Stockholm in which the police intervened, and for which most of the press condemned them. As a result the authorities agreed with the committee of the workers dealing with the demonstrations that the workers themselves should be responsible for the maintenance of public order during any further demonstration. Another demonstration took place on 27th April. On 9th May the party committee issued a statement on the strike that was to be held while Parliament was discussing the franchise question. It was not to be a strike in the real sense of the word but a political manifestation. It was not intended as a measure against employers, but against the government and the Parliamentary majority that was denying the people their rights. Agreements with employers were not to be affected, and there would be no support from union funds. It was repeated that workers were to keep within the bounds of the law, and when parliament had reached its decision work was to be resumed at once - irrespective apparently of whether the decision was regarded as favourable or not.

In the event the franchise question was debated in parliament on 15th and 16th May, and the strike ended on 17th May. Casparsson estimates the number of strikers throughout the country at 120,000. 1) But the effect of this demonstration strike on the outcome of the debate was not very great, although the upper chamber decided that an enquiry should be made into questions relating to the franchise. But more important in the present context was the effect this strike had on industrial relations. Although in many cases employers did

1) Casparsson, op. cit. vol. 1. p. 174
give their workers permission to take part in the demonstration, not all employers accepted the view that the party seemed to take at this time, that political action could be considered in a different light from industrial action by the workers. Of course the trade union movement and the party were still at this time unclear about their exact relationship, and employers can hardly be blamed for seeing in such a strike, despite disclaimers, an ultimate if not an immediate threat to them. On this occasion it might be a political strike, but who knew what might happen next time. 1) So employers in some cases played safe by dismissing workers as a reprisal. The most significant instance here for later industrial relations was a dispute in Separator Ltd. in Stockholm immediately after the end of the political strike. Its later significance is that it concerns a principle which later became notorious as "paragraph 23", namely the right of an employer to decide whom he would employ. The workshop rules of Separator provided that workers who were absent from their places for more than two days without permission were considered to have left their jobs. This company had refused permission to its employees to take part in the political demonstration strike, and it accordingly dismissed workers who took part in the three days stoppage. To strengthen his hand John Bernström, the head of Separator, added to his factory rules a provision that workers who tried either inside or outside the factory to entice or threaten by force others employed by the company to act in contravention of the rules determined or announced by management or otherwise to act against the company’s interests would be dismissed at once. 2) The social democratic party

1) In fact the party explained later that this 1902 strike was a general pattern for a REAL strike general strike, which might eventually be necessary.

2) Such a provision found support in the Akarps act. Bernström objected to pressure being put by organised workers on the unorganised. There is a hint here of the clause later inserted in paragraph 23 that gave the employer the right to engage organised or unorganised workers, as he saw fit.
then declared a blockade against Separator Ltd. Some of the firms in the engineering industry thereupon decided to begin a lockout if the blockade was not lifted, but discussions between the Separator company and the workers, in the course of which Bernström declared he was not attacking the right of association, led to factory rules being rewritten to the extent that the clause "against the company's interests" was deleted. The blockade was lifted and anyone could apply for work with Separator.

After the political strike and the conflict at the Separator company the byelaws of SVF were revised and definitely adopted in Stockholm on 24/9/1902. The form of organisation adopted was a central national organisation (some had wanted local associations of establishments which would then combine in larger units), but the local interest was provided for through SVF being divided into four (later five) areas. The association now limited itself expressly to questions relating to labour relations, although it was also provided that questions relating to the promotion of the branches of industry in which the members were engaged, but which fell outside the sphere of labour relations between workers and employers, could be taken up for discussion within the association but must not be made the subject of decisions. The means to be used to protect the members was primarily the lockout, but the insurance principle was to some extent allowed for, in that the central board (Överstyrelsen) could pay out compensation (a maximum of one crown per day per worker). In relation to the boundaries of authority of the association on the one hand and the individual members on the other, it was considered that some compulsion was necessary for uniform action in certain cases, such as

1) This provision is still contained in SVF byelaws (see revised byelaws of 22/4/1953), § 32. After 1902 SVF did not in fact deal with many questions affecting the general economic interest of the members, but apparently this was felt to be a disadvantage, for in 1908 the chairman, J.S. Edström, proposed that SVF's activity be extended. This led to a
lockouts. Economic guarantees of 100 crowns per worker were provided for, but certain safeguards were also included against the central board abusing its powers to decide on lockouts. If decisions on lockouts were not unanimous within the central board, the issue was to be referred to a general meeting, whose decision on lockouts would be final, if it was arrived at by a three fourths majority of those voting. Although the actual work was envisaged as being carried on through the sections, it was decided to set up a central office in Stockholm, and in fact the leadership of SVF soon passed to this central office and to the central board of the association. ¹)

So much for engineering. But what of other industries and the plans for a confederation of employers? We have already seen that by 1902 there had been discussions of various forms of organisation, and some experience had been gained of different forms through the various geographical and industrial associations. At this juncture the political strike discussed above seems to have precipitated action by the employers to organise. Von Sydow, who was to become director of the Employers Confederation (SAF) from 1907, considered the strike was a pointer to employers. ²) He thought that previously employers had doubted whether the trade union movement would become a real power in the economic field. ³) This 1902 strike convinced employers that they must unite in counter-measures for "sheer self-preservation."

The strike was complete and utter aggression; it exceeded what a workers' organisation had a right to, for it was a conflict for a purpose that was quite outside the relationship to the employers. ⁴) The social and economic significance of the strike could not, however, be overlooked.

²) von Sydow, "Om den svenska arbetsigwareföreningen, dess..." etc. p. 5.
³) This is a surprising statement in view of the many conflicts in the 19th century and the growth of unionism.
⁴) von Sydow, op. cit. p. 18.
In part this emphasis on the 1902 strike as the primary factor in the events leading up to the formation of SAF is exaggerated, for there had already been talk of a national employers' organisation. The political events of 1902 were the occasion rather than the cause of the employers organising. The trumpet sounded, and they answered the call to battle. But, whether the strike was in fact a weighty reason or the last straw, or simply an excuse and good propaganda, there very soon followed rapid action towards the setting up of an employers' organisation. It is perhaps understandable that employers should be slow to unite against a rising trade union movement, when the disadvantages that the individual suffers from a collective front probably outweigh the benefits that can be gained by dealing individually with trade unions that are not at the time too strong. Psychologically, therefore, the strike may have tipped the scales in favour of organisation. This individualism of employers and the action taken to overcome it in Sweden is one of the most interesting features of the employers' confederation there. Paradoxically, just because they have many conflicting interests employers in the same and related trades have been brought under a very strongly centralised form of organisation, while LO, covering many more individuals, has had to overcome great difficulties in order to win the central powers it has. Again, as will emerge from our consideration of the employers' organisations, there has never been any pretence of fighting idealistically for some intangible cause, such as economic and social democracy, in the employers' organisations. It has simply been found necessary and advantageous economically in terms of a uniform wages level to combine in common action in relation to trade unions. To a study of these developments and this situation we now pass.
The constituting congress of the Swedish Employers' Confederation was held in September, 1902 in Stockholm, but this was in fact an endorsing meeting, for at previous meetings of various employers in Stockholm who enjoyed the advice of employers from Scania proposals had been drawn up, revised, and circulated. At the September meeting, at which "about forty" employers were present, the constitution was discussed and approved, the name SAF was adopted, and an interim board of seven men and three deputies was appointed to take the necessary steps to win affiliation to SAF and to call meetings when necessary. This meeting laid the foundation, but the task of erecting the building took some time. "It was rather a long organisation period".1)

The main changes suggested in the draft constitution, and adopted after discussion, dealt with the purpose of the association, membership qualifications, the beginnings of lockouts on a large scale, compensation to be paid in strikes and lockouts and the provisions for calling meetings of the members. The byelaws have of course been greatly revised since then, but it is worthwhile looking at some of the provisions to see what the objects were, and the means to be adopted to fulfil the objects of SAF.

Objects: in the byelaws that were adopted the purposes of SAF were stated to be those of promoting co-operation among employers, of encouraging the formation of occupational and local federations (such federations had themselves to adopt byelaws, which required for validity the approval of SAF's general council), of supporting these and individual employers in the settlement of disputes that had arisen between employers and workers, and of giving employers compensation, as provided in the byelaws, for losses incurred through strikes or lockouts. The organisation was based on the individual employer or partner (delegare)2) and, since SAF was to give financial

1) Hallendorff, op. cit. p. 42
2) The term covered both individuals and companies.
support when required, the economic relations between the partners were settled in the form of a mutual insurance scheme. Each partner was to have a liability sum determined for him in relation to the number of his workers, and these liability sums were to form a guaranty fund which could be called upon to meet the extraordinary expenditure of SAF. The liability sum for each partner based on the number of workers he employed was fixed at a minimum of fifty crowns per worker, and a maximum of five hundred crowns if the employer cared to pay more. The amounts set were thus stiff, although not as high as had originally been proposed, and they have of course been revised since. The liability sums in the guaranty fund formed a reserve fund and were only to be called in for use on the decision of the general council and when no other means were accessible for carrying on the work of SAF.

Further, it could only be called upon when required in maximum amounts of 10% at a time and only at six months' intervals. The liability sums could also be withdrawn at six months' notice. If they were called upon they had to be repaid as soon as possible, so that SAF could once more have the full amount of the guaranty fund at its disposal for emergencies. This basic financial arrangement still distinguishes SAF and is one of its greatest strengths, at the same time as the amount of liability sum prescribed is a great barrier to small employers joining SAF. Indirectly, however, the reserve fund ensures both solidarity and strength as well as the direct benefit of financial support in conflicts. Apart from this reserve fund the ordinary administrative expenses of SAF were to be met out of annual dues, the amount of which was also based on the number of workers employed by a partner.

Having these onerous financial burdens placed upon him the partner reaped the benefit of the provisions dealing with strikes and lockouts. 1)

1) Hence the term partner.
He had the right or duty to inform the board of SAP of existing or threatened strikes, and it was the duty of the board to give the partner all the assistance he might require in order to settle the dispute. In limited conflicts that might call for sympathetic lockouts in the same branch of industry the partner, if he thought he should declare a lockout, was required to tell the board of SAP, which would decide whether it was justified and whether to give its consent. Serious lockouts, i.e. covering more than one branch of industry, were hedged round with the safeguard that they had to be considered by the general council. If it was not unanimous a three fourths majority of the general meeting was necessary for approval. In short the intention was that serious lockouts would not be resorted to without the general council having accepted complete responsibility for the action or, failing this, the majority of the general meeting.

Discipline. Decisions of the general council or meeting had to be obeyed by the partners. The provisions for compensation in strikes and lockouts were important mainly for the provision that partners who did not carry out the decisions of the board, or meeting of trade federation authorised to make decisions in lockouts lost their rights. This meant that the board (§ 15) could repudiate the liability to pay compensation for losses caused by a strike if the partner had resorted without justification, or when economic conditions did not require it, to measures that worsened the position of the workers and this had caused or promoted a strike, or if the partner refused to take the action the general council required of him to terminate the strike. The individual partner was thus prevented from baiting workers. But the partner was likewise prevented from engaging striking or locked out workmen during the period of a strike or lockout.

The highest authority was to be the general meeting, which was to be held once a year. A general council of 25 was elected by the meeting for two years at a time, half the members retiring each
year. This general council in turn appointed the managing director and the board members (of whom there were to be five, including the director). The council was also to give such instructions to the Board as it saw fit, and was always to have questions of proclaiming widespread lockouts referred to it.

On the whole then the byelaws provided for a tight and concentrated leadership of the organisation. The experience of the delegates from Scania had great influence here, for they felt that for a central organisation to be effective it must be more than a negotiating and investigating body. It must also be armed and ready to fight. And the leaders must have considerable powers of decision. The policy should be to oppose the practical policy and tactics of the trade unions, not the unions as such 1). The insurance clause was given a prominent place, lockout authority that might lead to considerable losses for some employers was vested in the leaders, and (although the byelaws did not say so directly) it was clear that in fact the right of association of the workers was not contested officially, since the confederation was being created to counter the organisation of the workers. "Everything indicates that the men who prepared and created the new organisation had learned from their own and the experience of and mistakes of their colleagues in the preceding years, but also that they saw the future conditions of work to be so seriously overcast that they felt bound to sacrifice personal ideas, individual freedom of movement and even economic means." 2)

The organisation developed slowly at first. At the beginning of 1903 there were only fifty partners. There was quite a lot of

1) Hallendorff. op. cit. p. 31
2) Hallendorff. op. cit. p. 41
hesitation about joining. What if the workers of an employer did not belong to a trade union? If an employer tried to persuade a worker not to join a union could he himself join SAF? Naturally too fears were expressed about participating in lockouts, with the losses that such solidarity might bring to the self-denying employer. This in fact led to a change being adopted in the byelaws from 1904, that partners were not obliged to follow the decision of the general meeting or council in the question of lockouts if the workers at their factories had not joined trade unions or given financial support to strikers in other workplaces. 1)

Much of the early work of the board was in fact concerned with preparing revisions of the byelaws, for the organisation had to adapt its shape to conform to practical developments. In theory the general meeting and council were the formal authorities, the board being at most an executive council; but questions soon arose that called for rapid decisions and the march of events led to the real leadership falling into the hands of the board, which directed policy and tactics according to the shifting scene. For instance, the instructions planned for the board were never drawn up. Not all this was advantageous, for the concentration of power in the Board meant that personal relations there became important and the original officials were not always flexible enough in approach to keep pace with developments. 2)

1) In 1920 this provision was again altered so that the lockout applies to all workers of the partners affected by it unless the board or the general council determines otherwise. It had been found difficult to distinguish the organised from the unorganised, and there was a fear that syndicalists might infiltrate if unorganised workers were kept on during conflicts.

2) Hallendorff, op. cit. p. 48
Some impetus to change came from outside as well. Other employer organisations had been set up in 1902. In Malmö a general Employers' Association was provisionally founded on 7th June and definitely in December. It joined SAF as a local (and the only one) federation in 1906. In 1902 also the Central Bureau for Swedish Handwork and Industrial Associations was proposing to split its organisation into two sections, one dealing with better economic legislation and the other with employer interests in relation to the workers. This latter was to attempt to achieve co-ordination and if possible amalgamation with employers' organisations already in existence. From these deliberations there emerged in September, 1903 the Central Employers Federation (CAF), mainly covering building and handicrafts, which agreed to co-operate with the Malmö Association mentioned above and suggested that employers should be so organised that a SINGLE NATIONAL body was set up. But SAF felt there would be time enough for this when it had developed its own organisation in full. But CAF returned frequently with plans for amalgamation with SAF or at least for formal co-operation, and negotiations took place in 1904. SAF rejected formal co-operation with CAF, but was in favour of developing co-operation in practice. It stated that in future it would give CAF information about conflicts that had arisen, and the names of strikers, when the board possessed such information. CAF would do likewise. But SAF was opposed to any modification of its insurance principles which amalgamation might entail.

One significant result of this was that in 1905 SAF issued its circular to its partners on the subject of collective agreements, and conflicts. The discussions between it and CAF had shown that it was desirable for both confederations to follow similar principles in conflicts and collective agreements, even though at the time SAF
did not attach great importance to uniformity in the provisions of collective agreements, of which there were in any case few among its partners. (See chapter XIX). Subsequently, frequent attempts were made to bring about closer co-operation between CAF and SAF and, although these did not lead to the formal dissolution of CAF until 1919, when the building industry employers affiliated to CAF then joined SAF through the Building Industry Federation, practical developments on the labour market meant that in the interval there was much lively co-operation between the two organisations from time to time.

One of the obstacles was that SAF was placing the emphasis on covering industry as a whole, whereas CAF was mainly interested in building. A similar problem faced the organisations from another quarter, namely SVF, which dealt exclusively with engineering industry. SAF was keen to have SVF in its fold, for it covered a large section of industry, and since 1902 it had made much more rapid progress in membership coverage than had SAF. In September 1903 SAF decided to contact SVF with a view to the latter affiliating to it. SAF was prepared to alter its byelaws to accommodate SVF, but the suggestion had no success. In fact it took another thirteen years for SVF to agree to come into SAF, on certain conditions. The reasons were partly personal, for the Chairman of SVF, Bernström, seems generally to have been rather obstinate.

As a result of experiences to date the byelaws of SAF were amended in September 1904, and made more systematic. The purpose of the organisation was expressed more fully. Previously prominence

1) In 1903 SVF had about 10,000 workers coming under its members, who numbered more than 200.
2) In his pamphlet, Om den svenska arbetsgivareföreningen, dess..., p.6, von Sydow says that it was a great pity for the Swedish economy that at this time there was no one with sufficient authority and strength and well known enough among the employers for them to be willing to form one organisation for the whole country under his leadership. In fact, however, the difference was not simply personal, for the three organisations had different interests and methods. SAF was interested primarily in the strike insurance weapon.

had been given to the individual partners, but emphasis was now shifted to the trade federations. It was stated that SAP would operate primarily through the trade federations in external relations and would itself concentrate on achieving a uniform policy and tactics, collecting and looking after the necessary financial resources and taking measures to support the trade federations.

The provisions for procedure in strikes and lockouts were more carefully expressed. In strikes and lockouts the former procedure (of applying direct to the board) was to apply to the "general group" of employers, i.e. employers who could not be fitted into a trade federation within SAP. But for others the procedure was revised so that if a partner in a trade or local federation wished to declare a lockout he must apply to his federation board, which was to inform the board of SAP at once whether the step was considered justified. The latter would then decide whether it approved of a lockout and whether the partner was entitled to support. The aim was thus to channel contact between the partner and SAP through the appropriate trade federations. The trade and local federations did not themselves have the right to begin lockouts, though they did have the right of appeal, as had independent partners, to the general council. Discipline was to be strengthened by the provision that partners who violated the lockout provisions could be assessed damages not exceeding their guarantee sum. But far more drastic centralising measures were put through in the following two years, dealing a) with the powers SAP had over the collective agreements concluded by its partners, and b) the right the employers asserted to be "masters in their own house"; both these developments found expression in what was to become famous as "Section 23" of the byelaws of SAP. Part of this section will be the subject of chapter XVII, but at this stage we can note what was
prescribed. In relation to collective agreements the provision was
introduced in May, 1905 that if a partner in the confederation or a
trade federation wishes to enter into a collective agreement with a trade
union or federation or other association of workers, the proposals are to
be submitted to the board of SAF, and no such agreement may be entered
into without the approval of the board. The significance of this
clause for later policy in relation to wages can scarcely be
overemphasised, for by it SAF came thus early in its career to have
considerable 1) formal control over the content of its partners' wages
agreements 2).

The other significant provision deals with the right the employer
claims - if he is a partner in SAF he is required by its byelaws to
assert this right - to be master in his own house. This too was
accepted in May, 1905, although it was only from the beginning of 1907,
after the December compromise of 1906 with LO, that the issue of
inserting the clause in collective agreement was settled, at least in
the meantime. The formulation which has since caused a lot of bother
was that the employers are entitled to lead and allocate the work,
freely to engage or dismiss workers and to make use of workers,
whether they are organised or not. This clause has been so important in
later labour relations that it merits detailed consideration in chapter
XVII.

1) This formal control does not involve complete control over content.
There is in practice frequently a discrepancy, often deliberate,
between the wage set out in an agreement (often a minimum wage) and
the wage actually paid to the worker. This is discussed in part V,
and in particular in chapter XIX.

2) In 1905 it was estimated that 107 partners (44%) in SAF were
covered by 46 collective agreements, although this is perhaps a
conservative figure. See SAF report for 1905, p.3.
Having laid down these principles SAF found not only that it had plenty of opportunity to fight for them but that its organisation would benefit from even more streamlining. In 1906 there were many conflicts over §23 and in November the board of SAF was strengthened. But since the old board continued to meet and the new strengthened board could deal with certain topics the organisation became a bit twin-headed. In 1907 therefore the board was enlarged and von Sydow became the managing director and something of a controlling power in SAF, since he was entrusted along with two board members with the task of running the day to day business of SAF. In November, 1907, new proposals were put forward to strengthen further the power of the confederation through a) consolidating the financial position, b) making the lockout weapon more flexible and easier to use, and c) improving relations with other employer organisations.

The board proposed that in future handicraft employers should not be admitted to partnership in SAF since they operated in small and heterogeneous trades and were a weak factor in the event of lockouts. But this was not accepted. To strengthen the finances a higher minimum was set for the liability sums. On lockouts, revision was made in the previous procedure for extensive lockouts which had required unanimity of the general council or reference to the general meeting. This often caused delay. The board therefore thought that a four fifths majority of the general council would be sufficient for the declaration of a lockout. This simplified procedure was accepted. An attempt was also made to ensure solidarity among employers in the event of a lockout by requiring the employer to get workers who were kept in employment during lockouts on the grounds that they did not belong

1) von Sydow subsequently became something of an ogre in the eyes of the trade union movement, as the man who was prepared to lay about him with the lockout club with great ruthlessness. But for a somewhat more favourable picture of him see J. Sigfrid Böström, vol.11, pp.60-61.
2) Hallendorff, op. cit. p. 92
3) The presence of such partners in SAF had been put forward by SVF as an obstacle in the way of closer co-operation between it and SAF.
to and would not help unions or their members financially.

These changes towards increased power at the centre were due to the growth in the number of partners and in the affiliated federations. This was very rapid between 1906 and 1909, and reflected SAF's energetic attempts to become a strong organisation both in internal and external affairs.

By the beginning of 1907 SAF had six affiliated federations, mainly in textiles, the steel federation, and wood manufacturing industry, but during the course of 1907 thirteen federations joined, and in 1908 seven new federations were recruited. By this year too SAF had far outstripped the other employer organisations in respect of the number of workers employed by its partners: it covered about 150,000 workers, while SVF covered between 30 - 40,000 and CAF had nearly 50,000 workers in its sphere of influence.

Membership of SAF to 1908: 1)

<table>
<thead>
<tr>
<th>Date</th>
<th>Partners</th>
<th>No. of workers declared</th>
<th>Total liability amount in crowns</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/ 3/1903</td>
<td>78</td>
<td>21,065</td>
<td>1,908,150</td>
</tr>
<tr>
<td>31/12/1903</td>
<td>101</td>
<td>23,924</td>
<td>2,153,200</td>
</tr>
<tr>
<td>31/12/1904</td>
<td>134</td>
<td>31,937</td>
<td>2,855,700</td>
</tr>
<tr>
<td>31/12/1905</td>
<td>236</td>
<td>44,443</td>
<td>3,773,050</td>
</tr>
<tr>
<td>31/12/1906</td>
<td>453</td>
<td>65,420</td>
<td>6,063,000</td>
</tr>
<tr>
<td>31/12/1907</td>
<td>997</td>
<td>127,126</td>
<td>10,682,100</td>
</tr>
<tr>
<td>31/12/1908</td>
<td>1,258</td>
<td>153,722</td>
<td>13,643,250</td>
</tr>
</tbody>
</table>

This tightening of SAF's organisation was reflected in part in the fact that in 1908 the official figures for disputes show a relative increase in the number of employer successes and a decline in the number of workers' victories. The number of workers affected by

1) Source: SAF Annual reports.
different results shows the importance of compromise solutions. For about three quarters of the workers concerned there were concessions on both sides. 1)

<table>
<thead>
<tr>
<th></th>
<th>No. of work stoppages</th>
<th>No. of workers affected by stoppages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1903-07</td>
<td>1908</td>
</tr>
<tr>
<td>Employers' conditions</td>
<td>290</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>26,208</td>
<td>23</td>
</tr>
<tr>
<td>Workers' demands</td>
<td>393</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>21,302</td>
<td>20</td>
</tr>
<tr>
<td>Compromise</td>
<td>389</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>61,193</td>
<td>55</td>
</tr>
<tr>
<td>Unknown</td>
<td>76</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>2,617</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1,148</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>111,920</td>
<td>100</td>
</tr>
</tbody>
</table>

Although there had by no means been peace on the labour market in 1907 - there were 312 conflicts - most of the conflicts were on a small scale, over 23,000 workers being directly involved in the disputes. 2) But 1908 was a year of depression and bad trade, and both SAT and BVF were involved in hard bargaining with IO federations. There had already been experience of the lockout weapon in the engineering industry in 1903 and 1905, and for SAT the December Compromise of 1906 had been preceded by threats of a general lockout, but the year 1908 found SAT digging in its heels and endeavouring to roll up conflicts into one issue by using the lockout weapon on a broad front. In July a lengthy conflict in dockyards was settled only after a lockout was threatened. 3) Later in the year an extension of a lockout in the bookbinding trade was threatened for paper, pulp, textiles and even sawmills and mines.

1) Arbetsstatistik, B:2, Stockholm, 1909. Quoted in Mullendorff, op. cit., pp. 102-3. See also appendix 1, table 1.

2) In December 1907 IO accepted the demand of SAT that sympathetic action should be allowed during the period of validity of an agreement. See also Part II.

3) The issue here was § 23. Not before 1919 did the transport workers' federation succeed in getting a modification to this paragraph written into its agreement for dockyards.
This tactic raised the question of whether such drastic action was necessary over one dispute, but SAF's view then as later was that it was not merely a strike insurance office to be buffeted about by the workers. In fact it could be and was aggressive, and in 1908 it had been able to take the initiative, because of the bad economic conditions, its own strong organisation, and the weakness of the workers' unions when questions of combined action arose.

Nor was SAF alone in being aggressive. Both SAF and SVF threatened lockouts in 1908, and there was some cooperation with SAF. In 1905 in fact an amalgamation between SAF and SVF almost went through, but SAF failed to give the assistance it had hinted at in SVF's wages negotiation dispute and relations were for a period strained.

But in practice it was not easy for SAF and SVF to steer clear of one another. In 1906 for instance the Steel Mills Federation joined SAF as a trade federation after some minor modifications had been made in the byelaws of SAF. This affiliation meant that the practical ties between SAF and SVF were tightened, for the close connection that must exist between steel mills and the engineering industry which uses its raw materials and products is obvious. Organisation on the basis of trade federations in fact showed itself to be the most suitable form for SAF, as it had realised in its byelaws revision of 1904. As SAF became more widely known the number of affiliated federations grew, partly through new federations being formed and through the affiliation of existing federations. The trade federations came to supersede the form of combination attempted in part at the beginning, that of local federations. One local federation was created within SAF in 1906 by the affiliation of the General Employers' Association in Malmö, but since then no other purely local federations have joined the Confederation.
SAF, SVF and CAF agreed in 1907 to propose measures to IO for ending some conflicts, and the internal consolidation SAF brought about in the same year led to discussions with the other employer organisations. SVF even took the initiative in proposing closer co-operation between it and SAF. 1)

As regards relations with the workers, however, the year 1909 was one of warfare on the labour market, in which several conflicts ripened into one gigantic clash. At the same time it pointed the way towards a more peaceful future, for the parties worked off a tremendous backlog of ill-feeling and disputes that had festered since 1906. Since the dispute was not without its effect on the workers' and employers' organisations it seems best to consider it here.

The disputes that were the immediate forerunners of the lockout that was proclaimed and the big strike that followed it were all fairly limited in scope, involving in all about 7,000 workers organised in IO. Of these, 5,700 were locked out. The series of small disputes, ten in number, led however to 300,000 workers being directly involved while indirectly the whole Swedish population was affected. In six of the 10 disputes the workers took the initiative in stopping work, while the employers were responsible for the other four. SAF took the initiative in trying to force a solution of the disputes by declaring that a lockout would be commenced on 26th July, and extended to other trades if necessary. SAF addressed its statement to IO, which so far had had nothing to do with the primary conflicts.

1) One instance of the difficulties in the way of close co-operation however was that when SAF became financially responsible for the journal "Industria" in 1908, an attempt to get SAF and SVF to issue a common publication failed. SVF wanted its own mouthpiece.
The statement was a "declaration of war", which demonstrated the belligerent attitude of the employers 1) no less than their confidence in the effectiveness of lockout weapons. 2)

The representative council of LO discussed the situation on 19th and 20th July. Lindquist was critical of the fact that the workers did not yet grasp the need for internal co-operation and co-ordination, but since the feeling among many workers now was that a "big strike" might bring big gains many wanted to wrest the initiative from the employers and adopt aggressive tactics. 3) The secretariat accordingly took the view that the lockout should be answered by a big strike. The representative council agreed it could no longer stand aside but, in order to avoid losing the element of surprise that would have arisen from a constitutional reference of a proposed strike to trade union members, the council decided that if no settlement had been reached and the lockout had begun the secretariat of LO was to be empowered to make a general appeal to workers to stop work from 4th August. Thus LO was given powers of decision for the occasions which were not envisaged in the constitution. The reaction came at the 1909 congress. 4)

1) Hallendorff, op. cit. p. 106 suggests that the more complete organisation and preparedness of the employers made them in fact more hostile and less inclined to compromise. This was accentuated at the time by the bad economic conditions prevailing.

2) Casparsson, op. cit. vol. 1. p. 269.

3) Hansson, op. cit. p. 121

4) See Chapter VI.
Both the lockout and the strike began as scheduled, but after intervention both by the conciliators and the government had failed to bring about a solution LO agreed to recommend a return to work with the exception of places of employment that came under SAF. Thus the front was to be shortened on the basis of this "logical division" (as it was termed) between SAF and other employers' organisations. LO explained that it had decided it was its duty to try to find a solution in view of a strong government statement on the conflict on 30th August. On 12th September the conciliator was asked to form a board of conciliation to try to settle all the existing disputes between SAF and LO and to draw up a settled negotiation procedure between them for the handling of future disputes. By this date the conflicts had been reduced to the original disputes. Negotiations dragged on, however, over questions of drawing up a procedure designed to promote labour peace and emphasis was shifted from the settlement of the disputes to questions of principle. On 12th November, SAF lifted some of the lockouts, and the conflict in fact ended without any "peace treaty" being agreed upon. Formally, SAF did not lift the remaining lockouts until December, 1910; it had kept them going apparently for the purpose of influencing LO in arriving at a settled procedure of negotiation. But this did not succeed, and the initiative passed to the government. 1)

The cost of the conflict in days lost was estimated at over 11,000,000, of which lockouts accounted for 36% and strikes for 64%. Membership of LO in particular suffered as a result of the stoppages, while for SAF the slight decline in the number of partners was offset to a great extent by an increase in the number of workers covered and by the increase in funds.

1) See Chapter XX.
There was a decline too in the number and scope of conflicts after 1909. In part this is explained by the return of favourable economic conditions in place of the bad times of 1907 and 1908 which had done so much to embitter industrial relations in those years and feed the flames of the culminating conflagration in 1909. 1)

<table>
<thead>
<tr>
<th>Year</th>
<th>Work stoppages begun</th>
<th>No. of employers affected</th>
<th>No. of workers affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>1907</td>
<td>312</td>
<td>818</td>
<td>23,540</td>
</tr>
<tr>
<td>1908</td>
<td>302</td>
<td>1,424</td>
<td>40,357</td>
</tr>
<tr>
<td>1909</td>
<td>138</td>
<td>8,188</td>
<td>301,749</td>
</tr>
<tr>
<td>1910</td>
<td>76</td>
<td>146</td>
<td>3,671</td>
</tr>
<tr>
<td>1911</td>
<td>98</td>
<td>1,920</td>
<td>20,576</td>
</tr>
<tr>
<td>1912</td>
<td>116</td>
<td>789</td>
<td>9,980</td>
</tr>
<tr>
<td>1913</td>
<td>119</td>
<td>204</td>
<td>9,591</td>
</tr>
<tr>
<td>1914</td>
<td>115</td>
<td>247</td>
<td>14,385</td>
</tr>
</tbody>
</table>

In the years of lull after the 1909 strike SAF tried both to make use of the experience gained for the organisation of SAF and to follow future trends carefully. The byelaws could, for example, cause considerable difficulty on financial issues, since the repayment of guarantee sums as soon as possible after an emergency was past could mean a millstone for years to come, especially after such a costly conflict as that of 1909. 2) A dispensation clause was therefore introduced and in addition it was provided in 1913 that from that year no repayment of sums (plus interest) paid in by a partner on his guarantee bonds was to be made when he left SAF. This

1) For complete figures, see appendix 1, table. 1.

2) It will be recalled that SAF had based its activity on the insurance principle. In the conflict of 1909, for example, about 7 million crowns was paid out to the partners in compensation. At the beginning of the conflict a credit of 8 million crowns on the security of the guarantee bonds of the partners had been obtained from the banks, and this was repaid by 1912.
constituted quite an incentive, albeit a negative one, to stay in SAF.

As to the other results of the 1909 conflict, the "main victory went to society, since it repulsed the attempts to interfere with vital social functions." 1) But the employers also gained, thought Hallendorff, not least because the bitter experiences of 1909 were in part responsible for the relatively peaceful development in the years following. The events of 1909 showed how interdependent society was, and they opened up new possibilities for employers and workers to meet without first indulging in a clash. However, it could be argued that this relative calm was just as much a victory for the trade union movement - but what Hallendorff's point really is is that the achievements of these years depended in no small part on the way in which the victors - the employers - made use of their superiority.

It had often been argued that the employers were trying to crush the trade unions, but what in fact the employers with most experience were striving for as something worthwhile was rather a situation in which both sides pretty well counterbalanced one another through strong and coherent organisations, and could negotiate with one another on the basis of orderly procedure and without having a series of endless guerilla wars. The 1905 agreement between SVF and the Iron and Metal Workers' TUF seemed to point in the right direction, for it had given peace which it was reasonable to hope might continue. SAF was in fact fully conscious of the advantages that such a settled way of negotiating could bring. After the reorganisation of SAF in 1907 R.F. Berg had asked for a programme to be worked out for the work of SAF in the immediate future, and had suggested a central agreement between LO and SAF, under which all other agreements would fall.

The central agreement would, he suggested, contain provisions on

1) Hallendorff, op. cit. p. 124
a) negotiation procedure

b) general issues, such as

1) the employer's right to take charge
2) the freedom to associate
3) employment and dismissal
4) right for foremen to leave trade unions
5) arbitration in every matter relating to existing agreements, and guarantee of certain negotiations before a stoppage of work may take place over the renewal of an agreement of work.

This proposal did not lead anywhere, for Berg died soon afterwards. But that he was not alone in his views is shown by the submission of Lars Yngström to the Board of SAF in 1908. In part he discussed the bookbinders' conflict then in progress, but on the subject of negotiation he argued that "In order to prevent hasty stoppages of work it would be desirable to have a negotiation procedure between SAF and IO drawn up in the main on the principles that form the basis for the negotiation procedure in force between SVF and the appropriate trade union federation. By this means the outlay of SAF on strike compensation could be considerably reduced. When a disputed question between employer and worker must pass two or three instances the prospects of being able to avoid a conflict ought to be considerably more favourable than otherwise".

Full discussion of this submission was delayed by the big conflict until 1910. But it helps to show that a fixed negotiation procedure was considered as a central issue for settlement before the conflict began. Indeed, this is not surprising, when we recall that the December compromise of 1906 had pretty well ended the state of nature existing between the two sides, and involved the acceptance of certain definite rights, e.g. to associate. It was merely a logical development to wish to have an orderly procedure for negotiations. There could well be disagreement about the subjects

1) Hallendorff, op. cit. p. 124
to be discussed, but a form for discussing issues in a definite manner could very well be taken up. Yet the workers were suspicious, and the most suitable body with whom to negotiate - IO secretariat - was hardly anxious or in a position to add to its difficulties with such a tricky issue. But the question surely became a relevant part, if not of the peace treaty, then at least of the peace conference, and we have seen already how it figured in the demands of the employers for a settlement. But IO was impotent to do much about it, in view of the structure of its side of the labour market and the impending congress. (See Chapter VI.)

The big strike strengthened SAF's position considerably as the leading association of Swedish employers. There was close co-operation between SAF and other employer organisations during the conflict and this continued afterwards and led to important agreements.

In fact when the big strike began negotiations had been in progress since 1907 between SAF and SVF, on the initiative of the latter, for formal co-operation along definite lines. But there were difficulties, in that SVF did not wish to abandon its position of independence, while SAF was dubious about giving SVF a position within its ranks different from the other organisations. The question also arose during these negotiations of co-operation with other employer organisations, viz., CAF, the shipowners, private railway employers and farmers.

SAF invited all these organisations to meet to discuss a proposal for constant common representation for all the associations, but the private railway employers rejected the proposal, whereupon the other five employer organisations met on 28/6/1910. They agreed to form a consultative council, in which the associations would be represented in proportion to their coverage. Byelaws for this council were approved and later confirmed by the Boards of the separate
associations, by which the council was made an advisory, not a deciding instance, its object being to promote what was best for the employers' associations, and to preserve their interests in relation to the workers' organisations. The council would accordingly follow closely everything that could influence the relations between employer and worker. It was empowered to express views to public authorities on behalf of the associations in legislative and similar public issues. It was also to work for planned organisation of the employers in Sweden, and for the drawing up of systematic and planned statistics on wages and working conditions. In the event of a serious conflict threatening or arising in the sphere of activity of any of the member organisations the council had, on the request of the organisation concerned, to take up the question for examination and present proposals for the measures that might be called for from the side of the association. 1)

Although the council hardly became the focal point it was in the beginning intended it should be, it was destined to promote considerably the co-operation between and common interests of the various organisations through its practical work. The constantly recurring projects for combination show how it was felt to be obvious that the employers should be in one organisation, although some considerable time would still be required before the time was ripe. SAF was now in the strongest position, and showed very considerable interest for these combination projects. But these were symptoms rather than anything else. For example, between 1911 and 1913 CAF considered the prospect of coming into SAF, but decided at its annual meeting in 1913 to retain its independent position. In any case SAF had not approved of the way in which CAF handled its building conflict in 1911.

1) Hallendorff, op. cit. p. 129
There were important internal developments within SAF as well in these years. Attempts were made to organise industries systematically according to their activity - by transfers from the General Group, and by amalgamations and combinations. In 1912 SAF set up a statistical bureau and a new clause was introduced into § 9 of the byelaws by which "every partner is obliged to give the statistical information that the Board may require". (Now clause 40 - 1955.)

The fact that SVF was outside SAF and the Steel Masters in it could cause difficulties. When SVF came to negotiate a renewal of its national agreement in 1913 it was agreed between it and the Steel Masters that on certain conditions e.g. that SVF would join SAF, the Steel Masters would help SVF with sympathetic lockout measures if SVF could not get its new agreement through. But this led to nothing, since agreement was reached without open conflict. But a solution of the SVF-SAF anomaly was reached in 1916 for, after SVF had told SAF that the biggest obstacle to its joining SAF was the entrance fee, negotiations took place and it was agreed that SVF would join SAF as a trade federation from 1st January, 1917, its members being excused the entrance fee into SAF. The rapid leap in the number of partners in SAF and its financial position in 1917 shows the effect on SAF's finances of SVF coming into the fold. But the consolidation cannot be truly assessed merely in those terms, for from the strategic point of view the inclusion of this fundamental sector of industry in SAF was vital. In 1918 further consolidation took place when CAF was dissolved and its members were allowed to join SAF through their trade associations without having to pay entrance fees. By 1919 therefore, when SVF and CAF had been safely absorbed into SAF, a uniform organisation had been created for industry and, to a lesser extent, for handwork. But handicraft employers have had difficulty in staying in SAF, on account of the high fees and their traditional spirit of individuality.
Saf has continued its endeavours to consolidate, and aims at the principle of having employers belonging to the same trade in the same trade federation. Within its ranks it tried in a revision of the byelaws in 1920 to form related trades into trade groups in order to make for closer co-operation between them. There were in that year 27 federations in SAF each with a coverage of less than 3,000 workers, so some sort of administrative co-ordination seemed desirable. But the Board did not think at this time that this concentration could be achieved by force. It merely recommended it. 1) At the same time the somewhat unwieldy "General Group", which had been a refuge for all the misfit employers who could not be fitted into a trade federation for one reason or another (e.g., there are extremely few sugar refining plants in Sweden), and which had previously been under the direct control of the Board, was given a position of its own as a separate federation, with its own officials. It was thus no longer directly under the board of SAF. Another new feature from 1920 was that conferences on policy were held once a month between the officials of the federations and the directors of SAF. 1928 was however the year in which real emphasis was placed on the formation of allied trade groups. A Committee of 1925 reported in 1928 on the question of improving the organisation of SAF and changes in the byelaws. The proposed changes fell under four main heads:

1) to promote closer co-operation between trade federations that carried on activity in allied branches. Consultation in important matters was now to be made compulsory. Trade groups were set out which SAF would be entitled to prescribe. These groups were not to have the right to make decisions in relation to the activity of member federations, Reliance was to be placed on internal co-operation, but the federations

1) SAF, report for 1920 pp. 6 - 7.
in the groups were to be obliged to consult with one another (and with SAF) before arriving at important decisions. The groups were each to have a consultative council. It was hoped that grouping would take place voluntarily, but the board of SAF was to have the final decision.

Five trade groups were formed in 1929, viz. in the printing industry, in mining, in iron and metals, in textiles and clothing and in wood processing industry. A sixth group was begun in 1930 in the building industry and extended its coverage in 1933-34 to include electrical installation and plumbing. These groups still exist within SAF and there is now a seventh group, in stevedoring.

2) It had been felt there was not enough contact between the individual federations and partners and SAF. To enable them to take part in discussions and decisions on the actions of SAF on important matters it was decided that in future, instead of theBoard being appointed as hitherto by the general council, it would be chosen by the general meeting. The managing director would in future be appointed by the council after the board had made nominations. But at the same time it was felt that the general council was growing too large, and a change was made by which each federation would be entitled to a minimum of one representative in the council plus one representative for every 15,000 (now 20,000) workers covered.

3) To strengthen the economic position of SAF the fees were doubled (to 20 crowns per year per adult male worker.) This increased fee, although a somewhat stiff one (almost 30/-) did not have an adverse effect on the membership of SAF. In 1929 70 partners resigned (64 had done so in 1928) and 269 joined.

4) In the event of large scale lockouts it had sometimes happened in the past that reference had to be made to the general meeting. This was now to be cut out altogether, in order to increase the possibility of rapid and effective action by SAF when the need arose. The general
council was now to have the FINAL say, a two thirds majority of those voting being required. The significance of this change for the constitutional powers of SAF is too obvious to require any comment.

This may be a convenient point at which to consider the present method of choosing the board and other governing bodies. Now the majority of the Board are appointed through the trade associations that cover more than 15,000 wage and salary earners each appointing a member. The remaining members, whoever are appointed by the general meeting, do not exceed one half the number of those appointed by the trade associations. At present the board has 21 members. The managing director is employed by the board, and he takes part in a small working committee of four within the board. The council is elected as before with the change that extra members are allowed for every 20,000 employees. Voting takes place in the council on the basis of number of workers employed. The general meeting conducts its voting 1) on the basis of one vote for every 100 crowns of liability sum, but it is not completely "general" as a meeting in that it is the trade associations that are entitled to speak and to vote through their representatives. Emphasis is thus still placed on the individual partner channelling his views through his trade association. This is discussed at greater length below.

In 1937 SAF was forced to do some hard thinking and consider what its attitude was to be to the rapidly growing organisations of salaried employees. Its attitude hitherto had been that it supervised the collectivisation of the conditions of work of employees in firms that had affiliated to SAF for the purpose of strengthening their position in relation to the manual workers. How was SAF to react now to attempts

1) except the election of a chairman, which is by per capita vote of those present at the general meeting.
from white collar organisations to improve the lot of the non manual worker who, at least to the employer, was much more in a position of personal trust and intimate confidence than the manual worker? SAF answered the question by deciding in 1937 that it would NOT deal with the labour relations questions of partners other than those that referred to workers for whom the partner had gained affiliation in SAF or for whom the question of such affiliation had arisen. Affiliation arose when an organisation of workers had asked the partner to negotiate with it, which by SAF byelaws obliged the partner to affiliate to SAF for them. However, SAF was free to decide in each case to what extent the partner was to obtain affiliation for his employees. Since it was assumed also that relations with salaried employees would be peaceful the partner did not get any share in conflict insurance on their account, although this was offset by the liability sum for salaried employees being set lower at 50 crowns, and the annual fee at 5 crowns. At the same time SAF set up a department to look after employer interests in relation to salaried employees, its task being to help in negotiations with organisations of salaried employees and to give advice and help in such matters. 1)

So far the approach was still somewhat tentative, but a more settled attitude to salaried employees organisations, reflecting essentially their rapid growth, was determined upon in the revision of SAF byelaws in 1948, when the scope of a partnership was widened

1) This somewhat negative attitude was also shown by Gustav Söderlund, then the managing director of SAF, when he sat as a member of the committee whose deliberations led to the act of 1936 by which the right of association and negotiation was guaranteed in law. This Söderlund opposed. See SOU 1935:59, and also part 11, chapter IX.
to include all salaried employees employed by the partner. Whereas in 1937 the partner could, with SAF approval, affiliate for his salaried employees (and many did so), the 1948 provisions set out that the partner cannot join SAF merely in order to cover his manual workers. He must also allow his partnership to cover salaried persons in his employ (see § 27).

It is worth while to consider some of the main features of the byelaws revised in 1948 and still in force, for they emphasise how little SAF has changed its basic purposes and forms of organisation over a period of fifty years. At the same time they help to summarise what SAF means in terms of a cohesive organised group of employers.

The liability sums for salaried employees were raised to 200 crowns in 1948, and for female workers and minors to 300 crowns. (The present liability sum for adult male workers is still 400 crowns.) Other financial changes made in 1948 were the abolition of the entrance fee, while the annual dues for the various categories of employees are still based on a percentage of the liability sum. This arrangement is made more flexible by providing that the fees are to be fixed annually. The aggregate liability sums constitute SAF's guaranty fund, which is still essentially a reserve fund for use in emergencies. The original provision still exists that only a percentage (now 5% instead of the original 10%) of the liability sums can be called in at six monthly intervals. In addition, each partner's liability is limited to the amount of his liability sum.

In return for his obligations the partner gets strike compensation of one half of one percent per day (i.e. 2 crowns) of the liability sum for adult male workers for any loss arising out of a strike, and two thirds of one percent for females and minors (i.e. 2 crowns). 1)

1) Compensation is paid first out of the Insurance Fund which is formed by that part of the dues of partners that is not required for meeting the administrative expenses of SAF, and then out of the Guaranty Fund formed by the liability sums if necessary.
No provision is stated for compensation in the event - admittedly unlikely - of salaried employees going on strike. In emergencies, however, abnormal compensation grants may be paid, and the board can authorize payment of compensation for strikes "called by labour categories other than manual workers, as well as for any other offensive action collectively taken by labour". (32, clause 5.)

This strike insurance compensation may not seem much to an employer who may be suffering big business losses through a stoppage, but it should be remembered that in part the payment is meant as a morale builder. Aggressive employers are torpedoed by the provision that if the partner takes unjustified measures (underlined) that impair the position of the workers and thereby causes or furthers the strike SAF is under no obligation to pay strike compensation, while this applies also to "blacklegging" employers who refuse to carry out measures they are requested to take in order to prevent or end the strike.

Similar principles apply for lockouts approved by the board or council of SAF, or ordered by the latter.

What of the procedure in the event of a strike or lockout?

In the event of strikes breaking out or being anticipated the partner is given no power to act alone, but must report the matter to his trade federation which has to take measures calculated to prevent a strike. The board of SAF must also be informed. Lockouts, in which the initiative is with the employers, are more significant. No partner can call a lockout on his own initiative. Nor can the trade association of which he is a member. In all cases the board of SAF must be consulted and it has the power to declare a lockout except in cases where a proposed lockout would cover associations that have not approved of it.
Then the general council must decide, by a two thirds majority. Lockouts ordered or approved by the general council or board are binding on all member associations and partners. The sanction here is a formidable one, either expulsion with loss of all claims on SA2P, or assessment of damages. The general council can assess damages on member association, while the board is empowered to do so in relation to partners. For partners with liability sums exceeding 7,500 crowns damages may be assessed up to the amount of the liability sum, while other partners may be assessed a maximum of 7,500 crowns in damages. The board can sue if the damages are not paid.

A similar sanction exists against employers who disobey the orders from the top on matters other than strikes and lockouts, on matters that is to say which are summed up in the notorious § 23, (which, because of its notoriety, became § 35 in the byelaws revision of 1949). We shall have occasion to discuss them later in detail, since they intimately affect the CONTENT as well as the form of the employer-worker relationship, but briefly they comprise the following requirements:

1) All collective agreements entered into by partners or trade associations require the prior approval of the board of SA2P. This dates from 1905. A new provision introduced in 1948 gives the board powers to issue binding instructions about the APPLICATION of the agreement, about working conditions not so regulated (a wide field), and the procedure to be followed by the partner in managerial questions to which the board attaches major importance.

2) The partner must bind himself in his collective agreements to the management prerogative on engaging and dismissing of workers, direction of work, and employment of organised or unorganised labour as he sees fit.
3) During a strike or lockout the employer is prohibited, against the decision of the Board, from "either directly or indirectly extending work or giving any other support to labour involved in the strike, lockout or otherwise affected by the dispute."

This constitutional set-up is thus a very tight one, covering as it does collective agreements, and including strong control over the partners and the power to assess damages. The reasons are not far to seek. The essential purpose of SAF is to help employers in labour relations and labour relations alone — namely, to consolidate employers and organisations of employers into one joint body, to further good management-labour relations, to assist affiliated employers and/or organisations of employers in negotiations with organised labour, and to compensate affiliated employers for damages caused by labour conflicts. The purpose is thus essentially practical, and almost from the start there has been an insistence that the only way to have a strong policy was to have strongly centralised powers, not simply for external relations but also for the purpose of ensuring solidarity within the confederation. Quite succinctly, the byelaws provide that the employer partners are obliged to pay dues in return for the strength the solidarity gives and are entitled to receive compensation for loss suffered through disputes.

Organisational problems were solved in principle as early as 1904 by the provision that the partner joins through his trade association, which is organised along SPECIFIC OCCUPATIONAL LINES. No problems of craft and industrial demarcation lines can therefore arise in principle, the only problem being to arise at practicable boundaries.

This is aided by the provision that the board can establish joint trade groups in related fields, and that such groups must consult among themselves whenever action is contemplated by one group that may affect other groups or the whole confederation. This is similar in idea to the
cartels within IO, and, like the cartel idea, dates from the 1920s, but in SAF the organisation of such groups is a matter for determination from the centre, and is not left to the convenience of individual trade union federations, as in IO. 1)

Prior to 1948 SAF did not concern itself formally with the individual's right to run his business in his own way other than by insisting that he himself should insist on doing so, and that the content of his collective agreements should be approved. The powers of intervention in managerial decisions are now made greater since the byelaws' revision of 1948.

Although the trade federations are not liable for the financial obligations of their members to SAF, the federations are nevertheless held on a pretty tight rein by SAF. Their constitutions may not conflict with that of SAF, they must as far as possible be uniform, and include the obligation on the employer member to follow the provisions of SAF's byelaws. The trade association byelaws must be approved by and cannot be altered without the approval of SAF. Within the framework the trade associations are free to promote the interests of their members as they see fit in questions of labour relations. Since their byelaws in all important respects, e.g. in wages negotiations and conflict procedure, are essentially reflections of the SAF constitution it is unnecessary to discuss any trade association byelaws in detail. The associations of course base their activity on the fees they levy and they can give economic support to their members in addition to that provided by SAF. After it began to streamline its organisation in 1905 SAF made much use of the lockout on a wide front as a method both of defending itself and of attacking the workers' side in order to push through ideas it wanted brought to fruition. Defensively, it can be argued that "the counterpart of the organised strike is the lockout". If this were not possible a

1) See chapter vii.
strong trade union movement could kill one strong firm after another, 1) This is certainly true, for it will quite frequently be tactically advantageous for a trade union to try to fight along a narrow front in order to conserve its resources. 2) It then becomes difficult for the employers' side not to counter attack by rolling up the whole front, and widening the conflict as much as possible. Offensively, it is also true that SAF was perhaps somewhat reckless in its use of the lockout in the early days. Alive with the sure and certain knowledge of its own control over its partners, and keen to show potential members what it could do, there was doubtless some excuse for SAF's desire to obtain uniform agreements and settled negotiation procedure, whereas the trade union movement would find difficulty in overcoming the parochial and democratic ideas not only of unions but of trade union federations. The conflict of 1909 showed the difference in approach of the two sides. In later years the first aggressive use of strength gave way to moderation, moderation which it became easier to practice on both sides when the trade union movement also grew to a position of strength, though never one of centralised control to match that of the employers organised in SAF. The growth in the number

1) Industria, 1928, p. 600

2) The foodstuffs conflict of 1953 raised all the strategic questions of strikes on a narrow front and retaliatory lockouts on a wide front.

3) An alternative to a lockout is provided under § 32, clause 5, which empowers SAF to pay compensation in excess of the normal amount in case of emergency and for other valid reasons. This method could be used if a lockout was considered too expensive or likely to meet with public disapproval, for it simply involves subsiding an employer who is attacked. It represents an attempt to counter the workers' narrow front by keeping it narrow from the employers' side as well. Obviously this could not be carried on indefinitely, but the provision does show that the lockout is not always an inevitable sanction.
of collective agreements was of course a factor making all the time for greater co-operation between labour and management. At the same time this co-operation bred internal consistency of policy. SAF was quicker than LO to realise the advantages of discussion among member federations on wages policy for the coming year, e.g. in 1916, 1920 and in 1924. Monthly conferences on important issues have been held since 1920 between the board of SAF and officials of the member federations. Even in such a strongly centralised organisation as SAF it has thus been realised that a strong and uniform policy is more easy to develop and support if the policy is evolved from discussions among the employer groups concerned instead of through the board imposing its will on its members by use of its sanctions. In short, SAF may have the power to keep its members and partners in line, but it has been realised that the sanctions must only be a last resort. For ultimately of course the power to change the board and its powers rests in the hands of the members and partners. That they have agreed that a strong hand should guide them is because it has been felt on balance that the disadvantages that may spring from uniformity and co-operation are less than those that might follow from the isolation of independence. This is not to say that SAF need have one hundred percent coverage of employers in industry. It is sufficient for it to dominate, since independent employers tend to follow the line SAF tries to set for determining the level of wages.

In summarising the historical development and position of SAF the main feature that emerges is the speed with which SAF realised that it must have power over its partners and strong economic resources if it was to be an effective instrument of labour relations. Thus it is hardly true to say that there has been any trend to centralisation within SAF in the sense that new principles have been introduced and
developed through the years in the light of experience. Since 1905 the essential features of central control have been evident, and the changes made in the light of practical trials of the administrative machine and of clashes on the labour market, for instance in the power to decide on lockouts, have been introduce simply for the purpose of making the machine run more smoothly. The changes made in the byelaws in 1948 reflect this, for they are largely technical in character rather than novel in principle.

That SAF was able to develop a strongly centralised organisation from the beginning is due also in part to the fact that it preceded the vast majority of its member groups, unlike IO. SAF began from scratch and had to show practical results. Other factors contributing to its strength have been the exclusive emphasis on aspects of labour relations, which has prevented dissipation of resources in other ways, and the emphasis on national trade organisations in preference to local organisations. This has also influenced the other side, for much of the pressure for industrial unionism within IO reflected the attempts of the employers to establish national agreements. This is discussed in Chapter VII.

In terms of financial strength and numerical membership SAF has shown a very steady upward trend with the exception of the period immediately following the strike of 1909 and the early 1920s.
### Development of the Swedish Employers' Confederation

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<tr>
<th>Year</th>
<th>Number of partners</th>
<th>No. of federations</th>
<th>No. of workers covered</th>
<th>Liability sum totals (crowns)</th>
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<tr>
<td>1953</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Minimum liability sum increased in 1907.
2) S.V.F. joined SAF in 1917
3) Figures include non-manual workers.
xx A partnership covering more than one federation is now counted as one.
3) Figure in brackets is for non-manual workers.
The 41 federations of which SAF consisted in 1954 cover mainly manufacturing industries. The Machine Industry Association (SVF) had the largest number of employees (206,000), but transport employers had the largest number of partners (3,701). Next in size to the machine industry by worker coverage was the General Group, with 65,000 employees, followed by the Steel Mills Federation with 55,000 employees, and the building industry with 52,500. The smallest federation was that covering employers in the peat industry, which employed only 350 persons. The following table shows the number of federations in different size groups according to the number of employees they cover.

<table>
<thead>
<tr>
<th>No. of employees</th>
<th>No. of federations</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 plus</td>
<td>4</td>
</tr>
<tr>
<td>40,000</td>
<td>1</td>
</tr>
<tr>
<td>30,000</td>
<td>0</td>
</tr>
<tr>
<td>20,000</td>
<td>4</td>
</tr>
<tr>
<td>10,000</td>
<td>8</td>
</tr>
<tr>
<td>5,000</td>
<td>8</td>
</tr>
<tr>
<td>1,000</td>
<td>13</td>
</tr>
<tr>
<td>1,000 -</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>41</strong></td>
</tr>
</tbody>
</table>

Although the group 1,000 plus accounts for the largest number of organisations (113), the four largest employer organisations (those mentioned above) actually account for over 50% of the employees, or 378,500 of the total of 745,000 employees in 1954. Nevertheless, SAF has quite a tail of small organisations covering less than 10,000 workers each.

Likewise, a division of partners by size of firm in relation to the number of workers employed shows that the small firm tends to predominate.
Division of SAF partners by size of firm according to number of employees. 1)

<table>
<thead>
<tr>
<th>Number of employees</th>
<th>Partners %</th>
<th>Employees %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 9</td>
<td>52.6</td>
<td>3.6</td>
</tr>
<tr>
<td>10 - 49</td>
<td>32.1</td>
<td>14.9</td>
</tr>
<tr>
<td>50 - 99</td>
<td>6.9</td>
<td>10.3</td>
</tr>
<tr>
<td>100 - 299</td>
<td>5.7</td>
<td>19.6</td>
</tr>
<tr>
<td>300 - 499</td>
<td>1.2</td>
<td>10.2</td>
</tr>
<tr>
<td>500 - 999</td>
<td>1.0</td>
<td>14.4</td>
</tr>
<tr>
<td>1,000 - 2,999</td>
<td>0.4</td>
<td>14.4</td>
</tr>
<tr>
<td>3,000 - 4,999</td>
<td>0.1</td>
<td>9.0</td>
</tr>
<tr>
<td>5,000 plus</td>
<td>seven firms only</td>
<td>3.6</td>
</tr>
</tbody>
</table>

1) Based on Industria, 1952 No.8-9, p.48 et seq.

Most partners, 52.6%, operate on a very small scale, employing only 3.6% of the workers with whom SAF is concerned directly, while 84.7% of the partners employ less than 50 workers each. The total number of employees covered by the middle sized groups of firms is fairly evenly dispersed, the heaviest concentration being in firms that employ between 100 and 300 workers. Yet these firms cover only 5.7% of the partners. Thus SAF is a confederation of small rather than medium sized federations and small and medium sized firms.

SAF has not as wide a "worker coverage" as IO. The two organisations do not balance symmetrically and form a nice chess board on which the gallant knights on each side can carry out their skilful outflanking movements, not to mention chivalrous actions, during the course of the annual wage skirmishes. SAF is not the only employer organisation. It covers mainly manufacturing industry. State enterprises are not organised in employer organisations, local authorities are extremely independent bodies in spite of their common negotiating bodies for wages, while employers in agriculture, trade and commerce stand outside, although they co-operate with SAF.

The next step therefore is to consider how far SAF does dominate the employer side of the labour market and what the quantitative
The significance of other groups is. The following table sets out the various groups of employers according to the type of economic activity carried on, and arranged in accordance with the number of persons they employed at 1st July, 1952.

<table>
<thead>
<tr>
<th>Name of organisation</th>
<th>No. of members</th>
<th>No. of employees employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Swedish Employers' Confederation (SAF) (41 associations)</td>
<td>12,100</td>
<td>744,000</td>
</tr>
<tr>
<td>Federation of Counties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federation of Cities</td>
<td>25</td>
<td>12,000</td>
</tr>
<tr>
<td>Federation of Local District Councils</td>
<td>261 (1,096)</td>
<td>100,000</td>
</tr>
<tr>
<td>Federation of Counties</td>
<td></td>
<td>147,000</td>
</tr>
<tr>
<td>2. Federation of Counties</td>
<td>810 (35,000)</td>
<td></td>
</tr>
<tr>
<td>3. Agriculture and Forestry (4 associations)</td>
<td>10,351</td>
<td>137,000</td>
</tr>
<tr>
<td>4. Trade, banking and insurance (9 associations)</td>
<td>7,479</td>
<td>94,821</td>
</tr>
<tr>
<td>5. State Wages Board</td>
<td></td>
<td>78,500</td>
</tr>
<tr>
<td>6. Communications (8 associations)</td>
<td>17,820</td>
<td>67,420</td>
</tr>
<tr>
<td>7. Consumers Co-operatives (KFO)</td>
<td>780</td>
<td>51,700</td>
</tr>
<tr>
<td>8. Handicrafts etc. (17 associations)</td>
<td>19,695</td>
<td>48,498</td>
</tr>
<tr>
<td>9. Hotels and restaurants (7 associations)</td>
<td>1,637</td>
<td>36,458</td>
</tr>
<tr>
<td>10. Printing etc. (2 associations)</td>
<td>180</td>
<td>20,122</td>
</tr>
<tr>
<td>11. Housing (2 associations)</td>
<td>6,355</td>
<td>12,300</td>
</tr>
<tr>
<td>12. Chemists</td>
<td>414</td>
<td>5,900</td>
</tr>
<tr>
<td>13. Växel stations (contractors to Telegraph Service)</td>
<td>3,200</td>
<td>4,000</td>
</tr>
<tr>
<td>14. Wage Board for state-owned companies</td>
<td>6</td>
<td>3,500</td>
</tr>
<tr>
<td></td>
<td>81,113</td>
<td>1,451,219</td>
</tr>
</tbody>
</table>

(Source: Industria 1952. No. 8 - 9.)

1) Annual average. Total varies seasonally.

2) Comprises workers on collective agreements only.
SAF comprises about 15% of all the organised employers in Sweden, and about 35% if the three employer organisations (in trade, shipping and agriculture) with which it forms a consultative council and included with it. 1) By itself SAF covers slightly more than half the employees covered by employer organisations, and if the organisations comprising the consultative council are included the percentage coverage rises to just over 60. In terms of employees therefore SAF has a predominant share in the labour market, and a very important one in the ranks of organised employers. However, as will emerge in the course of this thesis, quantitative significance alone is not exclusive of other factors that weigh in the scales of importance for labour relations. As the above table shows, state and local authorities play an important part numerically, but qualitatively the state gains in status as a model employer and as an employer that does not use the lockout weapon. Again, the consumers' co-operative movement employs over 50,000 people and, since it is motivated by different economic incentives from those spurring on SAF partners, it has a qualitative importance which cannot be measured in terms of size alone. This was amply shown in the foodstuffs conflict of 1953. However much SAF, the local authorities, the state wages board, and the co-operative movement differ in worker coverage the main difference will be seen to be in the principles on which they conduct their activity.

Nor does the above numerical table indicate the relative importance of particular employer organisations in certain sectors. Of the two associations in printing, the private employers' organisations covers 80% of the workers and employers in the industry. Again, the vast majority of the 10,351 employers in forestry and agriculture are actually in agriculture, while 89 forest employers cover the large total of 70,000 workers.

1) This council was established in 1910 "to promote the common interests of the employers' associations represented in it", but in practice it does little more than maintain employers' representation in certain public bodies e.g. the Labour Court.

2) P.T.O.
CHAPTER IV

ORGANISATION OF SALARIED EMPLOYEES

One of the most distinctive features of the Swedish labour market in the past twenty-five years has been the rapid growth in the number of salaried employees, and in the strength and number of organisations claiming to represent their interests in relation to employers. In 1920 there were some 240,000 salaried employees in Sweden, forming 9% of the total income earning population. Manual workers (1,775,000) constituted 70% of the income earning population. By 1950 the number of salaried employees had increased to 850,000 (27.1% of the working population), while the number of manual workers had fallen to 1,670,000, or 53.5% of the working population. Even throughout the 1940s the change continued rapidly, as the following table shows. The increase in the number of female salaried employees is particularly large:

Economically active population by sex and occupational status

Source: Statistisk Årsbok 1953, p. 29 Table 27.

<table>
<thead>
<tr>
<th></th>
<th>Number 1940</th>
<th>Percentage 1940</th>
<th>Index 1940 = 100</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1940</td>
<td>1945</td>
<td>1950</td>
</tr>
<tr>
<td><strong>Male</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employers</td>
<td>538,690</td>
<td>513,494</td>
<td>518,027</td>
</tr>
<tr>
<td>Salaried employees</td>
<td>346,213</td>
<td>395,201</td>
<td>469,599</td>
</tr>
<tr>
<td>Wage Earners</td>
<td>1,302,341</td>
<td>1,332,329</td>
<td>1,308,369</td>
</tr>
<tr>
<td>Total</td>
<td>2,189,744</td>
<td>2,241,024</td>
<td>2,295,995</td>
</tr>
<tr>
<td><strong>Female</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employers</td>
<td>111,050</td>
<td>89,712</td>
<td>86,919</td>
</tr>
<tr>
<td>Salaried employees</td>
<td>254,582</td>
<td>303,748</td>
<td>376,707</td>
</tr>
<tr>
<td>Wage Earners</td>
<td>443,650</td>
<td>353,406</td>
<td>360,223</td>
</tr>
<tr>
<td>Total</td>
<td>809,282</td>
<td>746,866</td>
<td>823,849</td>
</tr>
<tr>
<td><strong>Grand totals</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employers</td>
<td>649,740</td>
<td>603,206</td>
<td>604,946</td>
</tr>
<tr>
<td>Salaried employees</td>
<td>603,095</td>
<td>698,949</td>
<td>846,306</td>
</tr>
<tr>
<td>Wage Earners</td>
<td>1,746,691</td>
<td>1,685,735</td>
<td>1,668,592</td>
</tr>
<tr>
<td>Total</td>
<td>2,999,526</td>
<td>2,997,930</td>
<td>3,119,844</td>
</tr>
</tbody>
</table>
The reasons for this growth, both relative and absolute, in the numbers of salaried employees are many and complex. Croner, the leading Swedish Authority on salaried employees' organisations, classifies the causes under four headings — industrialisation, rationalisation, commercialisation and socialisation. 1) Obviously, a partial explanation does lie in the shift from a predominantly agrarian to an industrial and manufacturing economy. Other changes in the structure of the economy, with a greater emphasis being placed on trade, transport and other service industries - the tertiary industries employing what Adam Smith would no doubt have considered "unproductive workers" - have led to a growth in administrative personnel, as well as changing the meaning of the concept of a salaried employee. In Sweden the late and rapid growth of industry has helped to highlight the change. The growth of state activity and the extension of public control over social and economic life have brought a big increase in the administrative personnel in government service. Since the 1920s the number of civil servants has more than doubled, and now amounts to about 200,000. The rise in staff has been marked in public service industries, such as railways, telegraph and postal services, while national defence, health and social welfare services and education have all expanded in the scope of their activities. In industry proper too there has been a very conscious trend to more rational production since the 1920s, and this has required larger numbers of planning, costing, administrative, accounting and technical staff.

But the growth in the number of salaried employees is due not only to such structural changes as these. The term itself has lost much of the flavour attached to it in the nineteenth century, when the salaried employee, the white collar worker, was very much the boss's man.

1) See his book Tjänstemannakåren i det moderna samhället, and two articles (in English), one in International Labour Review, February, 1954, pp. 97 et seq., "Salaried Employees in Modern Society", and Tjänstemannaretsen No. 6, 1953 "The Swedish White Collar Worker".
occupying a position of personal trust and dependence. Rationalisation and mechanisation, with its accompanying specialisation of function, has removed much of this personal link, and the term salaried employee has suffered a change in the process. Many of the new specialised office tasks are simply routine jobs, and the term salaried employee has come to cover not only the all round man who is in intimate contact with the boss but also the employee engaged in routine work for which no particular academic qualifications are needed. Every salaried employee no longer carries a managerial baton in his knapsack. Prospects of promotion are less, although even the slightest prospect of promotion may serve to make the salaried employee feel he is in some way "different" from the "ordinary" worker.

The growth in educational facilities has also weakened the superior position of the salaried employee, at the same time as the process of democratisation in education has increased his numbers. All this has combined to reduce the social and economic status of the salaried employee. As the numbers grew so his worth as an individual lost its special monetary reward. The gap in wages (or salaries) between salaried and ordinary workers closed, as the workers' union strove to obtain better wages and general conditions of employment for their members.

One of the greatest incentives to salaried employees to organise has been the levelling down process. When they became quantitatively greater and socially less distinguished, the salaried employees found in the 1930s that they would have to organise, just because others were organised and because they would be unable to gain a reasonable share of the fruits of increased production if they did not combine. The act of 1936\(^1\) by which the right of association and of negotiation was guaranteed in law in Sweden acted as a tremendous stimulus to organisation by salaried employees - indeed the act was aimed primarily

1) The act is discussed in Chapter IX.
at them - since it provided not only a guarantee of these rights but also provided that only organisations of employees could negotiate with employers. The process of organisation has not, however, been a uniform one in all sectors of the economy, in part because of employer opposition to such organisations 1) but also because of the vagueness surrounding the precise meaning to be attached to the term "salaried employee".

Some light on the organisational difficulties and the prevalence of small but significant groups within the broad sweep of the term salaried employee is thrown by a consideration of what is meant by a salaried employee.

There is no definition in labour law of a salaried employee in Sweden. The collective agreements act of 1928 makes no special provision for salaried employees as distinct from others, and the act of 1936 solves the problem of salaried employees by extending the term previously used in reference to employees (arbetare) to arbetstagare, which is a more comprehensive term for someone who is employed as distinct from being an employer. The only special distinction made in law is for the group of responsible officials in state and local authority service who have to fulfill certain obligations of service. (See Chapter X)

It is fairly easy to arrive at a practicable if imprecise upper boundary for salaried employees, for the distinguishing feature is that they are employed. At the other extreme, however, the boundary problem is more complex, as is shown by the fact that over 100,000 persons

2) In an article in Industria in 1935 P. 142, Axel Brunius pointed out that SAF had tried for a very long time to exercise its influence in such a way that the demands of salaried employees for better status and salary conditions should be met. This was not philanthropy, but simply wise industrial policy. Earlier it had been argued (ibid. p. 14 et seq.) that the economic position of salaried employees could be improved, and that it was not necessarily wise policy on the part of an employer to pay the lowest salary possible to qualified salaried employees. Brunius had set out certain points in 1930 about salaried employees; a) their position of trust required give and take on both sides in both status and pay questions b) the salaried employees...
who are generally recognised as salaried employees are organised in LO and not in TCO. The size of income, period of payment, by month of week, method of negotiating salaries, are all unsatisfactory criteria at the lower end of the salaried employee scale. Rights to resort to direct action are also a precarious criterion, for within the salaried employee group these rights vary considerably, depending on the sector of the economy. In practice the boundaries are drawn up on a somewhat empirical basis. What is used as a rough criterion is, in some sense, what the employee in question does. Broadly, one can say that a wage earner usually carries out manual tasks that require no great intellectual effort, although this can never be a rigid criterion. Compositors, the oldest trade union group in Sweden, are highly skilled, much more so than office typists. Yet one group "naturally" belongs to LO and the other to TCO. Croner takes a functional approach to the problem of distinguishing the salaried employee, and bases his definition on the DUTIES of salaried employees. In this functional approach he distinguishes four different types, engaged respectively in managing, planning, administrative, and commercial functions. Stensland 1) takes a somewhat similar approach, in that he identifies the salaried employee in private employment by the job he does - managing, controlling and technical work in industry, administrative and accounting work, and office and distributive work, excluding retail trade. At the same time the salaried employee occupies an "in-between" position in production, and this is decisive for settling his economic and social position.

Although the nature of the employment can be taken as a good approximation, nevertheless the boundaries may still be obscure. As has been suggested, a manual worker may be more highly skilled than some

1) Tjänstemännens ekonomiska och sociala problem, p. 17.
salaried employees, and higher education in such cases becomes worthless dividing line. The differences are often different, but not necessarily higher or more theoretical type of training. Yet the distinction that manual and non-manual is the watershed persists. The Advisory Committee of the I.L.O. on Salaried Employees suggested in 1938, for example, that the best procedure to adopt in defining salaried employees in each country would be to formulate a general definition based on the predominantly non-manual character of the work performed. 1) In sum, one can say negatively that the salaried employee does not do manual work nor produce goods directly, while positively he is in some sense concerned with technical, administrative, commercial or administrative tasks.

A special position is occupied by civil servants and municipal employees, many of whom are employed in accordance with a wages plan and not a collective agreement, just because they have been considered to hold such responsible posts that they were debarred from striking. But state activity is too wide in scope to allow of a demarcation between wages plan and collective agreement employment. 2)

Inflexible rules for demarcation are not possible.

The only satisfactory solution to the demarcation problem, if the nature of the work were accepted as the sole criterion, would be job evaluation along scientific lines. This has been hinted at for civil servants 3), but there is little prospect yet of this being attempted on any scale in the private sector of the economy. The rough and ready solution adopted is that the boundary line between organisations is one of convenience rather than principle, and is frequently determined by negotiation, e.g. between TOO and IO federations. The paradoxical


2) This is recognised in an official investigation into the problem. See Løneplan eller kollektivavtal. SOU 1952:3.

3) Ibid. Chapter IV.
criterion sometimes adopted nowadays is in fact that of whether one is a member of an LO or TCO federation. For example, a statistical survey recently made of voters in Stockholm uses the rough criterion that members of LO are reckoned as wage-earners, while members of TCO are considered salaried employees. 1)

This empirical approach is also adopted in the agreements on enterprise councils that were concluded between LO and SAF, and between TCO and SAF, in 1946. In the latter agreement no definition of a salaried employee is given. The assumption that LO and TCO, through demarcation agreements, will have solved the problem in some way.

A similar empirical approach has been used to set the foreman apart from the manual worker. An important decision taken at the meeting of the representative council of LO in December, 1907, was that trade union federations were to be allowed to concede the demands of employers that foremen should not belong to trade unions, provided the provision was arrived at by mutual agreement and negotiation.

The definition of a foreman accepted in this connection was as follows:

"A real foreman is someone who is employed as the special representative of the employer in relation to the workers, and who receives wages as such, preferably a fixed annual or monthly wage, and who exercises authority through the task of leading and allocating the work, who does not himself participate in the work except on isolated occasions and who never has a share in the surplus from piecework."

The committee on industrial democracy appointed in 1920 asked the trade union federations whether they considered it was desirable for foremen not to be in workers' unions and the replies, although they did not give a uniform picture, were summarised as suggesting that foremen

who took part in the work could remain, although difficulties arose if higher level foremen, i.e. foremen mainly concerned with supervising work and receiving a fixed remuneration per month or longer period, belonged to workers' unions. The definition of a foreman suggested by the 13 man commission in 1934 did not include as foremen those who took part in the work of small groups of workmen, but it considered the concepts could still overlap. The act of 1936 which guaranteed the right of association and negotiation adopted the practice of SAF, which generally expressed the wish of employers that foremen should not be in workmen's unions. An agreement in 1935 between SVG and the foremen's union understood by a foreman someone who had obtained permanent employment and had the task of leading, allocating or supervising work that was carried out by workers under him. The principles underlying this agreement were that the foreman is the representative of the firm, which necessitates loyalty on his part on behalf of the employer's interests. It requires also that the foreman should have a secure position as a salaried employee and enjoy the trust and support of the employer. The relations between them must be based on mutual responsibility and trust. Hence an agreement for settling disputes.

The "in-between" position of the foreman was early recognised in fact through the development of separate organisations for them. The Foremen and Supervisors' Union formed in 1924 was developed from organisations for foremen that had been founded in 1905 and 1919. This Union now has a membership of over 34,000, most of whom are foremen employed in manufacturing industry. The members of the union organise in about 400 local branches, irrespective of the industries to which they belong. The union is a prominent member of TOO.

1) The act of 1936 uses the phrase "lead, allot and control the work", but this has been interpreted by the Labour Court to include lead allot OR control the work. See Judgement No. 87, 1939.
It is not easy to specify why salaried employees have formed separate organisations instead of joining IO. Part of the explanation lies in the feeling that tasks do differ, and this is related to the whole problem of training, historical developments and the high social position occupied by salaried employees at one time. Traditionally, too, such social differences have found expression in the fact that salaried employees have had individually determined and different terms of employment from the wage earner. Longer holidays, sickness pay, retirement pensions, as well as the fact that payment is usually by the month, have made for different problems. Possibilities of promotion have meant that collectivisation in the case of salaried employees is less tinged by ideas of uniform rates of payment than are the IO federations. Most salaried employees also occupy a different position from the workers in the event of a dispute. Such differences have all contributed to putting the salaried employee in a position where his problems are seen to be different from those of the wage earner. When, in addition it is remembered that salaried employees long had difficulty in organising, because of employer opposition and the lack of a guarantee in law on the right of association, while the unions of workers were able to press on ahead with their work of organisation, separate organisations for salaried employees appear quite natural. In the case of foremen a further factor making for separate organisations was the opposition of SAF to foremen being members of wage earners' trade unions. From their earliest beginnings organisations of salaried employees have also tended to be politically neutral.

Although Malmström argues that it is dangerous to try to find a general watershed between salaried employees and wage earners in such things as differing philosophies of life, their view of society, use of

1) Vad & DACO, p. 25
different methods of organising, since such differences are not general enough to provide an accurate dividing line, it is nevertheless true that it is just such factors that Halmstrom mentions that have led to a separate movement. Although salaried employees have many ends that are similar to those of IO, such as better wages and conditions of employment, not only do the means of attaining the ends differ but many other problems are considered to be so different as to justify an independent trade union movement for salaried employees. And it is on the peculiar features, structural, social and historical, that the salaried employee organisations have built.

Partly because the concept of "salaried employee" covers a vast multitude of personnel, the organisations that have been developed have not been homogeneous or integrated under one central organisation corresponding to IO. The reasons for this will be considered after the development of the largest salaried employee organisation, TCO, has been analysed.

There are of course early examples of salaried employees becoming organised for trade union purposes. A Marine Engineers' Union was formed in 1848, the Bank Employees' Union dated from 1887. A Journalists Union was formed in 1901 and in 1903 a Union of Chemists was formed. Foremen began to organise in 1905. An organisation for the salaried employees of privately owned railways dates from 1914. Not much attention was paid on the whole to salary conditions, for the right of association and of negotiation and general conditions of employment occupied much of the associations' interest. In the 1920s it was gradually realised, however, that not only was it important to organise in order to negotiate with employers on conditions of employment, such as pensions, holidays, sick pay and termination of employment, but that co-operation BETWEEN salaried employees' organisations would be advantageous. In 1921 the Bank Employees' Union tried to bring about
inter-union co-operation, while in 1925 a number of salaried employees' organisations combined to submit their views on pensions to the government. In 1926 an unemployment committee was formed, and in 1927 a pensions committee, covering seven salaried employees' organisations, was set up.

Co-operation on specific topics soon led to the formation of a central organisation for salaried employees. In 1931 DACO 1) was formed, consisting at first of eight organisations and about 20,000 members. The initiative in forming DACO lay largely with the organisations of employees in railways and banking. DACO was to be a central co-operating organisation for associations of professional employees and was designed to look after the common interests of salaried employees in questions of employment and in both internal and international work for social and economic legislation. DACO was not given any great powers as a central body apart from those of trying to bring about co-operation between member organisations, but by 1936 the need for closer internal co-operation was being felt, for in that year the consultative council of DACO stated that member organisations ought to consult and inform the secretariat about matters that might affect other DACO organisations (e.g., in relation to communications with public authorities). Likewise, since it was never a matter of indifference to one DACO organisation how other DACO organisations behaved in relation to employers, and what concessions - both in principle and in kind - they obtained during negotiations, the organisations should keep DACO informed of the course of important negotiations and discuss with it questions of tactics and also principles. It pointed out the dangers of salary cuts in one organisation having chain reactions through the others. It was not the case as yet, however, that it could be definitely said

1) De Anställdas Centralorganisationen.
whether and when DACO would come to exercise a direct influence on the negotiation work of the affiliated organisations and whether it might even control and direct it from the centre.  

In its external relations DACO was also weak in that it covered organisations in the PRIVATE sector of the economy only. The question of creating a common central organisation covering all the groups of salaried employees in Sweden had been discussed at various times in the 1920s, and the formation of DACO was preceded by negotiations between representatives of salaried employees in both private and public service: But the employees in state and municipal service were hesitant about joining a comprehensive organisation. They felt that co-operation within their sector ought to be greater before the wider loyalties of one organisation for all salaried employees were put to the test. Thus DACO covered employees in private employment only. However, its original membership of 20,000 was no mean start, particularly since it included the largest salaried employee organisations at the time, the foremen's union and the machine industry salaried employees' association (which extended its coverage to the whole of industry and called itself the union of clerical and technical employees in industry from 1932).

In 1933, however, a committee consisting of representatives from 14 organisations was set up to consider the possibilities of a national organisation for employees in the PUBLIC sector, and its work led to the formation of TCO in 1937 as a central organisation, consisting at first of eight organisations and 40,000 members. Immediately thereafter a collaboration committee was set up between DACO and TCO. As well as dealing with boundary disputes, and questions that either DACO or TCO suggested for common discussion and the other was willing

1) Malmström, Vad är DACO? pp. 34-35
2) Tjänstemännens centralorganisation
to take up, one of its tasks was to look into the prospects for more formal co-operation. Nothing came of this at the time. No formal arrangement for co-operation could be agreed upon.

The growth in membership of both DAGO and TCO made contact between them inevitable. One of DAGO's main preoccupations in the early 1930s had been the problem of the right of association and of negotiation for salaried employees - which was by no means fully recognised by employers at the time - but the growth in the number of salaried employees induced the political parties to find a solution in the law of 1936, by which the right of negotiation and of association was regulated for the private sector. In the following year (the year in which TCO was formed) the right of negotiation was conceded to civil servants, and an ordinance if 1940 granted the right to municipal employees. TCO was thus given a stimulus in its attempts to organise the public sector of the economy.

In 1942 DAGO invited representatives of TCO to discuss with it the question of amalgamating the two organisations. A Committee was appointed in April, 1943, and in December, 1943 it submitted a report with proposals for the byelaws of a new central organisation, to be called TCO. The main object in amalgamating was to create a uniform and strong trade union movement among salaried employees. "In present day Swedish society it is inevitable for a group, if it wishes to advance and maintain its interests, to do so through organised co-operation. It has been a great disadvantage for salaried employees in the past that their organisations were split. The differences of view that have existed between salaried employees in private and public service have been a direct hindrance to their obtaining the proper appreciation that they would probably otherwise have enjoyed." The proposed byelaws of this new TCO were confirmed at the constituting congress of 11th June, 1944.

1) DAGO-TCO Kommitténs Betänkande
2) Ibid., p. 15.
As a result of the amalgamation a large organisation was created which has continued to grow rapidly. The following table illustrates this.

**MEMBERSHIP OF TCO.**
*Source: TCO's styrelsen och revisorernas berättelse, 1953.*

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership as at 31/12.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Daco¹</td>
</tr>
<tr>
<td>3/5/1931</td>
<td>c:a 20,000</td>
</tr>
<tr>
<td>(Daco constituted)</td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>20,322</td>
</tr>
<tr>
<td>1932</td>
<td>25,121</td>
</tr>
<tr>
<td>1933</td>
<td>29,586</td>
</tr>
<tr>
<td>1934</td>
<td>39,398</td>
</tr>
<tr>
<td>1935</td>
<td>c:a 40,000</td>
</tr>
<tr>
<td>1936</td>
<td>&quot; 55,000</td>
</tr>
<tr>
<td>1937</td>
<td>&quot; 109,000</td>
</tr>
<tr>
<td>11/6/ 1944</td>
<td>c:a 77,500</td>
</tr>
<tr>
<td>(TCO constituted)</td>
<td></td>
</tr>
<tr>
<td>1944</td>
<td>77,500</td>
</tr>
<tr>
<td>1945</td>
<td>180,427</td>
</tr>
<tr>
<td>1946</td>
<td>204,553</td>
</tr>
<tr>
<td>1947</td>
<td>222,053</td>
</tr>
<tr>
<td>1948</td>
<td>238,053</td>
</tr>
<tr>
<td>1949</td>
<td>254,093</td>
</tr>
<tr>
<td>1950</td>
<td>259,486</td>
</tr>
<tr>
<td>1951</td>
<td>271,802</td>
</tr>
<tr>
<td>1952</td>
<td>291,546</td>
</tr>
<tr>
<td>1953</td>
<td>308,006</td>
</tr>
</tbody>
</table>

¹) Figures for 1932-36 include members of organisations that joined Daco on 1/1 in the following year.

²) Figures are for 1/1 of the following year.

³) Combined membership of CAEO and old TCO prior to the constitution of TCO are given here too.

This new TCO is an organisation that covers many heterogeneous groups, as the following list of member organisation shows.
| Union of clerical and technical employees in industry | 53,752 | 19,756 | 73,508 | 16,945 |
| Foremen's and Supervisors' Union | 33,595 | 500 | 34,095 | 11,079 |
| Commercial Employees | 10,769 | 7,477 | 18,237 | 764 |
| Bank Employees | 5,642 | 2,791 | 8,433 | 3,007 |
| Insurance Employees | 2,646 | 3,610 | 6,256 | 1,160 |
| Navigation Officers etc (sea) | 3,524 | 13 | 3,537 | 2,358 |
| Marine Engineer Officers | 2,732 | 1,517 | 4,249 | 1,880 |
| Hotel and Restaurant Employees | 1,005 | 1,693 | 2,698 | 277 |
| Journalists | 2,234 | 227 | 2,461 | 556 |
| State Alcohol Monopoly Employees | 871 | 1,141 | 2,012 | 170 |
| Dental Nurses | 1,517 | 5 | 1,522 | 65 |
| Agricultural Supervisors | 1,064 | 3 | 1,067 | 417 |
| Foremen Printers | 697 | 8 | 705 | 22 |
| Milk Controllers' Assistants | 350 | 246 | 596 | 28 |
| Theatrical Employees | 628 | | 628 | 204 |
| Dentists | 232 | 170 | 402 | 16 |

| Municipal Employees | 12,932 | 9,401 | 22,333 | 1,927 |
| Civil Servants | 7,311 | 9,191 | 16,502 | 979 |
| Infant School Mistresses | - | 12,465 | 12,465 | 612 |
| Nurses | - | 12,194 | 12,194 | 1,067 |
| Armed Forces Non-Comm. Officers | 10,125 | | 10,125 | 946 |
| Civilian Employees in Armed Forces | 6,877 | 4,309 | 11,186 | 410 |
| Elementary School Teachers | 10,756 | | 10,756 | 1,865 |
| Policemen | 7,743 | 41 | 7,784 | 356 |
| Elementary School Mistresses | - | 6,195 | 6,195 | 922 |
| Female Telephone Operators | - | 5,850 | 5,850 | 89 |
| Handicrafts Teachers | 1,717 | 4,412 | 6,129 | 445 |
| Junior Officers (Warrant) | 6,066 | | 6,066 | 490 |
| Customs Officers | 3,410 | 369 | 3,779 | 259 |
| Railway Clerks and Foremen | 2,373 | 176 | 2,549 | 166 |
| Post Office Employees (Office) | 10 | 2,392 | 2,402 | 47 |
| State Waterpower dept. Employees | 1,543 | 566 | 2,109 | 149 |
| Organists and Choirmasters | 1,567 | 140 | 1,707 | 20 |
| Telegraph Service Office Employees (female) | - | 1,716 | 1,716 | 34 |
| Child Nurses (Midwives) | 1,314 | | 1,314 | 65 |
| Elementary School Head Teachers | 918 | -17 | 935 | 22 |
| Gymnastics Teachers | 228 | 343 | 571 | 34 |
| Pilots (sea) | 595 | | 595 | 54 |
| Peoples' High School Teachers | 346 | 164 | 510 | 48 |
| Lighthouse and Lightship Personnel | 277 | 314 | 591 | 18 |

| Teachers of the Deaf and Dumb | 68 | 49 | 117 | |

| Total | 196,213 | 116,889 | 313,102 | 49,306 |
As the following table shows, TUC has quite a considerable tail of small organisation with less than 1,000 members, but the trend in the past few years is in the direction of having more organisations in the group 10,000 - 50,000 and in the 1,000 - 3,000 group. This last group of course derives the immediate benefit of any "marginal" increases in the membership of the very small groups.

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Organisations in TUC</th>
<th>No. of organs with Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Over 50,000</td>
<td>10,000-</td>
</tr>
<tr>
<td>11/6/1944</td>
<td>36</td>
<td>4</td>
</tr>
<tr>
<td>31/12/1944</td>
<td>38</td>
<td>5</td>
</tr>
<tr>
<td>1945</td>
<td>39</td>
<td>6</td>
</tr>
<tr>
<td>1946</td>
<td>40</td>
<td>5</td>
</tr>
<tr>
<td>1947</td>
<td>50</td>
<td>1</td>
</tr>
<tr>
<td>1948</td>
<td>47</td>
<td>7</td>
</tr>
<tr>
<td>1949</td>
<td>42</td>
<td>1</td>
</tr>
<tr>
<td>1950</td>
<td>43</td>
<td>1</td>
</tr>
<tr>
<td>1951</td>
<td>45</td>
<td>1</td>
</tr>
<tr>
<td>1952</td>
<td>45</td>
<td>1</td>
</tr>
<tr>
<td>1953</td>
<td>42</td>
<td>9</td>
</tr>
</tbody>
</table>

If the membership of TUC is divided among sectors of the economy, then private service accounts for about 150,000 members, civil servants (in 23 federations) for 115,000, and municipal employees for 48,000. If a division of the federations is made among the four functions of managing, planning, administrative and commercial, then the managing group can be said to cover supervisors, foremen, officers, shop managers, nurses, warrant officers; planning includes engineers and technicians; administration includes civil servants, municipal employees, police; while the commercial function takes care of the federations catering for salesmen. This last group has boundary problems with IO. TUC has not developed in accordance with any plan. The groups are sometimes very heterogeneous, and have been formed whenever a group of employees felt the need of some trade union form of organisation. Attempts are now being made to organise more rationally in accordance with a plan of organisation. Most of the federations are vertical in scope (corresponding to industrial federations in the IO sphere). The union of
Clerical and technical employees in industry aims to cover all salaried employees in industry, irrespective of their duties, training or rank. Certain senior employees belonging to management are by agreement excluded from the organization. At the other extreme, the foremen's union is a craft union, horizontal in structure and comprising those who direct and control work carried out by subordinate personnel, and in which they do not themselves normally participate. It covers industry and transport. The nurses also comprise a horizontal group.

ITO is described in its byelaws as an association of the country's organizations (individual members affiliate directly to their own federations) of salaried employees. Its task is to exercise the central leadership of the movement and to look after the collective economic and social interests of the salaried employees. In order to fulfil this task ITO has to work for the formation and continuance of effective trade union organizations, and to draw up a plan of organization, to safeguard and develop the right of association and of negotiation as the basis for its work, to look after the collective interests of the members in relation to the state, to represent the affiliated organizations in matters of common interest, to protect the basis of the salaried employees' legal position, to co-operate in investigations into the conditions of work and employment of the salaried employees, and to promote the education of salaried employees. It is thus concerned with trade union matters.

The DICO-ITO committee considered that the new organization and its affiliated organizations should be politically neutral but did not consider it was necessary to state this explicitly in the byelaws, but the committee emphasised at the same time that ITO should support the democratic forces in society. Political neutrality meant that ITO must not support a political party in any form, nor must it get mixed up in political life in any way by expressing support for a party at election or at other times. This did not prevent ITO from trying to contact the
various political parties and getting them interested in the salaried employees' point of view when questions that were of importance to the salaried employees came up in Parliament. Nor were officials of the TCO prevented from engaging in politics themselves. Indeed the committee stressed that salaried employees should participate actively in political life. 1)

The organisation of TCO was based at first on congress, a board and a working committee, but from 1946 the three levels of competent authority became congress, a representative council, and the board. Congress is the highest authority. To begin with it met every year but since 1946 it has met every third year. It consists of 200 delegates from the member organisations, which, along with the board, are entitled to submit motions to congress. The representative council consists of 85 representatives appointed by the affiliated organisations. It usually meets twice a year, the second (autumn) meeting being for the purpose of discussing questions of salaries and collective bargaining. 2)

The board has consisted (since 1946) of a chairman and eight members appointed by congress for the period until the next congress. The board employs the director, secretary and other officials. It has the usual functions of a day to day supreme authority, but one of the most significant is that of giving help in negotiations to organisations that wish it in the manner and to the extent the board finds convenient. Negotiation help may only be given, however, if the organisation binds itself not to accept proposals for solving the dispute that are rejected by TCO. From 1949 the addition has been made that the initiative for participating in negotiations need not come from the side of the member organisation, for the board now has the power to take

1) In a statement to the parliamentary motion in 1950 on collective affiliation to political parties, TCO stated (see TCO Annual Report 1950, p. 102) that the principles of political neutrality set out in 1944 had been taken as a guide by TCO and its member organisations in their work, and had also been considered to involve a clear prohibition against the organisations of their local organs deciding on collective
part in the negotiations of the organisations in matters of principle or of general importance and where the results of the negotiations affect several affiliated organisations directly or indirectly. A corresponding obligation is placed on the organisations to invite TCO to take part in such negotiations. Since 1948 too the organisations have been obliged to inform the board before notice of a conflict is given for spheres in which other affiliated organisations also have members who could be expected to be affected by the conflict, directly or indirectly.\(^1\)

In part this centralizing tendency so short a time after the setting up of TCO is a product of post-war phenomena such as the wages freeze. TCO has come to play an important part in collective bargaining, e.g. through its salary conferences and information activity. It recommends the factors to be born in mind and the line to be adopted.

However, TCO has not moved solely towards centralisation, for in 1949 the independence of state salaried employees within TCO was increased. When TCO was formed in 1944 a separate section was established for civil servants to look after their particular social, economic and legal interests. Organisations within TCO that cover civil servants are obliged to join this section. Prior to 1946 the byelaws of this section were separate from those of TCO, but since 1946 they have been incorporated, and the section is led by a board of 11 members chosen from among the representatives of civil servants' organisations in the TCO representative council. Prior to 1949 the chairman of TCO had the right to take a matter that was being raised in the civil servants' section to the board of TCO if he felt that it raised important matters of principle for the whole body. But in 1949 the byelaws were amended in order to indicate more clearly the independent position of the

\(^1\) From 1955 it is proposed that notice of any direct action proposed should be given to the board, which can decide whether to approve and support it.
section in matters that refer EXCLUSIVELY to the economic, social and legal interests of civil servants. The section now decides such matters independently, although the chairman and director of TCO still remain entitled to be present and to speak at the section board meetings. This unique position is a reflection of the special structure of the conditions of employees of civil servants, where the state is the sole employer and conditions of service are settled as a rule by regulation. In questions that affect other groups the section falls into line.

An attempt was made to bring about greater control within the sphere of employees of local authorities in 1951, when a committee, TCO's Municipal Salaried Employees' Committee, was set up within TCO to look after questions of common interest in negotiations in the sphere of employment of local authorities. 1) The committee covers salaried employees in municipal services, together with the more specialised categories of nurses, policemen, teachers of arts, and midwives. The arrangement made here is that the individual organisations are not entitled to arrive independently at final decisions for presenting negotiation proposals, nor to accept or reject such proposals from employers, in matters that are of common interest to several organisations. They can, however, arrive at decisions on questions such as the position of certain types of work in the wages plan PROVIDED these are not of importance for members of the other organisations represented in the committee. In such matters the committee is to be informed.

Prior to this innovation an attempt had been made to relate the state sphere of activity more closely to that of local authorities by a Parliamentary decision of 1950 to set up a co-operation board on the employer's side between the state and the three federations of local authorities for discussion, at a preliminary stage, of the problems of wages that were of common interest. Such co-operation had previously

1) In 1952, for example, it considered problems of salary bonuses, new conditions of service regulations and normal employment provisions.
been informal. In the same year the civil servants' section of TC0, believing that it was important to have contact between state and municipal employees, had invited representatives of the general salaried employees, police, and nurses in municipal employment to attend its board meetings, so that there might be mutual information about current problems in their respective sectors. This offer was accepted. Thus there is co-operation on both the employer and employee side within and between the sectors of state and municipal employment.

Between other federations within TC0 there are some arrangements for co-operation. In 1947 a military cartel was formed, covering four federations, two of officers and two of civil personnel. Its task is to look after questions of common interest where a united front is desirable. An Engineers' Council was set up in 1949 as a craft organisation not tied to any specific organisation, but designed to look after the common problems of engineers within TC0. A committee for salaried employees in private service was also formed in October, 1953.

While TC0 does not expect to become as unified as CO, it will be seen that the arrangements made for collaboration among various groups within TC0 are designed to overcome the weakness inherent in such a heterogeneous organisation.

The private sector covered by TC0 has a guarantee fund, which is the direct successor of DAGO's guarantee fund. It is administered by a board elected at the representative council meeting of TC0. The fund consists of liability guarantees. Organisations belonging to TC0 whose members are mainly employed in private service are obliged to belong to this TC0 guarantee fund. Other organisations besides those in private service CAN, if they wish, belong to the fund, but no compulsion is placed upon them. The object of this fund is

1) It is to be dissolved from 1st June, 1955.
to ensure the carrying out of measures for the defence of vital interests connected with the relationships between the employers on the one hand and the members of the organisations taking part in the fund on the other. Economic support in the form of interest free loans can be given to an organisation or organisations that have taken or aim to take steps to prevent a general lowering of real wages or other serious worsening in terms of employment,

...to protect the right of association or to take action against..."fiant refusal to negotiate,

...to meet a lockout or oppose notice of termination of employment that is to be considered as direct action,

...to secure the acceptance of proposals submitted by a conciliator or board of arbitration, and which the organisation has itself accepted.

It is thus a sort of fighting fund.

Until 1953 the guarantee sum was 10 crowns (since then 5 crowns) per member for each affiliated organisation. The fund does not grow in size therefore beyond the increase in membership, since it is not cumulative, not based on an annual subscription, but simply a pledge made each year to supply 5 crowns per member if required. That is the guarantee. The growth of the fund is shown as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of organs.</th>
<th>Assets (crows)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/1944</td>
<td>14</td>
<td>736,122</td>
</tr>
<tr>
<td>31/12/1945</td>
<td>14</td>
<td>830,270</td>
</tr>
<tr>
<td>1946</td>
<td>13</td>
<td>866,440</td>
</tr>
<tr>
<td>1947</td>
<td>15</td>
<td>1,059,810</td>
</tr>
<tr>
<td>1948</td>
<td>15</td>
<td>1,171,180</td>
</tr>
<tr>
<td>1949</td>
<td>16</td>
<td>1,257,440</td>
</tr>
<tr>
<td>1950</td>
<td>16</td>
<td>1,297,100</td>
</tr>
<tr>
<td>1951</td>
<td>18</td>
<td>1,382,620</td>
</tr>
<tr>
<td>1952</td>
<td>18</td>
<td>1,505,760</td>
</tr>
<tr>
<td>1953</td>
<td>18</td>
<td>811,570 (1)</td>
</tr>
</tbody>
</table>

(1) the guarantee sum reduced to 5 crowns per member.
On various occasions the board of the fund has decided to put the whole of the fund at the disposal of federations that might need financial assistance in the event of a conflict, e.g. the bank employees' federation in 1946 and 1948.

TOO is not, as this table shows, terribly strong financially. A proposal at the April meeting of the representative council in 1947 suggested setting up a support fund more general in character that the Guarantee Fund. But the board thought that the first step should be for the affiliated organisations to raise their fees in order to increase their funds. In that way a future TOO guarantee fund would not be the primary source of support, but the main brunt would fall on the organisations.

The congress of 1949 did decide to allot certain funds to a support fund, and by the end of 1953 this amounted to 800,000 crowns (which is just about equal to the amount by which the guarantee fund fell in 1953 as a result of cutting the guarantee subscription by half). The intention is that if a conflict arises organisations are to be entitled to ask for and obtain help in cash or a loan from this support fund. As mentioned, the guarantee fund will cease to operate from 1st June, 1955.

Fees to TOO have been and still are light. The following table shows the development.

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual fees per member</th>
<th>Annual fees per organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1944</td>
<td>50 öre</td>
<td>50 crowns</td>
</tr>
<tr>
<td>Raised 1947</td>
<td>1 crown</td>
<td>50 crowns</td>
</tr>
<tr>
<td>Raised 1950</td>
<td>3 crowns</td>
<td>50 crowns</td>
</tr>
<tr>
<td>Raised 1953</td>
<td>6 crowns</td>
<td>50 crowns</td>
</tr>
</tbody>
</table>
Individual federations are in fact frequently better off financially than TOO. In 1953 the union of clerical and technical employees in industry had a capital holding of almost 17 million crowns, while the Foremen's and Supervisors' Union had about 11,100,000 crowns. Fees to individual federations vary considerably, but in general they are higher for federations in the private sector of employment than in state or municipal employment, since the private sector is more exposed to, and must therefore prepare financially for, conflicts through accumulating strike funds. The average fee for members in the private sector was 93 crowns per annum in 1952, and for state and municipal employees 66 crowns.

To date there has been no great need for conflict support funds within TOO's sphere of activity. Threats of direct action in the form of strike notices are frequent enough, but only in isolated cases have open conflicts actually broken out. In 1921 the marine engineers struck for four months, and in 1946 a very big conflict threatened in the banking sector over the principle of collective agreements and salary scales. A mediation commission solved the dispute. Emergency legislation has in the past been threatened against public servants in TOO, e.g., the policemen, and nurses. One small but noteworthy dispute in 1951-52 at Chalmers provnings-anstalt in Gothenburg led not only to the use of strikebreakers but to sympathetic action by an TO federation (the transport workers') in support of the strikers, who belonged to the civil administration federation in TOO. Apart from this action, and a strike of 300 employees of the state tobacco monopoly, the only noteworthy direct action has been the recent strike, in February-March, 1955, of the distributive employees in the ironmongery trade, in which over 500 employees struck over sickness pay benefits. Both blockading by the strikers and blacklisting by the employers occurred. This conflict is considered in some circles in Sweden to mark
the beginning of a more aggressive policy of direct action on the part of TCO. The steps being taken to build up a support fund support this view.

Membership of TCO is not open to organisations as of right. Provided an organisation of salaried employees is a national one, and is not carrying on its activities in spheres already covered by a TCO organisation, it MAY be granted membership of TCO by the board. If an application for membership is refused an organisation may appeal to the representative council and as a last resort to the congress of TCO.

Member organisations must also fulfil certain obligations when they become members and in order to remain members. Besides the usual and obvious clause about paying dues, the byelaws of TCO require member organisations to recognise the principle of the open shop for persons employed in their sphere of activity and to obey the plan of organisation. The board of TCO must be informed about important wages negotiations and disputes.

As we have seen already there is some central control in relation to wages in the requirement that the board of TCO must be informed in advance of proposals or statements that are of consequence for other affiliated organisations, and of proposals in wages negotiations that are important for other affiliated organisations, directly or indirectly. In this last instance the onus is placed on the member organisation to invite TCO to take part in the negotiations. Organisations must also tell the Board of TCO before giving notice of conflict.

Although no great stress is laid in the TCO byelaws on the sanction by which these duties of member organisations are enforced, it is clear that expulsion is the deterrent to any waywardness. The representative council can expel organisations, although there is a right of appeal to congress.

Apart from these requirements of its member organisations TCO does not prescribe any normal byelaws for them, and there is considerable variation in the content of the federations' byelaws, depending on the
peculiar circumstances of each federation. In general the federation is controlled by congress, and the daily working is exercised by the executive board. As with IO federations, the branch is the local unit of organisation, although there may sometimes be district or county organisations instead of, or as organs for co-operation between, branches. The branches must promote the recruitment of members, carry out and obey the decisions of the board, collect fees, statistics and other information, and generally act as the local focus of the federations activity. The branch frequently represents its members in local negotiations with employers.

Special local TCO committees, to act as propaganda and contact organs, rather along the old DACO lines (and those of the IO local central organisations) have been formed in certain places. TCO does not take any initiative in establishing them i.e. they are allowed to grow where TCO organisations feel the need for such contact organisations in the locality, but the byelaws of these local committees have to be approved by TCO. A minute on the subject was issued by the board in 1944 1), which is in part a directive to the local committees that they must not engage in party politics nor represent local branches in purely union questions that are looked after by the organisations. Special normal byelaws were drawn up in 1946, and at the congress of 1952 an enquiry was proposed and begun into the activity of these local committees.

Their development is shown as follows:

<table>
<thead>
<tr>
<th></th>
<th>Formed</th>
<th>Being formed</th>
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XXX or in process of being formed.

1) TCO report for 1944, p. 16. See also Tjänstemannarbete 1953, No. 6 pp. 1386 Vi vill inte centraldirigeras, by Sven G. Svärholm.
A plan of organisation for TCO has been one of the urgent problems to be solved since TCO was formed. In 1944 work was begun on this and in 1946 the board was able to present to congress proposals for rationalising the organisations, and in particular those in state service, where it was felt there were too many small organisations. The board suggested for instance that there should be one federation only for civilian salaried employees in state administration. The board was instructed by congress to work for the rationalisation it suggested. At the congress of 1949 a committee was appointed to work out a plan of internal organisation in time for the 1952 congress and at the same time the board was given certain powers in relation to the settlement of internal organisational disputes. (See §18, subheading b.) The organisation plan committee presented some proposals in the spring of 1952 e.g. that certain organisations should amalgamate. The board approved the changes, and these, with modifications, were subsequently approved by congress. The 1952 congress also appointed a new plan committee along much the same lines as the previous ones, and problems of organisation were discussed at the 1955 congress of TCO. Here the board proposed that the principles that the committee had drawn up for a plan of organisation should be referred to the representative council. 1) It should perhaps be mentioned at this stage that TCO is at present having to face an attempt to form a breakaway union of policemen, some of whom were discontented with the agreement reached by TCO and the policemen’s federation with the government in 1954 on conditions of pay.

External boundary problems. Just because there exists no watertight definition of a salaried employee, boundary problems arise in many sectors of the economy between TO and TCO federations. In 1944 a

1) See TCO tidningen Nos. 5 and 6, 1955
preliminary agreement was reached on boundaries of recruitment in trade and industry between the TCO and IO organisations concerned (this broke down in 1950 when an attempt was made and failed to bring about a more definite settlement). The problem in trade has always been acute, since there are two competing organisations, one affiliated to IO and one (in the old days) to DACO or now to the new TCO. An acute boundary situation existed between TCO federations and the cartel of state servants in IO in 1944. The latter said it wanted no direct co-operation with TCO in wages negotiations (which made the negotiations on the provisional salary bonus very complex that year), and in 1954 TCO asked IO for negotiations on this problem. A committee was appointed, but it proposed that the organisations directly concerned should try themselves to settle their boundary problems. Proposals were put forward in 1947, but, after they had been criticized and rediscussed, the committee found it was not possible to carry out a complete delimitation of boundaries in the whole of state administration at once. So it decided to adjourn, adding however that this need not prevent competing organisations from themselves agreeing on solutions, which should be submitted to the committee and then to IO and TCO. The competing organisations should not make use of methods that accentuated differences in their attempts to win members. In 1949 a collaboration committee was set up between IO and TCO, one of whose tasks is to deal with boundary disputes. \(^1\) The committee has had some success. In 1952 it recommended and obtained acceptance of agreements arrived at between the respective IO and TCO organisations in agriculture, the entertainments industry and in the local authority sector. \(^2\) (See Chapter VII.)

The work of TCO in wages policy will be discussed in Part V, but at this stage it can be concluded that within a remarkably short period TCO

\(^1\) There had been a committee of co-operation between IO and DACO from 1936 for dealing with demarcation disputes and questions proposed for discussion by one side and which the other was prepared to take up for consideration in common.

\(^2\) See p. 318 et seq.
had risen to a position of first class importance in the structure of the Swedish labour market. It is the third largest organisation, has members in every sector of the economy, and - perhaps most significant of all - has the greatest untapped and potential membership (assuming the definition of a salaried employee does not change too much) on which to work and strengthen its already formidable organisation.

ICO is not the only central organisation of salaried employees, although it is certainly the largest. In the light of its byelaws, there seems at first sight no reason why it should not cover all salaried employees, since it says it is an association of the trade unions of salaried employees in Sweden, with the task of exercising the central leadership of the salaried employees and looking after their common economic and social interests. That is comprehensive enough in aim and it does cover employees in both government and private employment. But it has been found too comprehensive. As we have seen, the concept "salaried employee" covers a wide variety of personnel and training, and not all salaried employees have consented to enter into the vertical structure that ICO aims to become, preferring in some cases to organise in small but significant groups.

The largest group of salaried employees outside ICO is that coming under SARGO 1), which was formed in 1947 as an association of interest organisations for professional workers who have passed examinations at a university or institution of a similar character. It also includes organisations of other persons who have some form of specialised training based on the matriculation examination. SARGO is essentially a "craft" group, organising according to a specific principle based on academic attainment. When it was constituted SARGO consisted of 15 organisations representing about 15,000 people, by 1950 it had 23,000 members in 24 organisations, and at the end of 1952 its membership was 37,118 in 1) Sveriges Akademikers Central Organisation.
36 organisations. Of these members 46% were employed in the service of the state, 23% by local authorities, 20% privately, while 11% were self-employed.

Another central organisation, SR, caters exclusively for senior and middle grade civil servants. It was formed in 1946 through the organisation of the Civil Servants' Board which dated from 1917 and two other organisations. SR is the central organisation for federations and associations of civil servants in the higher and middle salary of the civil service, viz. grade 19 and above. The basis of organisation is thus position in the salary scale (although this cannot be divorced from the related criterion of responsibility), but the criterion is not absolutely rigid in that lower ranks can be taken into SR if, for example, an affiliated organisation covers them. SR is not now a flourishing organisation. Whereas it had in 1952 about 21,500 members in 53 organisations, it had at the end of 1953 - 15,386 members in 44 organisations. It lost a lot of members to SACO in 1952.

SR claims as its main virtue homogeneity. The main reason for forming such a central organisation was the deteriorating salary position of senior civil servants, and SR is concerned with looking after the interests of this small and compact group. The object is, in greater detail, to promote the social and economic interests of the members through this central association of NATIONAl and departmentally organised associations of civil servants. There is a special branch for individual members who cannot affiliate to such organisations, provided SR does not thereby lose its character as an organisation for middle grade and senior civil servants. Membership is granted by the board.

SR represents the affiliated organisation in negotiations with the government on matters of common interest to all the members, or on

1) Statstjänstemännens Riksförbund
important matters and matters of principle. In matters affecting individual federations, however, the organisations concerned conduct negotiations themselves, although they are entitled to ask SR for assistance. If this matter is one affecting several organisations, however, they must inform SR, which may decide to take part. The organisation of SR is the usual tripartite structure, with the annual meeting (a representative assembly) as the highest authority, and the board (of 12 to 16 members) and an executive committee of five as the executive authorities. Each organisation has a contact man whose task is to foster contacts between the board and the organisations throughout the year. This is in part a reflection of the small size of SR.

But size is a problem that does not seem to worry SR too much. In spite of the fact that in 1953 - 15 of its member organisations had less than 25 members each, 12 fell in the range 26-100, and only two had more than 1,000 members, and that total membership fees to SR in 1953 amounted to only 74,000 crowns, SR still bases its policy on the theme that "no group of personnel is too small, no question too slight, that SR will not support it, if justice can thereby be obtained for the members and the result is beneficial for working". At its annual meeting in March, 1954, SR said in fact that it had no reason to propose any changes in its structure. It had gained the confidence of the state as a body competent to speak on behalf of the grades of civil servants it covers. It is of course a non-political organisation. The problem of co-operating among salaried employee organisations will be taken up after we have looked at SUCO.

Academically trained people were the last group of employees to begin organising in Sweden, but weighty reasons led to a group of young university graduates forming an organisation (SYACO) in 1943. In the inter-war period the costs of study had been rising, the ratio of highly paid appointments to low paid jobs worsened, the cost of
living rose and tax policy was made deliberately progressive and redistributive. One institutional factor peculiar to Sweden is that there are very few scholarships or local authority grants for study at universities, and students must performe borrow in order to finance their studies. In 1940 it was estimated that 42% of all university people trained in the 1920s still had study debts. That organisation came first of all from the young group of graduates was due to the very bad conditions that secondary school teachers, doctors, lawyers and curates, had during the early years of their probationary period. A secondary school teacher, for example, was paid no salary during his probationary year.

To combat this bad and deteriorating social and economic position a central organisation (SYACO) of the organisations being formed among young graduates was set up. SYACO was formed in close consultation with the Swedish National Union of Students which was entitled to be represented at SYACO meetings. It was a modest organisation, never very strong, but it did have some success, e.g. in persuading the state to set up a special study loans board in 1946. The formation of SYACO soon led to the idea of all graduates, not simply the young fry among them, becoming organised. The young lawyers took up the question of reorganising in order to cover ALL lawyers, and changed their name to the lawyers' association in 1947.

A central organisation for all academically trained persons, old and young, was accordingly formed in 1947, and called Sveriges Akademiker Central Organisation (The Central Organisation of Academics in Sweden) - SACO. This organisation has enjoyed surprisingly rapid development, as the membership figures already mentioned show - from 15 member organisations and 15,000 members in 1947 to 37,118 members in 36 organisations by the end of 1952, covering about three fourths of the active university graduates in Sweden.
SACO is non-political, and the most important principle governing its activity is that it organises on a horizontal, a "craft" basis. The criterion of eligibility is academic attainment, and within that group each "craft", all the doctors, lawyers, dentists and so on, organises as one association irrespective of the place of employment.

The reasons for organising on this principle are many. In part it was because professional groups were being squeezed out by wages developments that they took this principle of organisation, since SACO believes that the horizontal principle gives strength. Small professional groups might be sacrificed in large vertical organisations in the interests of the large group. A narrow front is considered a good bargaining unit in order to induce the employer to pay more.

Another reason is that the horizontal groups are not always stable in composition, e.g. dentists may practice independently at one time, and be employees of the state at others. Finally, SACO member organisations are not only trade union but also professional bodies. Besides being interested in getting a fair share of the cake for its members, SACO is concerned to promote good education and training, and sound professional practice. It thus covers a variety of functions, from the humanities to veterinary surgeons, but all organising in their craft groups on the basis of academic education and training. This principle of organisation has been criticised as being unrealistic, and it is argued that SACO ought to learn from the experience of manual workers' federations in 19 that the industrial federation principle has replaced the craft principle, which was found to be confusing. 1)

In fact, however, that is no valid criticism, for 19 still contains craft groups, equally anxious as SACO to preserve the skill differential that is felt to be the reward of higher training, academic or otherwise. On this see chapter VII.

1) Fackföreningaröreisen, Vol. 1, 1952, p.129
The objects of SACO are set out in 1 of its byelaws, which states that:

"The Central Organisation of Academics in Sweden (SACO) is a federation of interest organisations for professional workers who have passed an examination at a university or other institute of higher education. Other organisations for professional workers with special training of another kind based on "studentexamen" may also belong to SACO.

The aims of SACO are

to safeguard the economic and social interests of the affiliated groups and to work for general improvements in their conditions of work;
to promote good development in everything concerning the training and professional practice of academics;
to work for the full use by society of the special knowledge of academics;
to work for the appropriate organisation of all academics and for the affiliation of these organisations to SACO;
to work for the co-ordination of the efforts of the member organisations and for joint planning of their trade union work;
to represent the member organisations in questions which are of common interest or which have been referred to SACO".

Organisation

The activity of SACO for the purpose of achieving these aims is carried on through four organs:

1) The Congress, which as the ultimate policy-making body administers the affairs of SACO. Each member organisation appoints representatives in a certain proportion to the membership of the organisation. The congress meets at least once a year.

2) The Representative Council, which consists of the board and one member from each member organisation, irrespective of size, together with two members appointed by the "Junior Council". The Representative
Council meets as a rule once a quarter, and the Board then renders a statement of activities and an economic report. Questions of importance are discussed at the meetings of the Representative Council, and the Board obtains advice for its further activities.

3) The Board, which consists of the chairman, first and second vice-chairmen and six other members. Five of the members are appointed by the Congress and four by the Representative Council. The Board is the executive organ of SAGD; its duties include those of looking after the interests of member groups,

deciding, in close contact with the member organisations affected, on measures which are intended to promote the aims of SAGD;

keeping the member organisations continuously informed about important matters;

engaging and dismissing the employees of the organisation, prescribing instructions for them, and supervising their work. It normally meets twice a month.

4) The consultative bodies which, with the permission of the congress, can be set up for safeguarding the special interests of certain groups within SAGD. The Junior Council is a consultative body that occupies a special position in that the rules say that it shall exist. The rules state:

"Every member organisation is entitled to appoint from among its young members one member and an alternate for him to a consultative body for safeguarding the interests of the young academics in special questions". This idea is a legacy of SYAGD, from which SAGD grew. This Junior Council usually meets once a quarter.

Membership in SAGD is open to the founder organisations and to such organisations as congress agrees to admit on application. There is also a general group for the heterogeneous members. It was formed in 1951, but is not very large, having only 120 members by the end of 1952.
At the end of 1952 the 36 federations of SAGO were divided into the following size groups by membership:

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<td>5,001 plus</td>
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<td>1,001 - 5,000</td>
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<td>501 - 1,000</td>
<td>5</td>
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<tr>
<td>101 - 500</td>
<td>14</td>
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<td>less than 100</td>
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Of these federations 11 are completely state service.

SACO is thus composed predominantly of small organisations, and an organisation committee was set up early in 1953 to look into the possibilities of amalgamating small organisations which covered similar jobs.

The activities of the academic organisations.

The three largest academic organisations today are the National Association of Secondary-School Teachers with 7,400 members, the Swedish Medical Association with 5,400 members and the Swedish Lawyers' Association with 4,500 members. (More than 6,000 engineers are organised, but as yet they are not united in one organisation.) The first paragraph in the rules of each of these organisations gives an idea of their aims.

The rules of the Teachers' Association state:

"The National Association of Secondary-school Teachers is a union of teachers in the higher schools in Sweden and those studying at universities who intend to become teachers in such schools.

The aims of the association are to safeguard the economic and professional interests of the members and to work for the best form of education and the most appropriate higher school system, for the maintenance of a well-qualified and responsible body of teachers in the higher schools, and for co-operation and understanding among teachers in various forms of schools, and between school and home."
§ 1 of the Rules of the Medical Association reads:

"The Swedish Medical Association is the professional association for registered physicians in Sweden.

The aims of the organisation are

- to uphold a high ethical standard within the profession,
- to safeguard the social and economic interests of the members,
- to promote the appropriate development of health services in the country,

and to further the activities of the members in social medicine and scientific questions".

It should be noticed that those studying medicine who have passed the basic examination in medicine are members of the "junior section" of the Medical Association.

Finally, the purpose of the Swedish Lawyers' Association is, according to its rules:

- to safeguard the economic and social interests of the members, especially as regards conditions of employment and other relations to employers and the conditions for the free exercise of the legal profession. The association will work for co-operation and understanding among lawyers in various spheres of activity and for the maintenance of a well-qualified and responsible body of lawyers.

- The association will also promote the interests of the members in co-operating with other professional organisations".

As these extracts show, SACO's member organisations are both professional and trade union bodies.

The member organisations are independent, in that they are free to look after the interests of their members, but they must ensure that they do not harm SACO or other member organisations in their activity. The member organisations are likewise required to include a provision in their byelaws that binds their members to be loyal towards their
organization, to follow its advice and respect agreements into which it enters. The member organisations are required to keep SACO informed of important matters and of any direct action to which they have resorted.

The congress can by a three fourths majority expel organisations that do harm to SACO or other member organisations and which have not obeyed a warning from congress. Organisations can also be excluded if they have a very small membership or do not carry on very much activity. Member organisations that are represented at negotiations by SACO are obliged to respect any agreements into which it enters on their behalf (§). It is in fact becoming increasingly common for SACO to do the negotiating on behalf of its member groups. Centralisation on the employers' side has made a central organisation to some extent inevitable, and the trend to centralised negotiations, besides making a central organisation and negotiating body for the salaried employees necessary, means in consequence that the individual federations will have less say in future in negotiations. SACO also helps member organisations in negotiations in which questions of principle are involved. Since 1948 meetings have been held once a month between the secretaries and officials of SACO organisations to promote contact and co-operation among them.

This does not mean, however, that SACO is concerned to build a huge fighting fund and to become aggressive (although it has been as we shall see), for it considers that it is a more realistic policy for member organisations to build up reserve funds. Since a central fund is of use, however, it was decided in 1953 to begin an emergency fund at the centre, to which in 1954 every individual member contributed 2 crowns (with a maximum contribution of 5,000 crowns for each organisation). The particular object of this fund will be to help small and weak organisations when they themselves are unable to conduct conflicts because of insufficient economic resources.
What of the relations between such organisations as TCO, SACO and SR?

When the formation of SACO was being contemplated, TCO expressed its interest in the trends of organisation of graduates and their relations to TCO, for of course many graduates were (and still are) organised in TCO. Discussions took place during 1947 between SYACO and TCO, but no progress was made, and TCO made clear its position by issuing a communiqué in August, 1947:

"When DACO and TCO amalgamated in 1944 to form a common central organ - now TCO - this was a most important step in the direction of creating a unified Swedish salaried employees' movement. Since 1944 too the increased affiliation to TCO and the rapid expansion of the organisation has clearly indicated that this effort is meeting with sympathy in the widest circles of salaried employees. When now the formation of a special organisation for salaried employees with university training is being planned, this means a departure from the line that the movement has followed and still follows, namely that salaried employees, irrespective of the sphere of employment, training or salary position, ought to co-operate in a common movement if they are to have any prospects of preserving their interests effectively. TCO deplores the step that certain university trained salaried employees seem to be prepared to take and is unwilling to share responsibility for the isolation in relation to the whole salaried employees' movement which these salaried employees groups are thereby exposing themselves to. "1)

After SACO had been constituted, discussions continued between TCO and SACO into the possibility of solving the problem of organisation and creating uniform organisational relationships. TCO proposed that some academic groups should affiliate directly to TCO in separate federations, e.g. secondary school and university teachers and chemists, while other employees such as lawyers and civil engineers, ought to be

1) TCO report for 1947, p. 45
in T.C.O's vertical organisations as individual members. It was assumed in these last cases that the graduates would continue their professional associations on a separate basis, and that TCO organisations would co-operate with these. The governing principle would in effect be that, for trade union purposes, only one organisation would represent one and the same group of salaried employees. But no agreements could be reached by early 1948. In November, 1948 SACO said finally that it could not agree to the TCO proposals, but anticipated that there could be co-operation between the organisations.

TCO tried to persuade SR to join it for a period of three years as a member federation, but SR refused. TCO was willing to co-operate with SR on specific cases and issues, and some co-operation did take place. Between SR and SACO relations were at first good... In 1948 a scheme was agreed upon whereby SACO organisations could affiliate to SR for such of their members as were eligible for membership of SR, and vice versa. But this proved of doubtful wisdom, as we shall see.

In brief, TCO considered that the splitting up of salaried employees among three top organisations could not be for the good of the salaried employees on the whole. In effect, SACO and SR did not dispute this - but they were not concerned with the whole, but with parts, either graduates or senior civil servants. There was thus some opposition of view between TCO and the other two organisations about organisation principles. TCO favoured the vertical or industrial approach, the other were interested in the craft groups. In 1951 and 1952 the two clashed.

The background was the decision in 1949 to make a survey of salary grades in state employment, and to make adjustments for groups that had lagged behind in relation to the cost of living. A general salary increase was not anticipated. Negotiations took place between the state committee that deals with the placement of
services and the organisations, and SACO found by the beginning of 1952 that two of its groups in particular, senior secondary schoolmasters and some administrative officials, were being - in its view - badly treated by the proposals for salary adjustments that the committee was prepared to put before Parliament in 1952. The problem was complicated by the fact that salary principles were arrived at separately and in advance for very senior civil servants. This set a ceiling to what other grades could obtain if differentials were to be maintained. SACO asked the negotiation committee for further negotiations for these groups, with the ultimatum that, if a positive answer had not been received by 9th February, SACO would then consider itself "free to take such steps as are considered advisable for furthering the interests of academically trained and other senior civil servants." The committee replied on 9th February that it could not depart from the general salary levels it had put forward as a basis for negotiation, but that it was willing to discuss their application. SACO responded by giving notice of direct action in the form of notice for 187 secondary school teachers in 14 schools, and a further 112 officials - civil engineers, lawyers and others - later gave notice. The medical association and veterinary surgeons' association and others later declared a blockade of new employment in the service of the state, and on 3rd March SACO declared a blockade of employment in the service of county councils. Other minor incidents followed. The government somewhat aggravated the situation by including in the proposition to parliament which was to give a 15% crisis bonus on civil servants' salaries for 1952 a clause to the effect that this 15% salary bonus would not be paid to "employees belonging to organisations that give or have given notice, or resort or have resorted to direct action in connection with salary negotiations." In order to get the bonus civil servants were required to sign a declaration
that they did not belong to SAGO federations. In the meantime, too, TOO and SR accepted the salary revisions proposed by the service committee, and they were able to accuse SAGO of being recalcitrant in resorting to direct action, since there had been agreement among the organisations when negotiations began with the committee that no direct action would be taken on these salary questions while they were negotiating. 1)

Ultimately, negotiations were resumed between SACO and the committee, after SACO had requested and had had discussions with the government and prime minister on 6th and 7th March, and direct action had been postponed (it had not yet begun, because of the usual one month's notice clause). SACO claimed that the ultimate outcome was improvements for it, and that the strong action it threatened had paid off. 2) But TOO and SR condemned the SACO attitude and denied it had gained by it. It is difficult to decide which group was correct, since the discussion is very polemical and savours of "what a clever boy am I". One fact is, however, indisputable. SACO gained in organisational strength and in membership, and in particular it won over completely the secondary school teachers, who had originally been organised in SR but had a double membership in SACO as well from October, 1951. Negotiations were at first carried on in common for them by a SACO-SR delegation, but after SACO threatened direct action and coupled teachers with some state officials, SR renounced all claim on the teachers for fear of the consequences to its other member groups (whom it had pledged to peace during the negotiations). SACO thereafter declared its opposition to double membership. Another consequence was that relations between SACO and

1) Resultat utan konflikt, SR brochure, p.9. See also "Vad gäller striden", a SAGO brochure on the conflict, and "Statstjänstemännens förhandlingar 1951-52 - papperen på bordet", a joint publication by SR and TOO setting out the "facts" of the dispute.

2) SACO Report for 1951-52. p. 34.
the other top organisations of salaried employees became very strained, and in subsequent negotiations with the state on annual salary bonuses SACO has had to sit in Coventry and negotiate with its employers in a separate room from the other three groups, TCO, SR, and the LO state employees' cartel. Nor does there seem any likelihood of this Gilbertian situation ceasing to amuse the outsider and inconvenience the organisations. SACO endeavoured to stretch out the hand of friendship to TCO in January, 1953, when it suggested co-operation on the 1953 salary negotiations, but TCO refused, a) on principle, and B) because it had discussed the matter with SR and the cartel 1). SACO has always claimed that it is not interested in empire building, that it does not wish to weaken individual values for the sake of collective ideas of unionism, that it is prepared to co-operate with other organisations, and that all it wants is to organise salaried employees where academic qualifications or other equivalent competence are the natural criterion for recruitment.

The implication it draws from TCO hostility, and its determination to organise graduates, is that the final goal ought to be an association in every state department for dealing with internal affairs, and affiliated to no organisation with trade union aims. Instead, such associations should have trade union sections, such as a SACO section for graduates and other senior officials, and a TCO section, and perhaps also a section for the LO cartel. (There is no mention of SR, which SACO has presumably incorporated under the heading of "graduates and other senior officials".) SACO is therefore pushing ahead with the formation of SACO associations in state departments.

1) On this see SACO report (stencilled) for period 1/12/1952-28/2/1953, appendix 1, where letters exchanged between SACO and TCO are reprinted.

2) Ibid, p.2.
Some form of co-operation does seem advisable, and it is clear that the group that is most vulnerable is SR. SACO is on the make, but SR has been reduced to a hard core. However, although it has declared its willingness to co-operate with other groups, SR has not been daunted by the loss of secondary school teachers to SACO in 1952, arguing that it has a function to fulfil for the special civil servants whom it organises. But beyond that it is difficult to see SACO and TCO ever coming to the stage of amalgamating. For here a conflict of views that is a very fundamental one exists - whether organisation should be by craft or industry, horizontal or vertical. In a sense it is because graduates were being squeezed between workers and the lower salaried employees in TCO that they organised at all. Having done so with some success there seems little likelihood of their giving up now. TCO on the other hand is an empire builder, anxious to incorporate all salaried employees. Technically, it is competent to take them, since it covers all three sectors of employment - state, local authority, and private. But in order to lure senior employees into TCO it would have to promise them that the small groups would be looked after by their Big Brother. In the meantime it cannot be denied that this disunity is particularly unfortunate for the public sector, where so many groups have interests and are entitled to negotiate. It is also quite confusing for any coherent discussion of salary questions, as is recognised by SAP 1).

It is argued that it would make for more objective and differentiated salaries' policy in the light of tasks performed if organisations were vertical. 2) (At the same time it is recognised that it is for the employees to decide how to organise). With a mixture of vertically and horizontally organised groups one group is immediately made conscious of relative scales, not in terms of tasks and qualifications but in terms of the other groups who are organising salaried employees, and which may then become


2) This is of course related to SAF's preference for industry-wide bargaining for manual workers. See chapters VII, and XIX.
fit subjects for emulating. This is taken up in Part V in connection with wages policy.
CHAPTER V

THE PLACE OF THE FEDERATIONS IN LO

In this and the following two chapters some of the problems of organisation and power within LO will be taken up for examination, beginning in this chapter with an analysis of the place the trade union federations occupy in the structure of the manual workers' trade union movement. Almost from the earliest foundations of a trade union movement in Sweden the federations began to develop as an important form of organisation, particularly in craft and skilled occupations, and at a time when the number of unions and organised workers was very small. Thus when the first byelaws of LO were formulated in 1898 it was the federations that were made the central focus, as is shown by the provision that LO was to consist of federations and of such unions as were unable to affiliate to federations belonging to LO. The purpose of the present chapter is to demonstrate the position of these federations as the nucleus of the trade union movement, and to analyse their structure and relationship to LO, and to the individual members who constitute the basic element of and indeed justification for a trade union movement at all. But first some general data on the size and strength of the federations.

In 1953 LO had a membership of 1,350,856, organised in 44 trade union federations with 8,902 branches. The largest federation was that of workers in the metal industry with 227,953 members, followed by the building workers' federation with 123,523 members, the local authority workers' federation with 96,444 members, the trade and commercial workers' with 78,223, the Railwaymen with 67,977, and the factory workers' with 62,489 members. If we divide the 44 federations into various size groups the following picture emerges:
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<tr>
<th>No. of members</th>
<th>No. of LO federations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1,000</td>
<td>2</td>
</tr>
<tr>
<td>1,000 - 5,000</td>
<td>12</td>
</tr>
<tr>
<td>5,001 - 10,000</td>
<td>15</td>
</tr>
<tr>
<td>10,001 - 20,000</td>
<td>2</td>
</tr>
<tr>
<td>20,001 - 30,000</td>
<td>2</td>
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<tr>
<td>30,001 - 40,000</td>
<td>4</td>
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<tr>
<td>40,001 - 50,000</td>
<td>3</td>
</tr>
<tr>
<td>50,001 - 100,000</td>
<td>2</td>
</tr>
<tr>
<td>More than 100,000</td>
<td></td>
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</tbody>
</table>

By British standards the federations are not inordinately large in member coverage and, what is even more significant, there are only 44 federations in LO. Moreover, it is in these federations and not in their member branches that power below the LO level is centred.

From the beginning of LO's activity emphasis was as stated placed on the federations composing LO, and indeed LO was simply a glorified type of insurance office with very little real power over the member federations. Things have of course changed as a result of fifty years of experience, as will emerge from the discussion in this and the following two chapters. A convenient standpoint from which to view the present position is the year 1941, when important changes were made in the byelaws of LO and its member federations. The structural set up of LO remained the same in that its activity is still carried on through the tripartite structure, congress, representative council, and secretariat adopted in 1898. Congress is the highest decision-making body and consists of three hundred delegates who are appointed by the affiliated federations (after the manner they decide) in proportion to their membership. At present Congress meets every five years. Motions to congress can be raised by every federation and by branches. Membership of the Representative Council, which is the highest authority between congresses, is determined in proportion to financial strength of the LO federations is set out in Appendix 2, at page 326A et seq.

1) "Normal" i.e. standard byelaws were agreed upon for LO in 1931 and for the member federations in 1933.
membership, and the members are appointed by the organisations immediately after congress for the period until the next congress. The Annual ordinary meeting is held in April. From 1936 the secretariat had consisted of 11 members (until 1951, when the number was increased to 13) of organisations affiliated to LO. Four of the members, chairman, vice-chairman, secretary and treasurer are elected by congress and hold office until further notice. They are ex officio members of the secretariat, while the remaining nine are elected by congress for the period until the next congress. Besides the requirements introduced in 1941 that the members shall reside in Stockholm or its suburbs, the nine members are, in accordance with a new provision that dates from 1951, to be elected from federations that carry on their activity in different sectors of industry and trade and of the labour market. This is to ensure a balanced composition of the secretariat that reflects different sectors as far as possible. Since the duty of the secretariat is to exercise the day to day leadership of LO its duties were considerably extended in 1941 as a result of the centralisation that was then brought about.

Prior to 1941 the byelaws of LO provided that every federation that consisted of workers in one or several allied industries (industrial federation), trade or craft (craft federation) and associations for whom it was not possible to affiliate to federations of these types had a right to membership of LO, provided they recognised

1) On the following formula: Up to 10,000 members - 1 representative
   10,000 - 20,000 members 2 "
   over 20,000 members - 2 " with
   one more for every additional 20,000 members.
the objects of LO and were willing to obey its byelaws. The only other condition of entry was that the federation collected a certain minimum fee from its branches for each member. However, in practice LO did not necessarily restrict itself to these criteria, for it also took into consideration such things as whether the federation could be incorporated under the industrial federation plan of organisation.

Under the new byelaws adopted in 1941 there is no expressly recognised right of entry. The relevant clause ($11, clause 1) provides that federations and also associations (unions) that cannot gain entrance to a federation MAY obtain membership in LO, on condition that they include in their byelaws the provisions given in clause 2, and of course observe the rules of LO in other respects. Membership is thus conditional.

From 1941 there were three, and from 1951 there have been four, compulsory clauses that a federation must include in its byelaws in order to be able to join and retain membership in LO. They are very significant as reflecting the trend to centralisation and the tightening up of organisation in an attempt to achieve a certain amount of uniformity. They are in brief the following:

1) right of entry, or the open shop
2) right to transfer membership
3) obligation to transfer membership and
4) power of veto of the board of the federation.

We shall consider these in turn.

1) Right of entry to trade unions. The clause provides the right for every worker employed in the sphere of activity of the organisation concerned to obtain membership in the organisation, with such exceptions as are dependent on the free right of examination by the board of the organisation in cases where some circumstance that
can lead to expulsion in accordance with the bye-laws of the organisation can be adduced against an application for membership.

This problem has never been of outstanding importance in Sweden, with the exception of a period after the first world war. The committee on industrial democracy 1), when it discussed the problem of reserving work and employment of workers to those organised in trade unions, considered that it could be said without hesitation that there was no such pressure or procedure in Sweden from the side of the organised against the unorganised in order to prevent the latter from being shut off from work. It was on the other hand the rule that unorganised workers were exhorted by their organised comrades to join the organisations and, although this constant pressure did exercise some influence on the composition of the body of workers, it could not be said to touch the question of employment. 2) Some agreements did provide that preference should be given to organised workers, and sometimes there was compulsion on both sides to organise. As we shall see later, however, such clauses cannot be included in agreements concluded by partners of SAF, the largest organised group of employers, since § 23 of SAF byelaws reserves the right of the employer to make use of workers irrespective of whether or not they are organised.

Unemployment in the mid 20s brought the problem of restriction of access to work to the fore, however, and the 10 congress of 1926 had a significant discussion on the problems this raised. Motion 36 pointed to monopolising tendencies, such as prevention of new recruitment to a certain trade or discrimination against workers from


2) Demands for legislation against trade unions on this score were frequent in the 1930s. See Part II, chapters IX and XIV.
other areas, and said these were far more effective than employers' black lists in keeping workers out of work. The motion considered that trades ought to be open to workers who wanted to join them, on conditions that they asked for and obtained the rate and benefits for the job. It proposed therefore that congress should declare its opposition in principle to attempts to monopolise in the trade union movement and in favour of the policy of the open shop.

The secretariat pointed out that in the past there had generally been an open shop policy, giving the right of affiliation to all workers employed within the sphere of activity of a union. The dockyard workers had made exceptions to this to some extent when they tried to limit the number of members in the federation and to control the division of work among members. But now agreement had been reached between employers and unions on a permanent cadre of workers. In other groups attempts had for various reasons been made to regulate the supply of work, e.g. through apprenticeship clauses. Such restrictions were based on the fact that some employers had tried to employ only apprentices. Some employers had likewise gone past organised workers and employed unorganised workers from other localities at wages below the collective agreement rates. This had led some trade union federations to write provisions into collective agreements ensuring that workers dwelling and taxed in a particular place should have priority to work. Other federations had tried to establish procedures governing dismissals - last in, first out - in order to prevent employers victimising union officials.

In sum the secretariat considered that the measures adopted by the unions for regulating the supply of work seemed to have been

1) Congress report, 1926, statement No. 4.
justified and to be necessary. It was necessary for the unions to try to protect individual members from unjust treatment by management. BUT, 1) all such measures for regulating the free movement of labour must be handled with great caution so that this did not lead to a new and troublesome problem. For there were dangers. It was dangerous to make apprentice provisions too restrictive. If the "last in - first out" principle of seniority were always to be applied there might develop a "proletariat of vagrants", which was dangerous for the young.

Sometime a shortage of work had led to disputes between trade union organisations as to the right to certain kinds of work, and the disputes had even been taken as far as blockading work for the members of other organisations in order to monopolize it. This was to make a use of the blockade weapon that could not be reconciled with the general interests of the trade union movement.

The secretariat then recommended congress to accept its view that a closed union policy conflicted with the principles of the trade union movement and was not reconcilable with democratic and socialist philosophies. The movement ought accordingly to continue to pursue an open union policy and concede the right to affiliation to all workers who worked within the sphere of activity of a union. In working to maintain agreements in force the unions ought not to resort to measures that prevented the free movement of labour other than those that were necessary in order to maintain orderly relations in their respective industries. It also declared that unions should try to act in such a way that internal disputes between organisations about the right to carry out certain work were avoided.

Congress approved this statement by the secretariat, Sigfrid Hansson stating in the debate that he though it was a pity that the

1) Ibid. p. 162
1922 congress had not attended to this question. In principle the trade union was a socialised phenomenon in society; it was not the private property of a specified generation or groups but the property of all. The proper line to take was in his view that the trade unions should be open to all. 1) On the right of entrance to an association the Nothin committee, reporting in the year 1935, considered that monopolistic attempts in the trade union movement - towards closed shops - were not merely irreconcilable with a democratic approach but also conflicted with the principles of the trade union movement and the usual byelaws of trade union federations. If it proved to be the case that such organisations could not themselves prevent such monopolistic attempts rules would have to be devised to make it possible for a person wronged to obtain justice. This discussion also dealt with restrictive practices in trade associations, closed shops and monopolies.

Prior to 1941, however, this declaration in favour of the open shop was not made explicit in LO byelaws. The 1933 normal byelaws did entitle every grown worker employed within the sphere of activity of a federation to membership in that federation, but this was not a compulsory provision. "There was no direct obstacle in the way of a federation including in its byelaws limitations on the right of entry of a purely monopolistic nature."2) It was true that by 1941 there were probably no such limitations, but "the provision now introduced has aimed at preventing even the possibility of this happening"3). The 15 men had considered that "the trade unions are and must be open to all workers and employees who wish to join their comrades at work in a loyal and honest attempt to serve common interests on a democratic basis."4)

1) But this was subject to a qualification discussed below.
2) Sölven, Landsorganisationens nya stadgar, p.29
3) Ibid., p.29
4) Fackföreningarsörgesen och näringslivet, p.195.
In the opinion of the committee the matter was of such fundamental importance that an organisation that did not recognise this basic tenet could not obtain nor retain membership in LO. The question of the individual's right to affiliate to an organisation that was striving to promote the common interests of the workers in his sphere of activity ought to be guaranteed by a declaration in principle in LO byelaws. The right to membership must not be dependent on economic or other fluctuations.

The problem of the 1920s, when the trouble developed about monopolistic practices by certain federations, was in fact closely bound up with the unemployment issue. In the 1926 congress August Carlsson of the unskilled and factory workers' federation pointed out the danger of having completely open unions - that all manner of unemployed might have to be accepted into membership of that particular federation 1). This point was reflected in Hansson's consideration that it was going far enough, as the secretariat had done, to allow entrance to a union when the worker had obtained work. The idea is also echoed in the 1941 formulation, that the worker is EMPLOYED IN THE SPHERE OF ACTIVITY OF THE ORGANISATION before being entitled to join. It is necessary to have a job in the craft or industry or trade before being entitled to membership. Even then, of course, membership is conditional upon minimum age requirements, and membership can also be refused on grounds that would lead to expulsion of members.

Although the attitude of employers affiliated to SAP must be that no exclusive bargaining rights can be given to organised workers it is nevertheless considered that it is better to have workers organised in unions for purposes of negotiations on collective

agreements. Outside SAF employers sometimes insist on their workers being organised in order that an authoritative body can represent the workers and their interests and accept responsibility for agreements being respected. Exclusive bargaining right for particular unions exists for instance in the consumers' co-operative movement.

An attempt was made at LO congress in 1946 (motions 49 and 50) to have collective agreements changed in such a way that workers who took jobs in a workplace where there was a trade union should be obliged to join it. The secretariat pointed out that it was not possible for it to take the initiative here; where provisions of this kind were felt to be necessary it was a matter for the parties to the agreement.

One motion that crept into the batch on organisation questions in the 1951 LO congress was number 92, which asked that LO congress should examine the question of the desirability of asking SAF to introduce an "organisation clause" in national agreements where this was considered desirable. The motion had in mind a general recommendation to which parties in various sectors could agree. The argument in favour of this motion was that when an individual federation wanted the organisation clause introduced into an agreement, it was usually quite hopeless, in view of § 23 of SAF's byelaws (although in some spheres an organisation clause had been accepted). Behind the desire for the organisation clause was of course the usual argument that unorganised workers were benefitting by the efforts of the organised workers, and yet refused to become organised.

1) Knut Larsson said that the object of introducing the organisation clause into an agreement was for the purpose of protecting the right of association of the workers against any employer who attacked it. Instead of using the provisions of the act of 1936 (see chapter IX) the unions used the method of the organisation clause where employers tried to exclude organised workers. If, he added, these employers belonged to SAF there was little difficulty in obtaining its cooperation against employers who opposed organisation among their employees. See LO congress report, 1951, p. 347.
The secretariat stated in response to this motion that it did not see any reason for going into the question of principle. There were, as the motion pointed out, divided opinions in the trade union movement itself as to the desirability of such a clause. It was sufficient to point out that SAF still stuck to the principle that employers retained the right to employ workers, whether organised or not, and at the same time SAF still continued to demand protection for the negative right of association i.e. protection for persons against measures aimed at forcing them into or out of an association against their will. So the secretariat asked that no action be taken on the motion. Strand (the LO chairman) said that, in the view of the secretariat, if any federation found it was advisable to try to have an organisation clause introduced then it would do so, quite apart from any special recommendation from congress. In any case it was not possible to discuss these questions at a central level, since the employers clung to their paragraph 23 (now §35) with tooth and nail.

As stated above, it is very frequently the case that employers prefer their workers to be organised, but they cannot make express provision for this if they are partners in SAF. (see chapter Xvll.)

In principle then SAF is opposed to the closed shop, but not to trade union organisations, while LO declared as early as 1926, during a depression, that the closed shop was not in the interests of the trade union movement, provided employers were not felt to be exploiting labour. In practice the position at present is considerably

1) But for the problem in the 1930s see part 11, chapters IX and XIV. LO was then violently opposed to the workers having the right (and protection in law) to remain unorganised. The right of association regulated by the act of 1936 does not therefore cover questions of such rights WITHIN workers' or employers' organisations, but only the right as existing between individual workers and employers in relation to the other side. Further the act regulates only the POSITIVE right of association. The right NOT to remain unorganised is not protected, and the unorganised worker or employer has no legal protection against organisations on his own side who press him to become organised. In brief, LO opposes the closed shop but wants 100% organisation coverage. For an expression of this argument see Fackföreningarbrev. No. 7. 1954. p. 121 et seq.
influenced by the policy of full (and overfull) employment, where the trade unions have little to gain from restrictive practices on work and employers are desperately anxious for labour of all kinds. Apprentice agreements are now more common, and provide a protection against exploitation of cheap labour. Some individual restrictions on output paid by the piece have been alleged to me by individual employers. But undoubtedly the general conclusion must be that the whole climate of opinion in the Swedish labour market, geared as it is to the positive encouragement of productive efficiency and rationalisation, favours the open shop. Trade unions are of course interested in 100% membership - but this they almost have in any case now - but the attitude on both sides is overwhelmingly expansive and not restrictive in relation to production.

2) The second conditions for federations being members of IO is the right for the individual member of one affiliated organisation who has found employment in the sphere of activity of another organisation to transfer his membership to it without payment of any special fee. In 1951 the addition was made that he had the right to transfer from one organisation to another as a result of decisions made by the secretariat of IO. This clause was clearly directed against federations that refused to give up members, and was designed to make easier the execution of the plan of organisation of IO. The clause as formulated in 1941 gave rise to some difficulty subsequent to 1941. The 15 man committee did not consider that the rights and obligations of individual members should be regulated in the byelaws of IO, 1) which is an association of federations, and so they excluded the pre-1941 byelaws provision (§ 16, clause 2.) that did provide an

1) See Congress report, 1941, p. 433 a speech by Ragnar Casparsson.
obligation for members to transfer. When the congress drafting committee of 1941 discussed the proposed new byelaws it agreed it was possible to have provisions making it obligatory for the federations to transfer members, but it would not agree with Forslund's proposal 1) providing for the obligation for members to transfer to another federation if they found employment within its sphere of activity. It did propose however that the affiliated organisations should be obliged to co-operate in having such members transferred, and this was carried (§14, clause 1.)

3) There was a fuss at the 1951 congress, however, arising out of the fact that individual members were not constitutionally bound to transfer their memberships. They had a right to do so, but were under no obligation. This anomaly led to the insertion in 1951 of the third "must" in the byelaws of a federation that wishes to join and stay in LO. It involves an "obligation for a member who has gained employment in the sphere of activity of another federation or who shall otherwise belong to another organisation as a result of a decision by the secretariat of LO to transfer his membership to it". The secretariat pointed out 2) at this congress that a case had recently occurred where certain members of a federation had refused to accept the decision of the secretariat and the board of the federation in an organisation question. This situation had shown there was a deficiency in the present constitution of LO which, were it not remedied, could make it more difficult to carry through the plan of organisation in future. The secretariat continued: "It is clear that neither in the byelaws of LO nor the

1)Ibid., pp. 158-160.
2) See LO Congress report 1951. p. 90 et seq
federations can provisions be made that GUARANTEE that a decision as to a change in the organisation to which a member shall belong will be respected by the members affected, so that they would SEEK TO JOIN the federation to which, in accordance with the decision, they should belong; there can be no legally binding method of compelling transfers of members to another federation. The object simply is to create a basis in the byelaws for expelling the members concerned from the federation from which they should, in accordance with the decision in the organisation question, be transferred, in cases where they do not abide by the decision. For this purpose it is necessary that the federation byelaws make express provision for the obligation to respect the decision. In this connection it is not enough to introduce a provision into the normal byelaws and then leave it to the federations themselves to decide whether this provision should be incorporated in the federation byelaws or not. The provision must be given a compulsory character by providing in the byelaws of IO that it shall be a condition for the affiliation of the federations to IO, in the same way as applies already for the rules as to the right to join, the right to transfer, and the right of veto. The provision ought further to cover the obligation to transfer not merely for the person who had found employment in the sphere of activity of another organisation but also for other cases where the secretariat may decide that a person is to belong to such another organisation." 1) i.e. in accordance with the plan of organisation. This new provision in the byelaws has of course its counterpart in the normal byelaws for federations (§ 10, clause 3.)

4) The fourth requirement in federation byelaws is that the board (or council, if there is one) of a federation has the right to make the final decision in questions concerning the termination of collective agreements, acceptance or rejection of proposals for such agreements or for resorting to direct action. This means that voting among the members on such issues is only advisory in character. From the beginning the federation byelaws lacked uniformity, although they tended to become more uniform with the growth of experience. The original byelaws of the metal industry workers' federation included the provision that support from the federation could not be counted upon for strikes that were not submitted to the board for examination and approval. From 1898 the board had to approve strikes if support was to be given and obtained. Most of the industrial federations that were heterogeneous in composition had similar centralising tendencies, and this right of veto was written into the normal byelaws passed in 1933.

The Noftin committee considered that the acceptance of the normal byelaw provisions of 1933 would mean a significant step in the direction of preserving labour peace, although it feared that in a really critical situation a federation board might hesitate to go against the views expressed by a vote of the members. It did not consider that it was very proper that a proposal that had been approved by negotiation delegations of the parties should be made the subject of voting. It was desirable from every point of view therefore that both sides should be represented by delegates who had powers to arrive at definite decisions. The organisations should be left to solve this question themselves and it would probably be in their own interests to do so. Otherwise, and here the Noftin Committee was rather emphatic 1), it would probably not be possible to prevent

1) SOU 1935: 65. p. 109
the passage into law of more adequate voting rules than those of the organisations. This would be as a last resort. Questions that should be discussed in this connection were: the voting procedure itself, entitlement to vote, the majority required, whether the results of voting should be published, and the provision of guarantees that everyone entitled to vote did so as far as possible.

The 15 men found that by 1940 all but four of LO’s federations had expressed or implied recognition of the right of veto of the board. What was new in their recommendation that passed into the byelaws was that the right of veto was now to be a condition of membership of LO. The federations that had been able to carry on their activity without the right of veto had been those that had uniform negotiation and agreement structures. For them centralisation had not been so necessary as for heterogeneous federations formed along industrial lines. The 15 men did not think it was possible to present final proposals for model byelaws for the federations, in view of the variations in structure, but it pointed out that it was important that the basic principles of the trade union movement, such as the right of veto and the right to membership, should be expressed in the byelaws of the federations. If LO was, as was proposed, to give support in future in all conflicts it was necessary for the procedure dealing with decisions on conflicts to be the same for all federations. On this basis they recommended the veto formulation that congress accepted. But it has proved no sleeping dog, for the questions of voting and the right of veto always involve a clash of views as to whether it is democratic to be guided by a majority vote or the decision of the democratically elected officials of the trade union federation. Thus the problem has recurred in subsequent LO congresses. 2)

1) The four were: the masons, foodstuffs, paper, and telegraph and telephone.
Seventeen motions (nos. 1-17) were presented in the congress of 1946 asking for the removal or modifications of the right of veto clauses. The secretariat could not find that experience of the application of the right of veto since 1941 had been such as to justify its abolition. The original reasons for approving it were still as valid. In reply to the view that the final decision should rest with the vote of the members the secretariat pointed out that the board of a federation would obviously only exercise its right of veto in exceptional circumstances. It would clearly take note of the opinion its members expressed through their votes. August Lindberg, the then chairman of LO, argued on a somewhat philosophical plane that the question of working forms for the trade union movement had nothing to do with the question of democracy. The movement had representative democracy. The basis of democracy was the freedom of speech of the members, freedom to organise, the right to put forward proposals in the trade unions, the right to vote as one wished. But it was representative democracy, and this was proof of the maturity of the Swedish trade union movement. He instanced the syndicalists with their direct democracy as a bad alternative. The motions were rejected.

Motions 1 to 11 in the 1951 congress raised the problem of the right of veto again. All except number 11 were very critical of it. In general the complaint was that it was undemocratic for the board or council of a federation to be able to go against the wishes of its members in accepting agreements, the result being that the members were in many cases losing interest in trade union activity. The only cure was to give the members more power. Some of the suggestions were

1) LO congress report, 1946. pp. 113-5
2) Ibid., p. 122.
that each federations should be allowed to decide for itself whether to include the veto provision. At present federations could hide behind the byelaws of IO and say to their members "It is not our fault but the fault of IO that we must have the right of veto in questions of wages agreements and direct action". Some proposals suggested that the board or council of a federation ought not to be allowed to overrule a 75% vote of the members one way. Motion 9 objected to agreements being arrived at "at the table" and proposed that no agreement should be arrived at in this way, but that all proposals for agreement should be sent out to the members for their vote, the result of their voting to be decisive one way or the other. Motion 10 thought that the present system whereby most federations used a two thirds majority rule should be replaced by a simple majority vote of the members voting.

This motion raises the important point, that while the normal byelaws provide that proposals for agreement are to be submitted to the members affected by them for their examination this provision is not compulsory. Each federation is entitled to decide for itself the way in which the views of its members should be obtained, by general vote, a conference of delegates appointed for the purpose, or possibly in other ways. The secretariat commented on the motion that it saw no reason why it should issue any directive in this matter.

In contrast to the other motions, number 11 took exactly the opposite view, and argued that the wages policy of recent years made it essential to have greater powers for the secretariat of IO. Since the secretariat proposed to take the matter up in the discussion on wages problems which bulked so large in the 1951 congress it seems
best to consider it in that connection. Subsequent discussion is therefore considered in connection with wages policy in Part V.

On the negative motions on the right of veto, the secretariat argued that it was not necessary to develop the arguments for the power of the boards of federations to have the right of veto, since nothing had been advanced in the motions that had not been before previous LO congresses. The secretariat wished simply to emphasise that even before 1941 the right of veto was established in the byelaws of the vast majority of federations, and was thus not as a rule dependent on the 1941 LO congress for its origin. And if this arrangement were considered necessary in earlier periods it must be considered still more justified in view of the more and more complex character that now characterised the problems of wages policy, and of the greater demands in respect of economic insight and understanding, uniform judgement and planned co-operation which developments were placing on the authorities responsible for the wages policy of the trade union movement. Further, the demand for repeal of the veto provision did not seem to be general within the TU movement, for the sum total of members covered by the branches from which the motions stemmed was less than one half per cent of the total membership of LO.

Again it drew attention to the 1946 statement by the secretariat that a federation would take account of the outcome of a vote, and only in exceptional circumstances would it exercise the powers it had under the veto right. So a 75% rule for voting was not realistic. In any case, it was the federations who had the power to decide what their voting requirements were e.g. a qualified or simple majority. The secretariat therefore proposed that these motions lead to no action by congress, which decided to
consider the question of the right of veto in relation to the discussion of wages policy (See Part V.)

In addition to the four obligatory clauses there are certain other requirements that federations affiliating to IO (and unions that cannot join a federation) must observe, e.g. that the whole membership of the organisation shall affiliate, that the fees due shall be paid, etc. But the four conditions are the most significant, the others being technical in character.

There was a general tightening up of responsibility of federation to IO in other respects from 1941. In wages policy, for instance, the extended obligations with which IO was burdened in relation to conflicts of all kinds led naturally to a revision of the federation byelaws in the manner described above and also in other ways. The whole problem of centralisation and of wages policy will merit detailed consideration in later chapters. At this stage we can note that all the centralisation was reflected in the provision made in 1941 that IO may now expel affiliated organisations that flagrantly disregard the byelaws of IO or decisions arrived at by its organs on the basis of the byelaws and which, in spite of reminder fail to take corrective action without delay. There was no express recognition of this right prior to 1941, although the IO congress of 1936 assumed for instance that expulsion measures could be directed against federations that refused to co-operate in the industrial federation plan of organisation. 1) There is a right of appeal against expulsion through the representative council to the next IO congress.

In spite of the centralising tendencies, however, the federations still remain the hub. This is brought out by a change made in

1) Sölven, op. cit. p. 36. IO's plan of organisation will be analysed in chapter VII.
LO byelaws 1951. The normal byelaws accepted in 1941 had set out that LO was to work for the workers in a certain industry or closely related industries or certain trades being organised in local organisations, trade unions, and for these unions to be joined in nationwide organisations i.e. federations. But in 1951 there was a move away from the emphasis on local organisation units, the federations now being stressed as the main unit of organisation. This of course suggested more centralisation as far as local branches are concerned, although LO appears anxious not to press too much on the federations in a centralising direction. At any rate the secretariat felt in 1951 that the emphasis on the branches in the 1941 byelaws did not agree with the principles of organisation which declared LO to be an association of federations. Nor was it in practice the case that LO was active in forming local unions. This was typically a federation task. Further, the 1941 byelaws spoke only of workers in industry and trade. But LO covered large groups of members who came under neither of these headings. Nor did the 1941 byelaws contain any indication of the plan of organisation of LO. In order to remedy these defects the secretariat proposed that the clause concerned should be amended to read that LO should work for:

workers in private, state and local authority service being combined in nationwide organisations (federations) which were active at the local level through branches (trade unions) in accordance with a plan decided upon by congress. That is to say that the federations were the hub, and their respective spheres of activity would be determined in accordance with the plan of organisation of LO. Congress accepted this formulation.

So much for the compulsory provisions that the federation must
respect before being allowed to join and stay in IO. Just how far
independence is sacrificed is a matter that will be taken up later,
particularly in chapter VI. But it is clear that empiricism has as
always guided IO away from the adoption of too rigid a set of byelaws.
It was clearly recognised by the fifteen men that different federations
would require slightly different byelaws, depending on their tasks
and spheres of operation. "The federation must have the right to make
provisions for special circumstances in the trade". 1) Thus within
the framework of compulsory and normal byelaws there are some devia-
tions in the precise formulation of byelaws as between federations, but
none of these is so vital as to affect the fundamental assumption that
there must be no rejection of basic principles but only adaptation to
the circumstances of the case. Let us now look at the federations in
greater detail within this framework set out by IO.

The federation is an association of all the workers employed in
an industry or trade in Sweden who should, according to the plan of
organisation of IO, 2) belong to that federation. Its tasks are to look

1) Fackföreningstidningen och näringslivet, p. 207.

2) Not all the federation byelaws include this phrase. Some content
themselves with setting out the types of workers they do organise,
irrespective of the plan of organisation: for example the foundry
workers' federation aims to cover all moulders in iron, steel and metals,
the compositors' federation aims to cover all workers in the printing
industry, the associated federations says it is an association of
groups of workers employed in the technical chemistry, rubber, leather
and glove industries and related groups, the agricultural workers'
federation says it covers all workers in agriculture and subsidiary
occupations, related activities and gardeners. The masons' and brewers'
federations also specify whom they think they are organising. All
these federations mentioned are definite craft or otherwise homogeneous
groups or, in some cases, groups that are not in the plan of organi-
sation at all (such as the foundry workers and associated federations)
and which can hardly be expected therefore to mention such an
inconvenient - to them - thing as a plan of which they are not part.
The Factory workers' federation compromises by stating the categories
of workers it covers and who, in accordance with the plan of organisa-
tion, are to belong to it. The postmen's federation says it covers
white collar workers and workers employed by the post office who
should, according to the plan of organisation, belong to it. This
implies that IO has reached some sort of boundary agreement about
spheres of influence with TCO.
after the interests of the members on the labour market and in industry and trade, and in so doing and otherwise to contribute to the development of society on the basis of political, social and economic democracy; and to give economic support to members affected by a labour conflict in accordance with the provisions of the byelaws. Some byelaws provide for help in other cases, mainly unemployment and (for example in the case of the compositors, one of the most aristocratic and wealthy of the federations) assistance for removal, invalidity, tuberculosis, sickness and burial and other needs.

The normal byelaws also provide for help to be given to members in the event of legal proceedings, actions against and persecution by employers.

Some federations go beyond the normal byelaws with regard to their tasks. The compositors state that they aim "to promote the trade union, economic, social and intellectual interest of the workers, to work for the attainment of industrial democracy, and consciously to foster the workers in the struggle for the transformation of society on a socialist basis and to direct work for the socialisation of production". (This raises at once the issue of affiliation to the social democratic party.) The brewers include the task of working for the right of co-decision in management and of supporting the demands for socialising production. The agricultural workers include extended right of co-decision in the enterprise as one of their aims, while both the foundry and metal industry workers' federations favour greater right of co-decision and support demands for socialisation. 1)

1) The present position in relation to such demands is discussed in chapter XVIII on industrial democracy.
The masons aim to work also for extended influence in industry and support the demands for the socialization of production; they also declare their opposition to overtime and set as a further aim shorter and regular hours of work.

The organizations of the federations is based on the following hierarchy (in order of descending authority): congress, federation council (sometimes called a representative council or supervisory board), federation board, and branch board (with possible subdivisions into sections or other local units. Congress, the highest authority in the federation, meets once every few years, generally from three to five, although extra congresses may be called.

In between congresses the council is the highest authority, and it consists of a certain number of members, appointed by congress (the metal workers have 33 members) for the period until the next congress from among members working within the sphere of activity of the federation. Some councils consist of the board plus a number of members. Most byelaws specify that the council members are to represent different districts, branches of activity and size of branch in order to secure a really representative body. The main duty of the council, which usually meets at most twice a year, is to supervise the day to day administration of the federation, which is in the hands of the board. The council also appoints the federation's representatives in the representative council of LO.

In matters of principle or of economic importance the board is not entitled to arrive at decisions without prior consultation with the council. It is thus a kind of watchdog supervising the activity of the board.
The board, which is responsible for the day to day running of the federation, usually consists of about seven to ten members, the chairman, secretary, and treasurer all being full time officials. These three hold office without having to be specially re-elected by each congress, though they are of course elected by congress in the first place. The other board members, who are part time officials, are chosen by congress for the period until the next congress from among the working members in the sphere of activity which the federation covers. Naturally the board meets rather frequently, usually at least once a week, and a large federation like the metal workers provides that four of the five ordinary board members are selected from the branch where the board has its seat i.e. Stockholm, while the fifth is to represent workers in iron foundries. Decisions are made on the basis of more than half the TOTAL board members being agreed. Apart from having a casting vote and being the person who conducts the meetings of the board, presents subjects for discussion and accepts the responsibility for the decisions of the congress, supervisory board and board being carried out, the chairman is not endowed with any dictatorial powers. Obviously the strength of his position will depend less on formal powers laid down in the byelaws, which are essentially responsible powers, than on his own personality and guiding influence on the board. But ultimately he - and the board - must answer to the final policy making body, the congress. Most federations have full time officials who deal with negotiations, education, industrial enterprise councils and other tasks. They are appointed by congress and in some cases, e.g., the metal workers' federation, by the supervisory board, and are engaged for an indefinite period of time
with six months notice on either side.

One important point is that all voting is open except in the election of the council and the board, which is made by secret ballot unless congress decides unanimously that the voting is to be public.

The relationship between the individual member and his federation is based on the principle that, apart from the compulsory provisions affecting the relationship - right of entry and of transfer, and obligation to transfer - the relations between them are regulated by federation byelaws. One of the member's greatest rights is that of being entitled to raise motions in congress. These travel via the branch, which can approve or reject them but cannot block them, since provision is made that even if the branch does reject a motion the individual member has still the right to ask that the motion be put to the federation board. Again, the individual member is eligible for election as a delegate to congress, he is entitled to vote at the constituency elections (constituencies consist of one or more branches), and to be present at the counting of votes. The measure of democracy afforded to the individual members in considerably circumscribed, however, by the compulsory provision that empowers the board of the federation to arrive at definite decisions on wages agreements even after the proposals for agreements have been submitted to the members concerned for their views. At this stage the intention is simply to record the fact that this limitation exists. It will be discussed in relation to wages policy.

Detailed provisions on the fundamental topic of right of entry to a federation provide that this is open to every worker
within the sphere of activity of the federation, subject to an age qualification, provided he is not ineligible on the grounds that would lead to a member being expelled (for which see below). Some federations, e.g. masons, foodstuffs, metal industry, railway, compositors, that have sickness benefit and/or unemployment funds require prospective members to join it at the same time. Application to join a federation is made through the branch, and final acceptance into membership or rejection rests with the board of the federation. If membership is refused the individual has an ultimate right of appeal in the provision introduced in 1941 that the matter can be referred to arbitration. Arbitration is also provided as the ultimate resort in cases of expulsion from the federation and for settling internal disputes between the federation, branch, board or member thereof, or individual members. The arrangement for all three types of dispute is that they are referred to arbitrators in accordance with the provisions of the arbitration act. This provides for five arbitrators, two appointed by each side and the fifth appointed jointly by both sides or, if agreement cannot be reached, by the secretariat of ILO. This arbitration procedure is much quicker and less public than that of referring disputes to the public law courts. Not all federations have adopted the normal byelaws on this point, however. For instance the moulders, brewers, masons and agricultural workers' federations have as the highest court of decision and appeal the council of the federation or its equivalent, or the board.

This arbitration procedure was introduced into the normal byelaws in 1941. Prior to 1941 the metal workers' federation had an
arbitration procedure for cases of expulsion of members for breach of the byelaws which provided (as at 1/1/1939) (§ 13, clause 4 and 5) that members who had been charged with and expelled for breach of the byelaws of the federation could, within two weeks, ask the branch board that the question be decided through arbitration. The party making the change could also ask for arbitration. Each side appointed two arbitrators, and these in turn selected the fifth, who served as chairman. If the parties could not agree on this fifth member the board of the federation was entitled to appoint him. Clause six provided that when the matter had been examined by the arbitration board, the board of the federation made the final decision. (There was no provision for arbitration on any other matters in these byelaws. § 4 provided, on the subject of joining the federation, that in the event of a dispute arising as to the right to membership the board of the federation was to decide).

Prior to 1939 the byelaws of the metal industry federation provided (e.g. as from 1/1/1936) under § 13, clause 4, that if a branch expelled a member he could appeal to the board of the federation within two weeks, and the board made a final decision on the matter after it had been examined by a board of arbitration on which the two sides were equally represented.

Apart from the grounds for expulsion that existed prior to 1941—such as failure to pay membership dues (where expulsion was automatic), making false statements in order to become a member, strike or blockade breaking, or otherwise infringing the byelaws, where the initiative lay with the board of the federation, usually after an enquiry—, a new ground for expulsion was introduced in 1941 which provided that a member might be expelled for "carrying on or
supporting activity that is irreconcilable with the purpose of the organisation or (who) otherwise behaves in a disloyal way". (At the discretion of the federation the member may alternatively be deprived of certain membership rights for a period). The background to this new provision deserves comment.

Partly as a result of the Russian attack on Finland in 1939, the representative council of LO decided in December, 1939 to issue a statement advising the trade unions not to allow themselves to be represented by communists. As a result of this the communists in the trade unions were to a great extent rooted out of official positions. Some federations went further and expelled members belonging to the communist party, and the metal workers' federation and the painters decided for example that members belonging to the communist party were not entitled to hold office in the federation or its local organisations.

The new provision introduced in the byelaws of LO in 1941 was in line with the democratic objects of the trade union movement as these are understood in Sweden, namely "to work for the development of society on the basis of political, social and economic democracy." Members supporting what the trade union movement considered was anti-democratic activity (admittedly a vague phrase, although made more precise by some federations) could now be expelled or of course alternatively refused membership. Membership of an anti-democratic organisation does not automatically disqualify from membership. As in other cases, the board of the federation decides. This discretionary right of examination differs from the statement made by the congress of LO in 1936, that persons organised

1) LO congress report, 1941. p. 262

2) Sölven, Landsorganisationens Nya Stadgar. 3rd edition p. 61
in national socialist organisations could not be members of federations affiliated to \( \text{IO}. \) 1) The 1941 approach is wider, in that it does not restrict itself to any particular anti-democratic philosophy. Sölvén adds that the new grounds for expulsion were introduced as a direct consequence of the activity of anti-democratic organisations.

Certain federation byelaws still provide, however, for the prohibition of national socialism e.g. the byelaws of the foodstuffs workers federation in force from 1st January, 1952 (at p. 11) provide as one reason for expulsion "membership of a nationalistic socialist association". The byelaws of the compositors' federation provide also for expulsion of members who "for example belong to the Nazi party or other comparable party, organisation, or association". Motion No. 31 to the congress of this federation in 1952 asked that this provision be deleted, not because it was felt Nazism was necessarily dead but because the provision had outlived its usefulness and was undemocratic in character. The motion did not know whether the provision had ever been used, but the supervisory board pointed out that the reason why congress had decided in 1944 to introduce the provision was that they had just lost a legal case and been obliged to readmit a member whom they had previously expelled for being a Nazi. 2) Had such a provision been in the byelaws the case would probably not have been lost. They did not now

1) It should be noted that this decision by congress was made against the advice of the secretariat. It was an illogical decision in that it did not deny membership of trade unions to persons who supported dictatorships other than national socialist ones. Hence congress had to introduce a more general formulation in 1941.

2) See Schmidt, Kollektivarbetsrätt. p. 77.
share the view of the submitters of the motion, that the provision had outlived its usefulness and was undemocratic. There were still many signs of Nazlism in the world, and a democratic organization like the compositors' federation had to guard against undemocratic philosophies. It did not agree that the provision was undemocratic, since it had been introduced in order to protect democratic interests. Congress agreed, and the motion was rejected. So the clause still stands. 1)

To return to the normal byelaws of the federations, a new ground for expulsion from a federation was introduced in 1951 to meet cases where immediate action was called for against members who clearly and deliberately flouted the byelaws. Here there was a case for being able to take action quickly - (the normal framework and procedure, with rights of appeal, for dealing with proposed expulsion usually took some time and, while it guaranteed objective and careful consideration, it was not always a clear cut case) - when workers decided perhaps on a wildcat strike or wilfully refused to obey a decision by the board of the federation as regards a return to work. In these cases action was necessary, and at once.

The new procedure allows for departure from the usual procedure in cases where members clearly and deliberately flout the byelaws, or provisions, arrived at by congress or on the basis of the byelaws, and who, IN SPITE OF WARNING FROM THE BOARD OF THE FEDERATION, fail to obey the byelaws or provisions within the time prescribed. The usual notification procedure of expulsion can also be bypassed here, in that notice may be given through the branch or by public announcement. (Normally the member would be informed by letter). There is a right

of appeal against this extraordinary dismissal in the normal byelaws, to the Council of the federation and to arbitration.

As an alternative to expulsion the board of a federation may decide that a member shall lose certain rights for a specific period, these being the right to become or remain an official or member of the board of the federation or branches or to hold other posts. There is a right of appeal here also to the council of the federation and then to arbitration. The main object in introducing this alternative of suspension of rights seems to have been that of covering cases where there is an organisation clause in an agreement providing that a worker must be organised before he can be employed. In such cases expulsion would be equivalent to a sentence of dismissal from employment.

In the light of this careful procedure for regulating entry to and membership of trade unions in Sweden, and in particular of the declared open shop policy, there is little by way of criticism that can be advanced against the unions on the subject of the rights of individual members. One criticism is that the arbitration procedure can be "hush hush" and not necessarily aired in public, which might give cause or excuse for charges of bias. But the real charge made against trade unions and their membership policies in Sweden in the past has not been criticism of the open shop, but criticism of pressure being put on individuals to join. The byelaws provide nothing about the right NOT to join them, which is perhaps understandable, but neither do they set out any procedure for members leaving of their own free will, or through giving notice.

The outlet here of course is to stop paying dues, and to be expelled. But the problem of being outside a union and being left unmolested to do so is one that has caused trouble in the past and has
interested legislators. It is taken up for discussion in Part 11 in chapters IX and XIV.

Members of a federation have of course duties as well as rights. They must work for the harmony and development of the federation, obey the provisions of its byelaws and decisions arrived at on the basis of the byelaws, and be loyal towards the board of the federation and others appointed to represent the organisation. Since 1951 they have become obliged to transfer their membership if they find employment elsewhere or if, in accordance with a decision of JQ, they should belong to another federation. Members are obliged to supply on request statistical and other information as to wages and working conditions and must, before taking a job in a new workplace, obtain information from the branch of the federation about the conditions and terms of employment there. Express provision is made in the railwaymen's byelaws that both on and off duty the workman is to be sober and a credit to his organisation. Here the private conduct of the member is made a matter for the concern of the federation and of a member's comrades, who are enjoined (§ 13, clause 3) to report to the board of the branch members who "let the side down" in their behaviour.

So far we have looked at the principles on which the relationship between a member and his federation are based, and now we look at the more concrete aspect of the fees actually levied by a federation on its members. These vary a great deal from federation to federation, depending on the types and scales of benefit the federation gives. 1)

1) The fees considered here are for full (defined usually as adult male) members. Half-paying members are usually males under a certain age, females, and partially incapacitated workers. The figures given are for 1950, although these are now partly outdated by the fact that many federations have raised rates of contribution (and benefits) to keep pace with rises in the cost of living.
Firstly, entrance fees to federations are in general fairly low, the highest being 10 crowns. Only two federations charged as much, and 30 of the 44 federations in LO levied three crowns or less. Re-entrance fees varied much more between federations, and also varied with the nature of the offence for which the member was expelled: for railwaymen the amount varied between ten crowns (in the case of neglecting to pay fees) to a maximum of 100 crowns for more serious cases. In most federations the ordinary re-entrance fee, which is fixed by the Board of the federation, NOT the branch, did not exceed 10 crowns.

The ordinary fees also vary considerably, as the following table shows:

Annual amount in ordinary fees paid by full members to federations.

<table>
<thead>
<tr>
<th>Amount in crowns</th>
<th>No. of federations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 30</td>
<td>1</td>
</tr>
<tr>
<td>&quot; 40</td>
<td>7</td>
</tr>
<tr>
<td>&quot; 50</td>
<td>10</td>
</tr>
<tr>
<td>&quot; 60</td>
<td>8</td>
</tr>
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<td>&quot; 70</td>
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<tr>
<td>&quot; 80</td>
<td>6</td>
</tr>
<tr>
<td>&quot; 90</td>
<td>1</td>
</tr>
<tr>
<td>&quot; 100</td>
<td>1</td>
</tr>
<tr>
<td>More than 100</td>
<td>5 x</td>
</tr>
</tbody>
</table>

The highest was that of the compositors, 249.60 crowns, 1) the book binders coming next with 156 crowns, and lithographers third with 143 crowns. The chimney sweeps paid 130 crowns and the painters 104 crowns. Note that these are all craft groups.

The branches decide when and where the dues to the federation are to be collected. The federation board can raise fees a) in the event of a conflict it is obliged to support, b) when LO imposes a levy, and c) where its funds fall below a certain level. Levies have

1) The largest part of this was for the federation's social benefits fund and the invalidity fund.

2) Fees to LO are discussed in chapter VI, pp 276-7.
now become less common, but when labour relations were much more militant levies often reached large amounts. In 1920, for instance, the foundry workers' federation levied 74 crowns on each of its members in addition to annual fees of 40 crowns, and in the same year the masons levied 123 crowns, the annual fee being 44.20. Exemption from the payment of fees is usually granted to elderly members over 60 who have paid dues continuously for 30 years, and exemption can also be granted for illness, studies, military service, old age, conflicts or unemployment.

In addition to the fee it collects on behalf of the federation a branch is empowered to determine for itself the fee it will charge its members for carrying on its own administration. This gives the branches a certain amount of scope and, besides administration, the fee they charge covers such things as affiliation fees to the social democratic party and to the local central trade union organisation. They can also impose levies on the branch members.

Financial support is given by federations to their members in certain circumstances, viz. in the case of strikes approved by the board, in lockouts, and when the workers are involved in work stoppages in the sphere of activity of other federations. Support is also given if a member is dismissed because he has been carrying on activity on behalf of the organisation or as a result of persecution by the employer. Legal aid can be given in the event of a member or branch having to take legal action against employers in order to protect their interests. Some other cases are allowed by individual federations, e.g. the railwaymen's federation may give support for cases not covered by the above provisions if the member is in need as a result of his activity on behalf of the organisation.
The main condition to be fulfilled in order to qualify for support is membership of the organisation for three months, except in the case of conflicts on the right of association, where support is paid at once. Normally there is a waiting period of six days before support is paid. The amount of support is settled by each individual federation, and is at present on the average about 8 - 9 crowns a day. The amount paid in support pay can be reduced by the federation when the conflict is a big one or when several conflicts are being carried on at the same time. The support is paid out through the branches. Members involved in work stoppages are also obliged to seek work elsewhere, and they may be refused support for the period of the work offered if work offered to them is suitable.

The branches.

The branch of a federation is the local geographically based unit through which the activity of a federation is carried on at the local level. Sometimes there is more than one branch in a place, depending on the trade or industry, but in general the branch comprises all the members of the federation employed in that particular place. Its tasks are to work for affiliation to the federation and internal harmony among the members, to carry out the tasks and decisions communicated to it by the board of the federation, and to look after the interests of the members in relation to their employers in accordance with the byelaws. For the purpose of fulfilling these tasks the branch has to carry on work of organisation and agitation, to form and maintain craft clubs, workshop clubs and group organisations, to deal, as provided in the byelaws, with questions of joining, leaving and expulsion, to collect and account to the federation for due wages statistics and other information it may require, to pay out support to members as provided in the byelaws, and to support them in negotiations and
agreements about conditions of work.

In relation to the federations the branches are dependent local organisations. A branch can therefore neither leave nor be expelled from a federation. Only individual members can. The only way in which the relationship between the federation and the branch can be terminated is through the dissolution of the branch, and this requires the permission of the board of the federation. But if a branch fails to carry out its duties to the federation or refuses to obey the byelaws or decisions made in the light of the byelaws the board of the federation may decide to dissolve the branch and expel recalcitrant members. In such an event the assets of the branch fall to the federation.

The business of the branch is carried on in accordance with the byelaws and the decisions made by the board of (usually five) members consisting of a chairman, secretary and treasurer plus ordinary members. The board members are elected at annual meetings, the chairman and treasurer being separately elected. All elections take place by secret ballot, unless the branch members agree unanimously that voting is to be open. In other branch matters voting is open and by simple majority of those voting, unless the meeting agrees to have a secret ballot. However, as the federation byelaws provide (§ 14), when issues voted on relate to wages and negotiations and stoppages of work, a TWO THIRDS majority in a SECRET ballot is necessary for terminating or agreeing to a new agreement or any other change in conditions of work, and for decisions about stoppages of work.

Even then the federation board has the final say. 1)

1)The specific procedure set out in the federation byelaws for wages negotiations has been included in chapter XX, on wage negotiation procedure.
Meetings of branches are usually held once a month. Some byelaws provide for a representative council to take the place of the meeting as the supreme decision-making body but this is not usual, since it is more common for the branch to be small enough to allow of branch meetings being open to all members. It is usually left to the branch to decide whether it wants a representative council. Although the byelaws of the metal workers' provide for representative councils in branches where the membership exceeds 5,000. This is an obvious necessity in such large branches, where direct representation of all members at meetings would be unwieldy. Instead there is this indirect system of representation, each workshop club or team having a member of the council for every hundred members it has.

In view of its very subordinate position in relation to the federation, the branch byelaws naturally form part of the byelaws of the federations. Provision is made for transfers between branches as well as between federations. A member who obtains work in the sphere of activity of another branch is to transfer his membership to this branch. The member fulfils his obligations in accordance with the byelaws by reporting his removal to the treasurer of the branch he is leaving. Immediately on arrival in his new place the member is obliged to report to the local branch in the place.

Although no provision is made in the normal byelaws for an intermediate organisation between the branch and the federation, it is the case that some federations do have district organisations. This is in part the result of geographical circumstances, where by the nature of the employment of its members a federation does cover the

1) See the byelaws of the foodstuffs, compositors, and postmen's federations and of the associated federation and the civilian defence personnel federation.
whole country. The byelaws of the agricultural workers' federation provide for example for district organisations, whose objects are to prepare wage claims, in consultation with the federation board (the necessity for close co-operation is stressed), to plan agitation and educational activity and to promote in other respects the economic and intellectual interests of the members, and to deal with questions that do not demand the immediate attention of the federation. 1) The districts are based on county or provincial districts.

There are similar arrangements in other federations. The compositors have national craft sections with roughly the same tasks as those of local craft sections, but in this case they also keep the federation advised about special trade problems. The sub postmasters have a national branch within the postmen's federation, which also has annual district conferences of a purely informative kind. They have no powers in order not to tread on the toes of the individual branches. 2) The byelaws of the federation for civilian personnel in defence establishments also provide for district organisations, the objects of which are to help the federation in matters of organisation and to conduct propaganda for affiliation to the branches. The telephone and linesmen's federation and the railwaymen's federation also have district organisations. The factory workers' federation, which consists of many heterogeneous industrial groups, provides that branches that have members working in the same industry can join together on a voluntary basis in co-operating bodies which are to look after the interests of these members in wages.

1) See Byelaws, 1951 edition pp. 35-7
negotiations and other questions of common interest, always however within the framework of the federation byelaws and in consultation with the board of the federation, which is entitled to be represented at conferences of such bodies. The local authority workers' federation also has local or county co-operative bodies, of which the branches must be members, and which act as watch dogs over the branches, and as contact organs between the federation and branches, and conduct negotiations. In general one can say that such intermediate organs are necessary where the federation is by its sphere of activity a national one (in the geographical sense) or covers heterogeneous groups.

In the other direction, that is beneath and subsidiary to the branch at the local level, there are certain other forms of organisation, such as sections, clubs, workshop teams. These, depending on the nature of the federation, may cover the workers in one factory or workshop within the branch, or one craft within the branch. Craft sections can be formed to look after the interests of particular trades within the branch, e.g. with respect to training, advice on the particular problems of that craft etc. This is important when there are craftsmen in industrial trade union federations. Sections can also be set up in places that are not large enough to take a branch - e.g., the masons have such sections; they are not independent, but come under the branch. The Postmen provide that their local sections can negotiate direct in questions of purely local interest. They also have personnel clubs, e.g. for each post office.

Where the branch consists of members from two or more firms, factories or companies, there can be set up factory clubs or workshop clubs. Their tasks are usually to spread information about and conduct agitation for their federation and branch, in order to have all the workers affiliated, to work for the promotion of good
comradeship among the members, to see that the members help one another in trade union and other matters and that everyone works in the interests of the members, to prepare demands and seek to settle conflicts, to provide all the information about the workplace that the branch or federation may need, to see that machines are protected, to see that hygienic conditions prevail in the workplace, and, in certain cases, to appoint the member of the protection committee or a delegate. The board of the club deals with all questions that are submitted by groups or individual workers, and prepares wages demands, always observing the byelaws of the federation. It represents the workers in negotiations with the management, and endeavours to settle disputes that arise between members, and between members and management. The board has further to carry out instructions it receives from the federation or branch and in all things look after the interests of the organisation. 1)

Another form of local organisation is provided for through local committees set up to provide a focus for all the branches within a federation in a particular locality. The idea was mooted at LO congress in 1906 when Lindquist said that if there were a number of branches of the same federation in the same place or a number of unions belonging to allied trades or industries, such as building, then it would be convenient for them to have some form of local co-operating body. The various local unions could arrange for such co-operation but always in consultation with the board of the federation, which would also have the final say on questions discussed by such local bodies. 2)

1) As this implies, there is no shop stewards movement in Sweden.
2) LO congress report, 1906, p.60.
In fact most federations have only one branch in a place, but in building there are for instance local cerules within the framework of the federation. In 1953 the factory workers decided to introduce provisions, allowing (i.e. they are not compulsory) such local organs of co-operation between branches in order to strengthen local administration in this federation, which is faced with a peculiar problem of organisation on account of the many diverse industries the federation covers. The tasks of these local co-operating bodies are mainly those of promoting co-operation between the local branches, agitation and propaganda and information activity.

These forms of local organisation internal to a federation are to be distinguished from local forms of co-operation BETWEEN federations, to which we now pass.

Provision for co-operation between unions covering workers in different industries and trades is made at the local level through the establishment of local central organisations for the branches of all the federations there. The basis of organisation is thus geographical. In part they are the equivalent of the old co-operating bodies at a local level that existed before and immediately after 10 was set up. But the significant difference is that the old bodies were mainly political in emphasis - it will be recalled that 10 deprived the communes from membership of 10 in 1906 because of their great political emphasis - while the modern committees are decidedly NOT political. But their present position is the outcome of careful regulation by 10 to ensure that they did not become too political in their activity or develop into rivals to 10 itself.

At 10 congress in 1906 a proposal by J. Enberg to have local bodies consisting of all the branches of federations in a place was turned down by congress. At the time it was only on certain

1) Fabriksarbetareförbundet congress report, 1953, p.88 et seq.
specified conditions that Lindquist favoured local co-operation even within a federation or related federations. But at the congress of 1912 Lindquist asked congress to endorse a proposal (which it did) made by J.E. Käll about the desirability of having local co-operation between the branches of federations belonging to LO in a locality, especially in matters of agitation and information activity, and for strengthening and making more effective solidarity during labour conflicts. But it was stressed that such co-operation must not be undertaken in such a way as to interfere with the activity and rights of federation as set out in their byelaws or with decisions arrived at by congress. They would in other words be a useful adjunct in propaganda and information matters and encourage local unity, but they must not become or try to become rivals. When it discussed reorganisation and the industrial federation principle this congress also rejected the idea of giving increasing local emphasis to the movement by allowing these local co-operating bodies to affiliate directly to LO. That would have been to weaken the national framework.

Congress again emphasised in 1917 that these local bodies must not become rivals, although the need for local co-operation was stressed. A motion (No. 30) asking that these local organs be represented at LO congresses was rejected. The secretariat stated that it was the branches who would be represented at congresses through their federations. A check on these local organs was provided by the fact that, as stated by Ernst Söderberg 2), the secretariat of LO usually examined the proposed byelaws of these local bodies so that they might have a certain uniformity and thus not encroach on the work of the federations. On the proposal of E. Eriksson (Lund)

1) LO Congress report, 1912. p. 53
2) LO Congress report 1917. p. 84
congress authorised the secretariat to give the local centrals economic support in their organisation and information activity, although the secretariat was to ensure that this activity was conducted in accordance with the spirit and constitution of IO and was of benefit to the aims of the workers. After the 1922 congress the secretariat worked out model byelaws for the local centrals and submitted them to the representative council meeting in April, 1923. The proposals were discussed at length but the council decided by 26 votes to 16 to take no action in the matter. More definite action was taken in the congress of 1926.

Motion 35 proposed that there should be some directions for the activity of local centrals, since some included only unions affiliated to IO, while others allowed unions outside IO to join as well. The secretariat (statement No. 3) shared the view that there was now a greater need for provisions regulating the local centrals than had perhaps been the case earlier. The greater the influence the trade union movement had and the more it spread its activity the more must attention be paid to the forms in which the work was carried on. The secretariat emphasised that wages negotiations and conflicts and related questions were matters for branches and boards of federations, but educational, information and agitation matters were on the other hand matters with which the local centrals could with advantage deal. It was however a defect that they had no central authority where the principles for making their decisions could be discussed. So congress set about establishing a framework for the local centrals by providing that in places where there were two or more trade unions belonging to federations affiliated to IO these could form local central organisations. On request the secretariat of IO could also give permission for branches of federations not belonging to IO to become affiliated. The task of these local organisations was, said
congress, to carry on agitation, educational information activity, to look after the trade union movement in the locality as far as was possible (this clause has now been altered), to report to the secretariat any unsatisfactory circumstances that arose and which could be considered to harm the trade union movement, and in time of unemployment to support the unemployed in word and deed (this last provision was dropped in 1941). What they must not do was to concern themselves with questions that fell within the province of the trade union branches in accordance with federation byelaws. Byelaws drawn up for local centrals were to conform with normal byelaws drawn up by LO's representative council and were to be submitted to the secretariat for its approval. Decisions arrived at by the local centrals that were outside their sphere of competence or conflicted with LO decisions could be vetoed by the secretariat. The local centrals were empowered to collect fees for the purpose of carrying out the activity set out in their byelaws, the fees to be fixed at so much per member. In exceptional cases the secretariat was empowered, after examining the circumstances prevailing, to grant small sums to the local centrals for the purpose of carrying on agitation.

Normal byelaws along these lines were drawn up by the representative council in 1928, but when LO congress came to ratify them in 1931 it had reason to introduce provisions as to the purpose and conditions of membership of the local centrals. These were to be strictly enforced, because certain local centrals had exceeded their authority, e.g. by allowing syndicalist organisations to join, and by declaring boycotts and blockades. Motion 43 wanted affiliation to the local centrals to be made compulsory for branches of federations affiliated to LO and also wanted the local centrals, instead of the secretariat of LO, to have the power to admit branches of organisations outside LO. But the secretariat (statement 2) wanted to keep membership as a right, not.
an obligation, both for its own branches and for those outside if it was agreeable to their joining. But it was not prepared to concede this power to admit outsiders to the local centrals, since this might have allowed syndicalist bodies to come into and split the movement. LO wanted to keep the reins in its own hands in relation to outsiders. In view of the breaches of authority by some of the local centrals congress repeated that they must not concern themselves with things that were the due province of branches, and that they accordingly had no power to make decisions on blockades, blacklisting, and other measures in labour conflicts in which decisions were made by the boards of federations. Again it was repeated that if the local central organisations did make decisions outwith the sphere of their activity or which conflicted with LO decisions the secretariat could revoke them.

Congress agreed to the request of the secretariat that it be empowered to intervene against local centrals that transgressed the byelaws or congress decisions of LO or of affiliated federations, by providing that local centrals that refused to obey instructions from the secretariat of LO that were in accordance with its byelaws could be dissolved. For this purpose the secretariat was to have the power, in conjunction with the board of the federation concerned, to instruct a union affiliated to the federation to leave a local central that was carrying on disloyal activity. 1) This provision is not in the byelaws, but is still in force as a guiding principle.

When the byelaws of LO were revised in 1941 not much change was necessary as far as concerned the local central organisations, since the basis of compulsory and uniform provisions dated from 1926 and 1931.

1) LO Congress report, 1931, p. 135.
The 1941 provisions state that the byelaws of a local central must be approved by the secretariat of LO in order to be valid, and changes in or additions to the byelaws can only take place at the annual meetings of the local centrals. These must also be approved by the secretariat. The right of veto was also extended in 1946 to provide that the secretariat can countermand a decision arrived at by the local central if it lies outside its competence or conflicts with the byelaws of LO, or (since 1946) of the local central itself, or with decisions made on the basis of the byelaws.

The tasks are set out in 10. The local central is an association of trade unions and is to carry on trade union agitation, education and information activity, to further local co-operation between the affiliated associations and ensure that their trade union activity is carried on in agreement with the byelaws and decisions of LO. It has thus supervisory functions as a local watchdog but is not a policy making body. It must report to the LO secretariat any improprieties that occur which it considers could harm the trade union movement and which it has not been able to remedy through its own intervention. It is not entitled to deal with questions in which the decisions rests, according to the byelaws, with the federation or branch, and so is not entitled to participate in wages negotiations or arrange or otherwise give rise to direct action of any kind.

Membership in the local central is still open as of right to every trade union within the sphere of activity of the local central

1) Motion 10 in LO congress of 1946 wanted affiliation to be made compulsory. This issue had been raised in 1931, but the secretariat still took the view that the local centrals should continue to be based, as from the beginning, on the voluntary principle. There seemed no good reason for interfering with the right of the branches to decide for themselves in this matter.
that belongs to a federation affiliated to ID. Since 1946 provision has also been made for a section of a trade union formed in a place other than that where the union is active to have the right to join. Lo is also empowered, on the request of the local central, to allow other trade unions than those specified above to join. Affiliated unions are represented at meetings of the local centrals by delegates. Meetings are now held at least once a quarter (once a year prior to 1946), and since 1946 too members of unions or sections affiliated are entitled to be present at the meetings, but not to speak or submit proposals. Except in questions of elections and dissolution decisions at the meetings are arrived at by simple majority and voting is public unless secret ballots are specifically asked for. An elected board carries on the work of the organisation.

Economically, the local central is financed out of the annual fees paid by each member union for its membership. But that this is not adequate is reflected in frequent motions in ID congresses asking for funds. In 1946 two motions (18 and 86) wanted greater financial support, but the secretariat thought it was preferable to retain the existing system of granting funds to the local centrals after each particular case had been examined on its merits. The annual votes to the local centrals had in fact risen since the ID propaganda council began work in 1945. The secretariat also suggested that the fees for the local centrals might be raised. In 1951 the secretariat again took the view, in response to a motion (No. 164) asking for a per capita contribution to the local central organisations, that real need was better met from case to case through the propaganda council examining each application for assistance.

As local propaganda bodies the central organisations undoubtedly served a useful purpose in the trade union movement. They serve the essential purpose of bringing members of different federations
together and, since they deal with general trade union matters and are not allowed to develop into rivals to federations or unions, they are not faced with any special problems of particular unions and trades. A common form of activity is for IO to arrange information meetings for representatives of the locals at various places throughout Sweden, IO paying costs and expenses and supplying speakers. The trend has all the time been to give these local bodies general and limited functions. The following figures for the number of local centrals in recent years indicate that numerically they have shown a steady increase, until in 1953 about 1,100,000 of IO's members were affiliated to local centrals. Further expansion seems unlikely therefore, if only for geographical reasons.

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**Inter-federation co-operation.**

Arising out of the difficulties federations in related occupations and sectors of the economy may encounter in any attempts to amalgamate,¹ a loose form of inter-federation co-operation was evolved in the 1920s. "Cartels", or agreements to co-operate on matters of common interest in related occupations, were set up in 1923 in the printing industry by the three federations involved; by the paper, forestry, timber floating and sawmill workers in 1925; and also by the metal industry workers' and foundry workers' federations in 1925. A building industry cartel

¹) For example, one of the problems that would arise if the three federations in the printing industry were to amalgamate would be that of the differences in members' fees and in benefits. The cartel arrangement ensures co-operation without raising such delicate issues. Such issues are not in some cases insurmountable. See e.g., the annual report of the associated federations, 1952, pp.41-62, where plans for the amalgamation of this federation with two others are discussed in detail. This amalgamation did not go through, however, because of an adverse vote by the members. See chapter VII.
was formed in 1926, and in 1929 the foodstuffs workers' and distributive workers' federations formed a cartel (which now includes the hotel and restaurant workers' federation as well.)

The federations in these various cartels have co-operated in wages matters and in disputes arising during the period of validity of collective agreements. At first IO looked on these loose forms of co-operation as being transitional in the progress towards industrial federations, but now it takes a different view. 1) In any case cartel co-operation is frequently between wholly industrial federations that simply find it convenient to exchange views and keep each other informed of developments in their related sectors of the economy. Let us look at a typical example.

The cartel formed by state employees coming under IO was formed in 1937. It consisted originally of eight federations but now comprises the following ten federations affiliated to IO that have members employed in the service of the state: the railwaymen, telegraph and telephone workers, civilian personnel in defence establishments, the postmen, road workers, state hospital personnel, personnel in civil administration, the electricians' federation, prison warders, and employees of the public waterfalls board. In 1952 the ten federations involved had altogether 182,362 members, so forms of co-operation among them represent a significant feature of labour relations. The byelaws have been somewhat amended since 1937.

The object of the association of these ten federation is, within the framework of the federation byelaws, to promote the activity of the affiliated federations in questions of common interest through co-operation and mutual support. All the members of the federations employed by the state are affiliated. The affairs of the cartel are run by a

1) See Chapter VII, p. 310
representative council and a board consisting of the chairman and vice chairman, treasurer and secretary and vice-secretary of the council. Provision is made for the exchange of information through circulars and annual reports, this being based on an obligation on the part of the federations to provide any information the board may require.

When individual federations within the cartel plan wages negotiations on a large scale they are to tell the board. After taking into account the position in the cartel as a whole, the Board makes "any statement to which the situation gives cause". If a conflict threatens to arise while wages and agreement issues are going on, the federations affected are to tell the board and await its views before resorting to direct action.

It will be seen that there is no great compulsion based by sanctions in this arrangement. The whole setup is consultative. Where persuasion does exercise some influence is, however, in the provision that federations following the above provisions are entitled to the moral and economic support of other cartel federations when necessary. Economic support is given in the form of grants and interest-free loans.

Proposals for sympathetic action that might have serious consequences for the affiliated cartel federations are to be submitted to the council for examination. Federations are not entitled to bypass a statement by the council by asking for or resorting to sympathetic measures of such a kind. If they do they get no support from the cartel.

In sum, the affiliated federations are always obliged, when they made decisions about and discuss wages agreement and conflict action, to take into account the consequences that such action may have on the remaining federations. Boundary disputes between the federations are settled by negotiations, failing which by the board of the cartel, or,
as a last instance, the IO secretariat.

Such cartel agreements obviously form a useful addition to the machinery for inter-federation consultation and co-operation. They are not given enough power to become rivals, but can exercise moral authority that is designed to make for uniformity of attitude in labour market issues, within the sector of the economy that they cover.

The structure of the trade union movement based on the federations can be summarised in the following diagram:

![Diagram](image-url)
Although the federations are held to a very strict disciplinary code on certain fundamental matters by the requirements IO imposes upon them for membership, there is some flexibility of organisation in order to meet the particular requirements of individual federations. There is considerable variation in fees, depending on the scope of the services with which a federation regales its members.

Within each federation, emphasis is now undoubtedly placed on the uniformity and subordination of the branches. The federation board has considerable powers. In part, as we have seen, this centralisation and uniformity has been the outcome of the centralisation of power within IO. But centralisation has not stopped at the federation level. Power has been centralised beyond the federations, and the secretariat of IO has now a dominating position. The next problem for investigation is accordingly the constitutional authority that IO has developed over the years, and this is the subject of the next chapter.
CHAPTER VI

THE CONSTITUTIONAL POWERS OF LO

When LO was set up in 1898 it was provided that economic support would be given by it only in cases where the workers were the side attacked, the reason being that LO would have had to enjoy a more secure economic position than was possible in its infancy, and greater powers in the planning and control of conflicts than the federations, themselves still small and weak, were prepared to hand over to such a young organisation. The emphasis was very much on the federations. But with the growth in numerical and financial strength of LO and the federations, the disadvantages of not co-operating against employers in conflicts, the centralised form of organisation of SAF, and the later development of an aggressive wages policy and then a responsible social attitude have all contributed to make the problem of the powers given to LO as the central authority of the Swedish trade union movement both a fascinating and a fundamental one.

At the congress of 1900 LO was still considered by Lindquist, the new chairman, to be in a state of development and to have quite enough to do in busying itself with the tasks it had been allocated under the byelaws of 1898. The congress of 1903 did reduce the percentage requirements for receiving financial support from LO in conflicts from 5 to 3%, which seems to suggest it was feeling stronger, but no decisions were taken at the 1906 congress which would have made LO a more powerful body in relation to its member federations or more aggressive in its external relations. But 1909 brought a complete avalanche of problems of organisation. Great weight was still attached in the trade union movement to the independence of the craft groups, and the rights of individual federations to decide upon and carry out courses of action without regard to the interests of others were jealously guarded. LO was
obliged only to support federations if they were attacked, and this left the member organisations free to initiate much action without being subject to any sanctions from the side of IO. One defect of the original support provisions had been that they made no provision for bringing recalcitrant organisations to heel by withdrawing support.

Although it could perhaps not be expected that constitutional developments would keep pace with the rapid growth in the number of organisations and their activity after 1900, there was nevertheless some tendency to centralisation inherent in the nature of the organisation of the trade union movement. Any efficient organisation of the lockout insurance service IO supplied would clearly bring IO into the centre of disputes, willingly or otherwise, as soon as the dispute developed on any scale. Likewise, the very rapid centralisation of power in the employers' organisations, which allowed their leaders to arrive at agreements binding on all their members, was bound to react on the constitution of the workers' central body as soon as it had to negotiate on any scale with SAF. In 1907 and 1908, for instance, IO took part in negotiations along with representatives of trade union federations on disputes that had led the employers to adopt the technique of threatening lockouts on a wide front. In its annual report for 1908 SAF said "It has been shown that the organisations of the workers have not become sufficiently strong to be able to take up a conflict with the existing employers' organisations, at least when economic conditions are not absolutely favourable to the workers." It went on to say that IO had realised this, but had the greatest difficulty in persuading its affiliates to toe the line, e.g. in Hallstät, where there had been open revolt against the union leaders. SAF blamed this on the lack of moral authority and influence of the trade union leaders over recalcitrant elements. But there was more to it than that. Organisation too was defective.

1) Hallendorff, op. cit. p. 102
1909 was a year of labour warfare in which a series of conflicts ripened into the large-scale clash of the big strike and in which IO did in fact exercise leadership which it did not formally possess. The pessimism that defeat engendered in the labour movement found expression in much soul searching about the structure of the trade union movement. The workers were lacking in experience of social and economic questions. SAF had come into the field second, but had achieved a more homogeneous system of organisation and control. What was to be done in the trade union movement to remedy the weaknesses it had shown against the organised power of SAF? Changes of many kinds were proposed in the organisation of IO in the congress of 1909. Some wanted constitutional change giving strongly centralized right of decision, others favoured local decentralisation with IO being based directly on the local associations. There were no fewer than 48 motions dealing with forms of organisation. The minutes of the congress give "a disheartening picture of the difficult position of the trade union movement, of the distrust and the internal conflict of views." Motion No. 1 proposed, for instance, that IO should become the common federation for all, and that the existing federations should come under it as branches. Motion 3 wanted all the federations to be amalgamated into one organisation which would be divided into districts, all local branches being amalgamated to give one branch for each place. Each trade group would be entitled to form sections within the local branches if it wished. Motion 41 wanted IO to have a more central position: it ought to lend support when the workers were attacking as well as when they were the defending side, after such action had been approved by the secretariat of IO, which would thus have

1) Gasparsson, op. cit. vol. 1, p. 329
2) This decentralising tendency was in part responsible for and the product of the syndicalist movement which developed formally from 1910 in Sweden.
3) Gasparsson, loc. cit. p. 68.
the right of decision (plus also the obligation to answer for its decisions to the next congress!). Motion 44 from the factory workers' federation wanted an enquiry into the suitability of doing away with the federations and of direct affiliation of branches to LO.

The secretariat of LO also put forward proposals (motion 48) for a new constitutional framework and forms of organisation which involved a very far reaching decentralisation. It asked to be empowered to work out new byelaws for LO, uniform byelaws for all federations affiliated to LO, and for all branches of federations: that LO should be responsible for all conflicts approved by the secretariat or the representative council in consultation with the federation boards: that termination of agreements, resort to work stoppages, and decisions as to when they would end should rest with the secretariat. The final right of decisions in questions of wages and conflicts must be placed in the hands of the secretariat. The secretariat agreed 1) that opinions were divided as to where the final decision on these matters should be taken - some wanted the federation boards, others the local central bodies, yet others the members and (finally) others the LO secretariat, to have the final decision. The secretariat thought 2) it should decide, in conjunction with a representative council, on important matters. The only way to reform was for LO to become an "attacking" organisation, in the sense that it should be responsible for all conflicts. This would mean that the secretariat ought in future to administer the conflict funds.

As to having direct affiliation of branches to LO, the secretariat considered that this was unthinkable, for conditions varied too much from branch to branch of the economy. It would in any case be a retrograde step towards the early days of the trade union movement. It would be

1) LO Congress report, 1909, p. 68
2) Ibid, p. 70
folly to return to the loose forms that existed prior to 1898, for that would lead to weakness. The only thing to do in order to increase the fighting strength of the trade union movement was to centralise the organisations and create a respectable fighting fund. 1)

Fighting words. But in fact the secretariat was not so clear-headed as this extraction of the juice of its motion suggests, and was far from unanimous that reorganisation was necessary. The long argument of the motion is neither clear nor well written, 2) and seems to have been a compromise among different points of view. In fact the congress had to say SOMETHING about organisation; in view of the large number of motions and the happenings of recent years it could hardly come empty-handed to congress. Everything in the garden was not lovely. The secretariat recommended that congress should discuss the motions and the problem, although it stated that its examination of them did not indicate anything new or very advantageous to the trade union movement. The attitude seems to have been that "Oh, well, we had better discuss this, since there is such a fuss about it". In fact, in spite of its strongly centralising proposals, the secretariat considered that the "present arrangement has been the happiest one for the Swedish labour movement". 3) But none the less its conclusion was that "there ought to be a reorganisation". It is not easy to see the logic of the deduction from the satisfaction expressed with the status quo! Some light on the confusion seems to be thrown by the fact that Lindquist stated at congress that a change in a centralising direction was necessary in view of the general views that seemed to prevail among the members. Nor does the secretariat seem to have expected that its centralising proposals would necessarily

1) Ibid. p. 85
2) Casparsson, op. cit. vol. 1, p. 335
3) Motions, 1909 congress, p. 70
4) Congress report, 1909, p. 85
be accepted if they were not popular, for it added that a decision about reforming JD could not be made at once — the federations must approve the changes. Thus only a preliminary treatment was contemplated at this 1909 congress. The proposals could be discussed by the federations before the next congress, after which it could be decided what form the reorganisation was to take, depending on what the most popular proposals were. The secretariat was thus putting forward very strong proposals in favour of centralisation on the one hand, while on the other leaving it to the organisations to decide by democratic process which line of development would be the one adopted.

The congress debate showed there were in fact three possible choices — status quo, decentralisation, or centralisation. On the arguments in favour of decentralisation was that it would give a broad democratic foundation. Gottfried Björkland considered that it was best to have some form of organisation that avoided big conflicts. If the federations had the right to decide whether support should be given in conflicts the employers would think twice about extending a lockout for fear of incurring public odium. This would in all probability keep the front narrow and prevent such a spread of the conflict as had occurred in the big strike. Lindquist's view of decentralisation was that it did not necessarily follow that the employers would follow suit if the trade union movement were to decide to centralise. In contrast to Björkland's strategic arguments, those of Otto Andersson (one of the founders of the syndicalist movement in 1910) were more tinged by syndicalist theory. He argued the organisations ought to be based on completely syndicalist principles, where no regard was paid to society's interests. The local bodies were in his view the most suitable as fighting organisations. Nils Persson thought that decentralisation would not favour the worst placed groups, that the centralising proposals of
the secretariat were too drastic, and that the existing form of organisation would not be as bad as many people thought. The best decision in his view would be for congress to decide in favour of the existing form but at the same time to decide to have an investigation made into the matter, the results of which could be presented to the next congress. Congress adopted this last line, decided not to arrive at any definite decision about the forms of organisation of LO and determined that a committee should be appointed, along the lines Person had proposed, to look into the constitutional powers set out in the byelaws and forms of organisation.

But this did not end the somewhat confused congress discussion of byelaws in 1909, for item 13 of the congress agenda took up proposals for revising the byelaws that had been submitted for discussion before the committee of enquiry was appointed. In a word, it seems strange that congress should now pass to consider amendments to the byelaws which were shortly to be the subject of an enquiry. This would be in a sense to forestall the results of the committee's work. But it was not until rather late in the debate that this was explicitly recognised, by Ernst Blochberg, who said that these motions and proposals could not be accepted because of the decision previously arrived at to refer the problem of organisation to a committee. 1) But congress nevertheless did discuss and reach decisions on the motions (Nos. 89-92) that discussed the question of greater powers for the representative council and secretariat. The secretariat responded to the motions by making comments and suggestions itself. Dealing with co-operation among federations on wages issues the secretariat said it thought it was right

and necessary for the representative council to have the right to begin sympathetic strikes when employers attacked with a lockout, and that LO should give support to such strikes. This was approved by

1) Congress report, 1909, p. 174
congress after reference to the drafting committee, and was incorporated as § 7, clause 7 to read "On occasions when an attack in the form of a lockout by the employers' organisations is made against organisations affiliated to LO, the representative council has the right, in consultation with the boards of the federations and with the branches concerned, to decide on all the measures that may be considered advisable by reason of the circumstances prevailing". This became § 7, clause 6 in the 1912 byelaws. It will be noted that the initiative still had to come from the employers' side, the workers had to be attacked. This did not mean that LO had double-crossed itself, although it had argued earlier in motion 48 that it should become an attacking body and give support in all conflicts, for amid the jumble of motion 48 it had said that it did not expect this reform to be carried through before the next congress. However, still further confusion was created through congress accepting by 259 votes to 170 a proposal by J. P. Pehrsson that LO should be altered in constitution to be both a defensive and attacking organisation. Lindquist commented that this decision had muddled matters a bit, but since it could clearly not be the intention that LO should at once become an attacking force Pehrsson's proposal must be considered to be a guide for those who were going to work out the reorganisation proposals. 1) But he thought that the byelaws as amended in the secretariat proposals could be drawn up independently of this. Here seems to lie the clue to the muddle. The big strike had caught LO without sufficient powers and so, although the problems of organisation were to be looked into, in the meantime the central body must have greater powers. E. Söderberg (LO secretariat) also stated that when the secretariat decided in favour of these byelaw changes the object was to investigate during the transitional

1) LO Congress report, 1909. p. 177
period whether it would be advisable to have attacking conflicts.

However, the additional powers granted to the secretariat were not great for, apart from §7, clause 7 discussed above, the control given to the secretariat on the other important issue, that of regulating wages negotiations, was not very great. The secretariat proposed that §7, clause 3 should provide that when one or several federations that had members employed in the same craft or industry or with the same employer planned wages movements, either independently or conjointly, such co-operation would always take place between them as to lead to agreement in all the federations on the demands to be put forward. This became §7, clause 7 from 1912. Congress accepted this formulation. Negotiations on wages agreements would always take place in common and include representatives for every organisation affected by the issue, while decisions on all agreement proposals and on beginning and terminating conflicts would be made in common by all the federations concerned and the wages movement. But this was not observed in practice, as the 1917 congress discussion and the 1933 building conflict show.

Neither the secretariat nor the representative council was thus given any specific influence on negotiations that federations carried on, or in questions of strategy and tactics. Thus not much was added in fact to the powers of LO by this congress of 1909, and the problem as to whether in fact LO should become an attacking as well as a defensive organisation was shifted to the 1912 congress.

When it reported the reorganisation committee a status quo attitude to the problems of centralisation, favouring neither the centralising proposals that the secretariat had put forward in 1909 took

1. One new obligation adopted was that the federations should report to the secretariat of LO - if they were receiving support from LO (a big qualification!) - the state of a conflict and send a report to the secretariat when it ended.
no decentralisation in order to give the federations complete independence in conflicts. This last line was favoured by four of the committee, but the majority took the view that there should be mutual economic support between federations through IO. This support would however be limited to defensive conflicts and the amount of support was to be fixed at a level that made the federations bear the burden as much as possible. (Presumably this would make them more responsible in deciding whether conflicts could be supported financially.) As regards forms of activity, the committee said the federation form should be retained. The federations formed the crux, and the committee considered that most of the workers favoured their retention. The congress of 1912 made its decisions in accordance with the view of the committee majority. In reply to motions (no. 6, 7, 10 and 19) suggesting, e.g. that IO should be both an attacking and defensive organisation (motion 6), and that all wages movements and other disputes, both of an attacking and defensive nature, should be carried on by IO (motion 7), the secretariat replied that this was something that congress could not approve. The consequences of such decisions would be to introduce the strong centralisation sketched by the secretariat in 1909 in response (note) to the many motions on the subject in that congress, but which had gained no adherence. The feeling of the organized workers seemed by no means to be such as to favour the strong centralisation of trade union activity that such proposals as those of 1912 wanted.

In the congress discussions on the motions, J.E. Hall thought that conflicts on a large scale were the likely form of labour dispute in the future and that IO should apply for it accordingly. Charles Hindley did not go as far as Hall but he thought it proper that the support obligation of IO should be extended to cover strikes that had to be resorted to in order to regulate national agreements, though he
though he did not think it was possible for LO to give support in all conflicts without its having greater powers and influence on the origins of conflicts. Lindquist said that if it had been at all possible the secretariat would have agreed to support the proposals for making LO an attacking body. But this was simply not possible at that time, although he thought developments would make it possible to arrive at decisions along the lines suggested in the next congress. In that event the secretariat must be given greater influence over conflicts.

Congress supported the secretariat by 100 votes, against 53 votes in favour of Lindley's proposal to give strike support when the issue at stake was the regulation of a national agreement. In the end, therefore, not much centralisation emerged from the criticism that had swept through the trade union movement in 1909. The period of self examination had not produced any important changes in the powers of the secretariat. In part this was the product of the decline in membership and of the general ennui that pervaded the trade union movement in the years immediately following 1909. There had been a crisis, and the period of reaction had to take its toll. But equally important was the fact that the syndicalist movement had been founded in 1910, and to ask for increasing power at the centre when membership was in any case falling and a bright new organisation advocating decentralisation was looking for recruits would have been a tactical blunder on the part of LO. But sometime the problem would have to be faced, if for no other reason than the fact that when the employers presented a united lockout front on any issue the trade union movement sat at an immediate disadvantage because of the lack of a central supra-federal body empowered to make decisions in conflicts. And the problem was to recur. As it did there emerged a gradual shift in emphasis, away from the negative stress on defending oneself from attacks by employers to a
positive approach which stressed not simply the requirement that LO should be able to attack but also that central control would lead to greater material wages benefits and a more altruistic policy on the part of individual federations.

In the 1917 congress motion 33 wanted § 7, clause 7 (on consultation between federations on wages issues) to be revised in such a way that it was an absolute condition that federations covering workers in the same trade or industry or working for the same employer should consult one another, and that none of the federations affected in this way might complete its wages negotiations until uniformity had been reached for all the federations affected. Congress agreed with the secretariat view, however, that it was unnecessary to prohibit federations arriving at separate agreements and might even be injurious, e.g., when it was advantageous for one or several federations to arrive at agreements even when this could not be done for all.

In the 1922 congress the issue of LO becoming an attacking body that was obliged to give support in both strikes and lockouts was again raised, and the secretariat replied that not only would fees have to be raised but also that right of self determination of the federations would have to be restricted and the right to examine and decide upon the beginning of wages movements and conflicts, which the boards of the federations now had, would have to be transferred to the LO secretariat. It is not impossible that a trade union movement centralised in this way could, under a wise and cautious leadership, win economic advantages for the members at less sacrifice than in the case at present, but the system puts terrific demands on the discipline of the members and their ability to subordinate their own interests to those of the whole. This consideration does not seem to have entered into the motions. On previous examinations of this

1) See motions 62-73 and 22-36
question the federations and their members have tried to defend their right of decision and definitely opposed a revision involving increased centralisation. Everyone wishes to have the greatest possible freedom in his own sphere of work. 1). For this reason the secretariat did not think there was any very widespread view among the members in favour of a revision of the byelaws of LO in the direction proposed. But the work of the movement would undoubtedly gain if there was greater cooperation in conducting wages negotiations and, in view of LO's existing support obligation and the effects one federation might have on others in wages issues, it seemed to LO that it ought to be in the interests of the federations to cooperate with the secretariat by discussing important wages agreement questions to a greater extent than was now the case. Congress approved this approach, and also empowered the secretariat to make an enquiry into the economic effects on the federations of introducing a partial obligation on LO to give support in all conflicts. This was at least a step away from the view that opposition to centralisation was a matter of principle to the other point (less frequently stressed), that it was equally a problem of the financial resources available. This last had indeed been a predominant factor making for a limitation of LO support when the original byelaws were drawn up in 1895.

In this congress too a discussion was begun on wages policy which recurred in connection with the debate on the constitutional powers of LO in later congresses. Consideration of the details of the proposals will be best postponed until the discussion of wages policy in its full scope (chapter XXI), but in the present connection the part played by considerations of wages policy in the constitutional debate cannot be overlooked. Motion 44 argued that under the existing 1) Statement by the secretariat No. 3, congress report, 1922, p. 159
system of wages negotiations the gains of one group of workers often reacted unfavourably on the position of others, and if any real improvement was to take place they must press forward on a common front and forget group and guild points of view. The motion then asked congress to emphasise that activity should be directed towards helping the worst paid groups of workers to obtain better conditions. This is the beginning of what later became known as a wages policy of solidarity. The secretariat agreed with a request in the motion that the relative wages position of groups of workers should be taken into account in deciding on questions of support in conflicts, by asking congress to agree that preference would be given, as far as circumstances permitted, to the lowest paid groups of workers in deciding whether to approve conflicts. The same problem of wages solidarity was discussed in 1926 in motion 7, and the problem of the form of organisation and constitution necessary to put it into effect was raised. The motion argued that the existing setup did not make a wages policy of solidarity possible, since the various federations themselves planned and determined their wages issues to a very great extent. The question of centralisation ought to be examined and, although the branch was not blind to the difficulties of creating such a strong leadership, it considered this was the only way to obtain an effective and flexible trade union movement. It suggested therefore that the federations should become sections in IO, that support activity should be concentrated in whole or in part to IO, that decisions on terminating and making proposals for agreements should be examined and approved by the secretariat, and that IO was to approve all conflict measures. The secretariat said in reply 1) that the motion was obscure but that it seemed to want the leaders of IO to be given dictatorial powers in relation to conflicts.

1) IO congress report, 1926, p. 56.
Other motions, less altruistic, were presented in 1926 (nos. 1-9) on the familiar themes of giving support both when conflicts were defensive and attacking, and on whether the whole scheme of organisation should become centralised in character. The secretariat answered them by pointing out that greater support obligation for LO would involve infringement of the freedom of movement and right of decision of the federations, and to this they were unwilling to submit. So the secretariat recommended, as it had done in the past, the preservation of the status quo. But congress took a different view, rejected the LO statement by 131-127, and decided, on the proposal of Erik Andersson and others, to agree to the appointment of a committee in order to have an investigation made into the whole background to the problem of revising LO in such a way that it became an attacking body, and to get the views of the federations in relation to the wages policy of solidarity that motion 7 had raised. The wages policy aspect was thus the main problem emphasised when the 1931 congress discussed the centralisation issue yet again.

The secretariat doubted, on the basis of the enquiry it had made as a result of the 1926 congress decision, whether in general there had been any change in the trade union movement away from the status quo line of 1912. It was doubtful too whether centralisation for the purpose of a more consolidated wages policy would necessarily give the similarity in wages that had been expressed as desirable in 1922. It did agree, however, that the congress decision of 1922 to give prior consideration to federations representing lowly paid groups of workers when deciding on conflict approval was a correct one.

On a more concrete plane, the secretariat had also worked out the fees to LO that would have been required for LO to give support in all conflicts - strikes and lockouts - in the period 1913-1929, and the

1) LO Congress report, 1931, p. 51
result showed that it would have been necessary to charge on the average 13.39 crowns. In fact the federations had been charged 3.02 crowns on the average for full paying members, and levies had averaged 5.12 crowns. The conclusion was that if LO was to support all conflicts a big increase in fees would be necessary. As always, however, these figures are not the last word. As Hjalmar Lundgren pointed out, this calculation gave no indication as to future trends, nor could it show what would have been the position if LO HAD been giving support in all conflicts. There might not have been so many if LO had had greater control over wages changes! But the secretariat came to the conclusion that the reorganisation committee had reached in 1912 - preservation of the status quo in respect of the co-operation of the federations, co-operation within LO, and the obligation of LO to lend support in defensive labour conflicts. The representative council had taken the same view. In the debate Charles Lindley warned against trying to preserve the status quo too long. But on the conclusion of the debate the statement of the secretariat was approved by congress. Status quo was also the verdict on the new byelaws for LO that the secretariat presented in this congress. (A request for new byelaws for LO and the federations had been raised by the stoneworkers' federation in the representative council in 1930).

By the time the next LO congress met in 1936 there had been considerable movement away from the status quo approach. Three different elements contributed to the change, namely the building industry conflict in 1933-34, the government committee (the Nothin) on problems of industrial relations, 1) and the change in the attitude of the trade union movement to society and what it understood by social responsibility. This last was in part the result of the other factors.

1) See SOU 1935: 65 and 66. This report is discussed in some detail in chapter XV.
and of the rise to power of the social democratic party, but it was also the product of a more mature attitude to problems of industrial relations.

The conflict in the building industry in 1933-34 was one of the most significant disputes in the 30s in Sweden, for not only did it considerably hamper the government in its policy of stimulating public works during the depression but the matter of settling the dispute that had to be resorted to raised some fundamental issues as to the constitutional problems of the Swedish trade union movement. 1) These were in part taken up by the Nolting committee, and the effect of the building industry conflict was also reflected in several of the demands put forward for labour market legislation, many of which sprang from the feeling that groups in society must not be allowed to hold society to ransom and, in this particular case, to upset economic policy, particularly when it appeared that much of the trouble lay in contradictory and ill-formulated byelaws of these groups.

The strike in the building industry began on 1st April, 1933 after negotiations had broken down over the terms of a new collective agreement. The employers' side, represented by the building industry federation, wanted cuts in hourly and piecework rates of wages, while the three federations (unskilled and factory workers', building woodworkers' and masons') representing the workers' side asked for shorter hours, longer holidays and other improvements. The employers began to apply reduced rates from 1st April, before agreement had been reached, and the workers downed tools successively in different

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1) The problem had already arisen in 1928 in the lockout in the paper and pulp industry, where the pulp industry workers refused to give powers of attorney to their representatives to arrive at an agreement "at the table", and other workers' federations accordingly had their members locked out by SIF. LO came out then in favour of arriving at an agreement on the spot, in spite of the adverse vote of the members of the paper pulp workers' federation. See Caspersson, op.cit., vol. ll. p. 101.
workplaces until after a few weeks there was almost a complete stoppage of work for the organised building masters. No settlement had been reached when the prime minister and minister of social affairs called representatives of the disputants together on 20th September and urged them to take note of the seriousness of the situation. The stoppage of work was preventing important public relief works from being commenced. A proposal for agreement was also presented which involved cuts in both hourly and piecework rates of wages. The employers rejected the proposals as being insufficient, 1) although the workers' side did vote in favour of the government's mediation proposals.

In January, 1934, SAF brought other unresolved disputes, in plumbing, electrical installation, and stone work into the disagreement by saying that these would have to be solved along with the building industry conflict. This brought three more trade union federations into the picture. The conciliation commission said it was prepared to put forward proposals for a general settlement on condition that both sides accepted them. Meantime LO had been advising the building industry workers' federations to make strenuous efforts to reach a settlement, while SAF told the commission that a lockout (which would have affected about 200,000 men) would be declared from 6th February, 1934, if no agreement had been reached. The representative council of LO met on 3rd February and decided to approve the recommendation of the secretariat that the conflict should be settled on the terms of the conciliation commission proposals. By this time the funds of the trade union movement had been drained to such an extent that it was in

1) It is suggested in J. Sigfrid Edström, Vol. 11, p. 63 that the employers opposed government intervention in principle, and also considered the government proposals more disadvantageous to them than those of the conciliation commission.
no state to meet a big lockout. Likewise there was apprehension about the prospect of the government intervening with a law on compulsory arbitration if a solution was not reached soon. The federations involved in the conflict were given a few hours to decide whether to agree to the proposals, and eventually they all did, although the masons only agreed to recommend the proposals to its members for acceptance on the understanding that this was on the direct exhortation of the LO representative council. The proposals were then sent out for voting.

On the 5th the secretariat of LO published a communiqué to clarify the situation and justify the intervention by the representative council, which hoped that the workers organised in trade unions would understand and appreciate its motives. But the result of the voting in the various federations was that, although a majority vote for approval was obtained if all the votes of the federations involved were taken together (20,633 to 14,899), two federations, the metal workers and the masons had, when taken separately, a majority vote for rejection. The metal workers presented no problem, for the federation announced that since by its bye-laws it had the final say in making decisions of this kind it had decided to accept the proposals, i.e. to override the adverse vote. The masons (with 2,908 noes and 2,645 ayes) did not however think that the board could go against the wishes expressed by its members, and it stated that it intended to inform the commission that the proposals could not be accepted. What was to be done now?

At this time the provisions of LO bye-laws introduced in 1909 and confirmed in 1912 provided for co-operation among federations in wages actions in which they were mutually involved, and also for decisions being made in common by all the federations affected by the matter if the beginning and termination of a conflict was contemplated. There was no provision in so many words that heads were to be counted, but the representative council argued that the
byelaws would not make sense if this were not the intention, and that the provision was useless if it could not be used in just such a case as this. Forsland in fact argued that the byelaws of the masons' federation seemed to conflict with those of LO, and the latter should clearly take precedence, particularly since § 3 of the byelaws of LO required prospective members of LO to recognize the purpose of LO and be willing to follow its byelaws. But even apart from constitutional arguments, could the trade union movement in fact afford to have a minority, as the masons were in this case, going against it?

The eventual outcome was that the representative council of LO decided unanimously (although three members asked it to be recorded that they had not voted) that "The voting on the mediation proposals put forward by the conciliation commission for solving the building industry conflict has resulted in a majority in favour of all the federations taken together. The proposal has however been rejected by a small majority in the metal industry workers' federation and the masons' federation. On the basis of §8, clauses 6 and 7 of the byelaws of LO, the representative council enjoins the federations affected by the conflict to approve the conciliation proposals on the basis of the total vote". The agreement was signed the same day, 14th February, and the ten months' conflict was at an end at last.

This conflict had clearly directed attention towards the need for a revision of the byelaws of LO in a centralising direction, LO had already gone some way towards obtaining uniformity in byelaws. At the meeting of the representative council in May, 1930, the board of the stoneworkers' federation had asked for a revision of LO and federation

1) In 1909 and 1912 the relevant provisions were included under §3.7.
byelaws, since it felt the existing byelaw position was equivalent to ancient times when every province in Sweden had its own laws.

So the council instructed the LO secretariat to set up a committee, and as a result of its deliberations the LO byelaws were approved in status quo form in the 1931 congress, while the federation byelaws, after being passed to the federation for their views, were ultimately approved at a meeting of the representative council in November, 1933. The aim was to obtain some uniformity in the byelaws, to have a "normal" form for them. But this attempt to introduce uniformity came too late to have any influence on the building industry conflict although, as chapter V showed, it has since had the effect of introducing a large measure of uniformity into federation byelaws.

Among the welter of motions submitted in Parliament in 1934 on the subject of labour relations several raised issues of the prevention and settlement of conflicts that threatened vital social functions, and their settlement by arbitration or prohibition, mediation proposals, emergency legislation, and the structure, position, organisation and activity of the labour market organisations.

It is with this last problem that we are immediately concerned, although it was only one of the subjects that were to be tackled by a three-man committee - the Nothin committee - which the government appointed on 31st December, 1934, to make a preliminary investigation into the subject of intervention by society in certain spheres of economic life. Besides discussing problems of production, social legislation, income distribution and wages, the report of this committee discussed the organisation of associations and questions relating to protection of the right of

1) SOU 1935: 65 and 66.
association and of non-association. More specifically, in relation to labour peace, it took up questions of voting in the trade union movement, centralisation of the right of decision and the competence of associations to make decisions.

On these and other matters the committee recommended that, before attempts were made to legislate, the possibilities should be investigated of whether the parties on the labour market were interested in making intervention by society for the purpose of ensuring labour peace unnecessary through arriving at voluntary agreements themselves. The onus was thus placed fairly and squarely upon the organisations on the labour market and elsewhere to put their house in order - or else. But the threat was not negative, for the committee did suggest ways of improving the system of organisations and their powers. It argued that increased centralisation of the associations in relation to their individual members and affiliates was desirable so that the labour market organisations, and particularly those of the workers, were in a position to control themselves and their activity. In the view of the committee a strong system of organisations was the best guarantee of social peace. The more specific recommendations on particular points that the Mothin committee made will be discussed in relation to the new formulations LO devised for its byelaws in 1941, but it is important to note that the committee had a powerful psychological effect on the organisations. One result of the report was the setting up of the Labour Market Committee by LO and SAP in 1936, the deliberations of which culminated in the Basic Agreement of December, 1938; 1)

but in relation to the constitutional problems of LO it also contributed to a new urgency within the movement to devise more

1) See Chapters XV and XVI.
appropriate constitutional forms.

The influence of the Rothen committee report is not immediately or directly recognised in the fundamental discussion of constitutional reform that took place in the LO congress of 1936. The emphasis there is on social responsibility that had emerged as a result not simply of the Rothen report but of a growing awareness that the trade union movement was now mature enough to be responsible and had to be responsible in outlook now that a social democratic government was in power. Likewise, on the problem of wages solidarity the constitutional power issue goes back to the motion of 1922 on the subject and is of older vintage than the Rothen Committee. But the Committee did give an added push in the direction which the trade union movement had become increasingly aware it must follow. It might even be argued that it provided LO with a welcome lever with which to convince any of its individualist federations of the need for greater power at the centre, for the earlier debate had shown that LO itself did not always oppose centralisation, but feared it would lose the support of federations if it did try to dictate action. 1) In 1934, however, it had had to dictate the trade union line in the building conflict and this too was bound to precipitate a discussion of constitutional problems in the 1936 congress.

1) Sigfrid Hansson, a prominent historian of the Swedish trade union movement, was still able to write in 1935 (in SOU 1936: 66, p. 471 et seq.) that it was the federations that were the hub of the trade union movement, and that LO was only the formal head. In speaking of centralisation he considered it only in relation to what he called the far reaching powers of the boards of the federations, not of LO. He expresses similar views in Mackmyra till Saltejöbaden, p. 23. This point of view expressed by Hansson was quoted by Torvald Karlsson in the 1941 congress of LO to support centralisation arguments.
Many of the motions submitted dealt with technical questions of organisation, but others raised fundamental issues, such as the purpose of LO, the objects and duties it should have, e.g. that LO should become an attacking as well as a defensive body. As motion No. 5 pointed out, the decision to give support only when the employers attacked may have been very admirable when the trade union movement was weak, but now the number of lockouts had fallen and strikes had increased in number.

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In reply to these motions the secretariat of LO said that the question of the constitution of LO, its task and objects, should be made the subject of a thorough enquiry, for there were a lot of factors that could not be treated in isolation. If, for instance, LO became obliged to give support in all conflicts it was clear that fees must also be revised, for the greater demands then made on LO would necessitate a strengthened financial position. Obviously attempts should be made, thought the secretariat, to achieve greater uniformity in the question of wages negotiations and conflicts. It therefore proposed a comprehensive enquiry, the purpose of which was more closely defined in relation to an extremely important motion (No. 224) submitted by the board of the Metal industry workers' federation. Much of the motion continued to harp on the theme that "Metal one" had first announced in 1922, the policy of wages solidarity, and the detailed aspects will be continued in chapter XXI on wages policy. Here only such points on wages policy as were relevant at the time to the constitutional debate will be taken up.
The motion seems to have been the fruit of committee work in which all the industrial federations in LO participated, 1) and it was presented under a consideration of industrial life and wages issues. It drew attention to the increased influence of the trade union movement in society and to the strengthening of the political position of the working class. This increased influence brought with it increased responsibility for the wellbeing of the whole. A movement that carried out reforms and sought to remould society on the basis of solidarity could not weaken this foundation through considering that it itself stood apart from society. Instead it must consider the point of view of society in its actions, overcome sectional points of view, and work in a positive way to strengthen society in order to make possible a decent livelihood for the whole people. It must devote its collective energies to making the country a leading one in social and economic matters. From this it followed that the trade union movement must co-operate in the sound development and strengthening of economic life, for this was the sine qua non for obtaining better social and economic conditions. To this end the trade union movement must concentrate its energies on the following objects: social control over the economy, and influence for the employees in the management and running of business; 2) social policy measures to preserve a reasonable standard of living in certain branches of the economy; and a social (with the emphasis on co-ordination) wages policy that aimed in the first place at helping the lowest placed groups of workers.

Although this motion constitutes a landmark in the development of a positive attitude to social and economic problems, it was mainly

1) See Albin Lind, Solidarisk Lønnepolitik, p. 8
2) The development of this aspect is dealt with in chapter XVIII on industrial democracy and enterprise councils.
in relation to wages policy that it discussed the necessity for greater constitutional powers in LO. At present, it argued, the possibilities LO had of exercising an influence on wages negotiations were extremely slight. There was nothing to prevent all the trade union federations from terminating their agreements at one time, and having the right, in accordance with the support provisions of the byelaws of LO, to demand economic support from LO. Moreover, it was only when a strike or lockout broke out that the federations were obliged to report the fact to LO. Again, federation byelaws were not uniform in their provisions on voting for the beginning of stoppages. Some prescribed a qualified majority, others a simple majority. "In matters relating to the common strike fund it ought to be reasonable to have identical provisions in the byelaws on this matter". Lack of planning of wages negotiations should be replaced by provisions that made it possible for LO to have discussions with the boards of the federations concerned before important wages movements were begun. The secretariat of LO ought also to have the constitutional right to be represented at major negotiations, for SAT was represented on such occasions. To achieve all these objects the motion accordingly asked for a committee to be appointed. An objection to this was raised by Sven Skatrö (of the Foundry Workers), who said that if the enquiry were undertaken it would not discuss the question WHETHER or not LO should have more power but only HOW it should have it. Congress was binding itself in advance to give more power to LO if it accepted the motion. But his viewpoint was rejected.

In its comments on the motion the secretariat said it shared the view that the trade union movement had now won such a position in

1) LO Congress report, 1936. p. 450
society that it had a duty to interest itself in economic problems in a wider context. It had a positive interest in good living conditions for the whole people, but not in group and guild interests, anymore than capitalist private interests, obtaining a dominating influence. It was also important for the strength and unity of the trade union movement that the wages gap between better and worse placed groups of workers should not be widened. A just and purposeful wages policy posed great difficulties, but a necessary condition of the trade union movement's ability to master the social and economic problems involved was undoubtedly a change in the constitution of LO. The competence of the secretariat was extremely limited according to the byelaws then in force. In practice LO was only a form for the insurance of the federations against economic visitations. But in the public consciousness LO occupied quite a different position. In conflicts people were always asking for the leadership and views of LO. Greater uniformity in relation to wages negotiations and conflicts could only be created through a thorough revision of the powers of the secretariat, but this it was not prepared to recommend (cf. its attitude 1909!) without a detailed investigation of all the circumstances relating to the question.

One or two speakers to the motion put interesting points. It was a sign of the maturity of the movement that the question was to be taken up. Although the trade union movement had influenced developments in the past this had largely been a byproduct of attempts to obtain a more just division of the national cake. Now attempts must be made consciously to influence developments in a definite direction. Time and again it had been demonstrated that disputes among federations had at bottom been based on the wages situation in different industries. It was anarchy for each federation
to operate independently, for this weakened the whole trade union movement.

With only four dissentents congress decided to declare in principle in favour of a revision of the byelaws of 10 along the lines proposed, and the secretariat was empowered to appoint a committee. This was duly done on 1st February, 1937. Fifteen members were appointed and, besides its formidable agenda on questions of framing wages negotiations, workers' influence, the attitude of the trade union movement to the state, the organisation of the economy, the committee took up, through a sub-committee, the constitutional questions involved. When it was published in 1941, therefore, the report of this 15 man committee included proposals for the byelaws of 10, of the federations affiliated to it, and the local central organisations. It was felt that it was necessary to indicate more precisely in the byelaws the obligations of individual federations to one another and to the trade union movement united in 10.

In the view of the committee the byelaws should express the basic principles of the trade union movement, and in their preamble they explained that the trade union movement wished to promote the interests of the wage earners on the labour market and in industrial life. In carrying out this task 10 should strive to ensure that the affiliated organisations carried on their activity along uniform lines and in co-operation with one another, taking account of common interests, individual rights and the just demands of society. It was therefore inevitable that it should be made possible for 10 to influence and take an active part in the planning and execution of operations that might be found suitable and well adapted to the end in view. A united front and better planning of wages negotiations and

1) Fackföreningsrörelsen och näringslivet, p. 193.
labour conflicts could be achieved if the central leadership of the movement had authority to take an active part in discussing such clashes of interest as might be expected to lead to conflicts on the labour market. It did not take the view that byelaws that did not take account of special circumstances should be foisted off on the trade union movement, although some obligatory provisions were advised on fundamental issues in which uniformity was required.

At a three day meeting in June, 1941, the representative council of LO approved the proposals of the 15 men dealing with principles and byelaws, in spite of opposition from the compositors and Sven Eksström. Thereafter the federations were asked for their views, and the secretariat presented the proposed new byelaws to congress. A number of motions (1-36) were put forward asking for rejection or alterations, and in fact the byelaw proposals raised much more discussion at congress than all the other matters that the 15 men had discussed. For example, Sigvard Cruse (of the compositors), one of the main speakers against the revised byelaws, said he had no great objections to the principles set out in the 15 men report, but did object to certain of the byelaw proposals, particularly those that aimed at removing the right of decision of the federations under §15. In fact most of the criticism was levied at §15, which dealt with procedure in the event of conflicts and in wages negotiations, the three percent rule etc. After a number of changes had been proposed and a proposal to let the matter rest until the next congress had been defeated, the proposals (with amendments) were remitted to the drafting committee which suggested some changes in the original proposals. These were accepted by 320 votes to 17, with 15 abstentions, even Cruse saying
that he was now quite happy that the modifications would remove the dangers that had led him to oppose the original proposals as a threat to the independence of the federations to carry out their own intentions when this could be done without prejudicing the rightful interests of others. 1)

Nevertheless, the revision of the byelaws was very comprehensive, for besides purely technical changes there were alterations to take account of the new emphasis in wages policy and the growing position of LO as a powerful group interest in society. "Without express reference either to the one or the other (wages policy and social factors) of these aims the adherence to the centralisation line has been dictated by the general interest in having closer co-operation and consolidation in the movement, particularly in view of the centralisation on the employers' side." 2) To the congress Sölven argued that a further reason for extending LO's powers was that this would make it more possible to avoid intervention by society in the freedom of the movement. There was no point in having a Basic Agreement with a chapter V on socially dangerous conflicts if there were only paper guarantees that the decisions of LO would be respected. 3)

The remainder of this chapter will be devoted to an analysis of the byelaws adopted in 1941 (with later amendments included) at the end of the long period of evolution described in the earlier part. We consider the objects of LO, the machinery by which it operates, and the powers placed in the hands of the executive part of the machine.

The objects of LO were set out with greater emphasis on the political aspects than had been the case since LO severed the explicit

1) LO Congress report, 1941. p. 442.
connection with the party in 1909. Now (§1) IO was said to be an association of the trade union organisations in the country, with the task of exercising the central leadership of the efforts of the movement to look after the interests of the wage earners on the labour market, and in this and other respects of working for the development of society on the basis of political, social and economic democracy. The emphasis on political democracy was new in principle, reflecting the motion (No. 224) in the 1936 congress on social and political democracy, although in fact co-operation with the social democratic party had always remained close. For the purpose of promoting these general objects certain more specific tasks were laid at the door of IO, such as seeing that the trade union activity of the affiliated organisations was carried on along uniform lines and with due regard to co-operation (consolidated wages policy), while taking account of common interests, the rights of the individual, and the just demands of society. Other functions of IO were to look after the interests of the wage earners in legislative and social policy matters, and to collect and work up statistical material in order to obtain a picture of trade union activity and general conditions on the labour market. This last was of course not new, but has gained in significance with the growth of economic thinking and planning in terms of macro concepts. IO was also to promote the education of the members in political, trade union and cultural matters, promote international contacts, and provide financial support in conflicts on the conditions prescribed in detail (and discussed below).

As a result of the byelaw revisions, the secretariat of IO now has the job of supervising the union policies of affiliated organisations, and works for the uniform planning and execution of this policy, a duty that follows of course from the tasks of IO as
as set out in 1, which include that of pursuing a consolidated wages policy. It has also routine tasks, administering the assets of LO, promoting international contacts, and shaping LO policy in relation to legislative proposals. The revised byelaws also introduced certain obligatory clauses for the byelaws of affiliated organisations (discussed in chapter V) together with revised proposals on three (since 1951 four) topics that constitute the meat of the centralising policy, namely:

1. the organisation plan (implemented in 1951)
2. internal disputes
3. wages policy and negotiations
4. procedure in conflicts and grounds for financial support.

It is worth considering these separately, for they are of prime importance in the discussion of the manner in which LO keeps its house in order.

1) The plan of organisation. As from the 1951 congress the secretariat became empowered to examine and settle questions relating to the interpretation and application of the plan of organisation of LO. This has only been catered for expressly in the byelaws for cases where such questions were the subject of disputes between federations. In 1951 the secretariat argued that questions relating to the interpretation and application of the plan of organisation could arise without there being any specific dispute, and that this was such an important matter that the byelaws ought to say so explicitly. This was agreed to in 1951.

2) Internal disputes. Since the revision of the byelaws in 1941 the secretariat of LO is empowered to examine and decide upon (previously "try to settle") disputes that arise between the affiliated organisations, and to work for staunch and loyal co-operation between the organisations. This on the other side involves general duties

1) For the debate and organisation plans for LO in general see chapter VII.
on the part of the federations, which are considered in § 14 of the byelaws of LO. There it is provided that when a member has obtained employment in the sphere of activity of another federation, the organisation must co-operate in having his membership transferred to the new organisation. § 16, clause 2 of the pre 1941 byelaws provided that workers should be organised in the federations in whose sphere of activity they were employed. A member who had obtained employment in the sphere of activity of another federation was obliged to shift his membership to that other federation, which had no power to refuse the transfer. From 1951 this obligation on the individual member as well as the organisations was reaffirmed and extended to include, besides the cases where a worker had obtained new employment, cases where, by a decision of the secretariat of LO, the member was to belong to another organisation.

Under the old byelaws DISPUTES that arose between federations should, on the request of either party, be referred to a board of arbitration especially appointed for the purpose, the secretariat of LO having the right to appoint the odd member if the parties could not themselves agree on this. By the 1941 byelaws, disputes that arise between organisations affiliated to LO are to be referred to the secretariat of LO for its examination and settlement. The secretariat is to decide on the disputes referred to it as quickly as possible and at the latest ten days after the matter is referred to it or, where the secretariat finds negotiations advisable, not later than ten days after the negotiations are ended. The secretariat is a board of arbitration in such cases. There is no appeal against its decision. The main reason for the change adopted here was that, since most inter-federation disputes refer to bounds of activity
and organisation matters, it was better to have one body making the
decisions than fortuitous boards of arbitration set up for each
class.

3) Wage policy and negotiations. The byelaws remained the same in
stating that the secretariat had, when circumstances so required, to
give support to the affiliated organisations in negotiations on
conditions of work and wages. It was also empowered (§ 15, clause 2)
to take part, where it considered necessary, through one or more
delegates in the wages negotiations of affiliated organisations. This
was not new but, as Solven points out, 1) although the secretariat
had previously been entitled to participate in negotiations on its
own initiative, it had been the rule that the secretariat took part
only when the federations requested it to do so. What was
constitutionally new was that the secretariat was now empowered to
present proposals for an agreement to the organisations affected by
the negotiations. Although it has not been prevented from doing so
in the past formal recognition was now given to this right. A
sanction was also introduced (§ 15, clause 8), providing that if
a proposal made by the secretariat is rejected by the federation
concerned, and it is receiving conflict support, the representative
council (from 1952 the secretariat, which illustrates further
centralisation) may decide to withdraw it. Such a decision requires
a two thirds majority of all the members of the secretariat (which
normally arrives at its decisions by a simple majority vote of all
the members). However, this decision to withdraw support is
qualified to the extent that it cannot be taken unless the conflict
causes or can be feared to cause considerable inconvenience for
other affiliated organisations, for the trade union movement as a

1) op. cit. p. 46
whole or for vital social interests. 1) There is a right of appeal against such withdrawal of support to the representative council and to congress.

On the subject of wages negotiations, an addition was made to the old provision stating that if several affiliated organisations that had members employed in the same industry or trade intended to begin wages negotiations for them there should be such co-operation between them as would lead to agreement on the demands to be presented. But there had been no provision as to what was to be done if different decisions were arrived at, as sometimes happened. The addition now provided that such co-operation should take place under the leadership of the secretariat. 2) A further new provision is that this should also apply when it is the employers' side that begins the wages negotiations.

The secretariat has the duty of providing continuous information on important wage agreement negotiations and disputes to the affiliated organisations that are affected or could be expected to be affected by them. When the question is one of wage agreement negotiations or disputes the course or result of which may be important in principle or be of wide practical significance for several affiliated organisations, the secretariat of LO is obliged to call representatives of them together at a meeting for information and discussion.

Affiliated organisations are also obliged to keep the secretariat informed about important wages issues and labour disputes.

1) This last clause has been reframed in this way since 1951, for reasons explained below.

2) The Nothin Committee had suggested that when a wages conflict affected several federations in common the secretariat of LO should have the final decision. SOB. 1935: 65, p. 109
and (since 1951) are obliged to indicate the number of members affected. These obligations now apply irrespective of whether a conflict has in fact broken out.

4) Requirements for commencing a strike and receiving support.

Increased central influence over the conduct of conflicts formed an important part of the byelaw revisions, not only because it was decided that support would be extended to cover strikes (i.e. "attacking" conflicts) - and for this purpose increased control from the centre was necessary - but also because of the social requirement that LO should be responsible in its attitude to the pressure that strikes put on society. The 1941 byelaw revisions were not absolutely clear on this last point and have subsequently been clarified.

The original formulation on strike permission in 1941 was that an organisation affiliated to LO must not resort to a strike embracing more than 3% of the members of the organisation without first obtaining the permission of the secretariat. Strikes on a smaller scale than those covered by the 3% rule might not be resorted to if they could be expected to lead to a lockout of more than 3% of the members of the organisation or of members of other affiliated organisations.

Here two questions were somewhat muddled. The provisions take account of a question of fact - whether 3% of the membership are affected - and also a question of probability, based on likely developments and expectations. Both these questions were raised in the 1951 congress. In connection with the 3% rule Motion 7 wanted modifications such that affiliated federations and branches had greater freedom to deal with issues relating to wages and

1) In fact LO had in recent years given support to an increasing extent in conflicts that were in reality, though not formally, attacking conflicts.
contract negotiations, while motion 8 asked for repeal. Motion 12 took the opposite view, and asked that the rules on strike permission should be changed in such a way as to make it compulsory to obtain the permission of the secretariat of LO before any strike was resorted to, and not merely those that affected at least 3% of the members of a federation. The main reason put forward for the proposed change was that federations that had national and branch agreements could hardly ever hope to make use of the 3% rule. The secretariat agreed in its statement on these motions that motion number 12 drew attention to a very obvious defect in the constitution of LO.  

The secretariat recalled that it had argued to the congress of 1941 that it would have been most logical to make the right to strike dependent on secretariat permission in all cases, particularly since the support obligation of LO was being extended to cover all conflicts. The reasons why they had not gone so far were because of the practical difficulties in the way of the secretariat taking in hand the very small conflicts and, in particular, because it was generally only the larger conflicts that had such an effect on the trade union movement as a whole that they justified control over them in the byelaws being given to the leaders of the whole movement. Nevertheless, the secretariat had very seriously considered asking the 1951 congress to extend the rules to cover all strikes, just because, for one reason, the 3% rule had such a different effect on different federations, depending on their size, and also (and here we pass to the question of probability) because of


2) See a speech by August Lindbergh (then chairman of LO) in LO Congress report, 1941. pp. 118-9.
the great difficulty that existed in estimating in advance whether conflicts might lead to a lockout against more than 3% of the federation's members or against members of other federations, or whether it would result in considerable inconvenience outside the sphere of activity of the federation most directly concerned. These were tricky rules to interpret in advance. But eventually the secretariat had decided not to propose an extension of the rules to cover all strikes, for the same reasons as it had advanced in 1941. However, it pointed out that the 3% rule did not mean it had no influence on federations when issues arose that fell outside this rule. For the secretariat was entitled in every conflict to present to the federation involved proposals for agreement, and the representative council (changed in 1951 to the secretariat) had the right to decide to withdraw conflict support from a federation if it rejected such a proposal.

However, the secretariat did not think the formulation of the strike permission rule was completely satisfactory. Formally the rule did not prevent a federation from resorting without permission to a strike which did in fact affect more than 3% of its members, if the number of members primarily and directly affected by the strike did not amount to 3% of the membership. Strikes could be begun for example at certain key points which resulted for technical reasons in other branches of an enterprise being affected, and this might result in personnel having to be released ("laid off"). Nor did the rule prevent such a "small" strike being begun even if it could be anticipated to lead to the laying off (the 1941 bylaw provisions only envisaged locking out) of members of other federations. Obviously, if such strikes were begun with an awareness of these possible consequences, this was not in keeping with the meaning of the rules, even if it

did not conflict with their wording. This could not be tolerated, and the secretariat therefore proposed an addition to the byelaws to make such procedure impossible.

John Christensen complained 1) that first of all the secretariat had said that it could not agree with the motion asking for the 3% rule to be removed: but now it was itself proposing something which was essentially the same, in that it meant that the three percent rule would be removed. It was seldom if ever that a conflict did not mean that some one or some members of another federation could become unemployed or be laid off. He wanted the rule to be such that 2% of the members of another organisation had to be affected by consequential laying off. Strand pointed out in reply 2) that the 3% rule was meant to excuse the secretariat from having to deal with small conflicts. But if a federation began a conflict that could be anticipated in advance to develop a wider scope he thought that they could agree to let the secretariat consider such a conflict right from the start, irrespective of its size. Christensen replied that if this was what Strand meant it was the same as he had in mind. Christensen asked therefore that the congress drafting committee should consider the question, in order that the clause be clearly formulated in accordance with the intentions of the secretariat. Congress agreed to this, and the committee considered the clause and presented it for approval later 3).

The only change it made was that a strike embracing more than 3% of the members of the organisation, or smaller strikes if they could be expected to lead to a lockout of more than 3% of the members of the

1) IE Congress report, 1951, p. 113.
2) Ibid. p. 117
organization or of members of other affiliated organisations, or (and this was new) if the strike could be foreseen to lead to the laying off of a significant number of the members of other affiliated organisations, or not be reported to without the permission of the secretariat being obtained). The committee did not deny that "a significant number" was a bit vague but, in view of the varying effect it would have, depending on the size of the organisation involved, it was not possible in its view to arrive at any precise percentage.

Congress agreed unanimously to the formulation the committee drew up, which thus reads: "or if the strike can be foreseen to lead to the laying off of members who, taken along with those directly affected by the strike, constitute more than 3% of the members of the organisation, or can also be foreseen to lead to the laying off of a significant number of members of other affiliated organisations."

Another tricky provision of the revised byelaws of 1941 was that dealing with strike permission. If the 3% rule were satisfied, and the organisations had asked for permission to resort to smaller strikes, even if they could be expected to lead to lockouts against more than three percent of the members of the organisation or members of other organisations, it was provided that permission to strike could not be refused unless the strike or lockout to which it gave rise could be feared to lead to considerable inconvenience outwith the sphere of activity of the organisation concerned.

This clause again leaves considerable discretion to the secretariat, and the exact scope of the secretariat's competence and the meaning of the clause were not made clear (in so far as they can be clarified with precision) until the congress of 1951.

1) This implies that the organisation could from the beginning reckon with a possible layoff from work as an inevitable consequence of the strike, and there is thus still room for considerable difficulties of interpretation.
The new formulation adopted in 1951 stated in more exact terms what the position was. Instead of reading "feared to lead to considerable inconvenience outwith the sphere of activity of the organisation concerned", the clause was formulated to read "feared to lead to considerable inconvenience for other affiliated organisations, for the trade union movement as a whole or for vital social interests". The scope is thus broadened. The intention in 1941 seems, however, to have been to give LO very wide powers of control in order to allow it to exercise social responsibility in its policy. The original proposals of the 15 men and the secretariat in 1941 made it clear that, in deciding whether permission was to be given to begin a strike, the secretariat and representative council could take into consideration not merely the immediate consequences of the conflict as such, but also the indirect effects on other groups of workers, whether as consumers or workers. 1) But this was watered down in the congress debate to give a compromise solution that satisfied the adherents of federation independence.

While it was recognised that the secretariat ought to have an influence on conflicts that would obviously lead to socially injurious effects outside the sphere of the federation concerned, and that "it is entirely correct that an individual federation should not pursue its own interests, to the extent of injuring other federations or the trade union movement as a whole," 2) nevertheless certain federations - the compositors for instance, as we have seen - were afraid of their independence. So a compromise formulation emerged that provided that strike permission could not be refused, or support withdrawn, unless the conflict could be anticipated to give rise to considerable inconvenience outside the sphere of the federation immediately concerned.

1) SØIVÉN, OP. CIT., P. 11.

2) LO CONGRESS REPORT, 1941, P. 137. FROM A SPEECH BY SIGVARD CRUSE.
Sölvén said 1) in the course of the congress discussion that the revising committee thought it was so obvious that the meaning of the 3% rule was that of ensuring that attention was paid to the consequences (besides lockouts) of conflicts, that they did not need to say so explicitly. Lennart Eckerström had earlier proposed 2) a rider to the effect that an organisation must not injuriously affect other federations through its wages actions, and Sölvén thought this would both clarify the issue and enable people like Cruse to accept the formulation. In fact, Sölvén said that the adherents of federation autonomy (Cruse and Ekström) did not seem to have any different opinion from the remainder, namely that the secretariat ought to have influence over conflicts that were obviously likely to have injurious effects. Sölvén then proposed the formulation accepted by congress (with the exception that the drafting committee inserted "considerable inconvenience" in place of Sölvén's choice of "considerable injurious effects").

Sölvén endeavoured to clarify the arrangement in his commentary to the new byelaws 3) and concluded that permission to strike could be refused when a conflict, without being detrimental to other federations, could be feared to harm the common interests of the trade union movement or the general interests of Society. It seems clear that this was the intention for, although the wages policy issue was the main one in the setting up of the fifteen men committee, nevertheless social considerations came to play an important part, in view of the Basic Agreement and the outbreak of war, and the threats of legislation that the trade union movement had had to face. In any case the fifteen men had, in discussing the relations between the movement and the state, declared that in the long run the trade union movement could not repulse legislative offensives unless the leaders

1) LO Congress report, 1941, p. 252.
2) Ibid., pp. 187-8.
3) Sölvén, op. cit., pp. 11-18.
were given constitutional powers to act in a responsible way. This was important in view of the Basic Agreement, whereby IO had accepted the responsibility to do something on its side about socially dangerous conflicts. It was important too for the internal as well as the external relations of the movement, in view of the growth and strength of the organisations. However, Stilven concluded nevertheless that both for the fifteen men and for congress the centralisation in its social aspects was also looked on as one of the features of a consolidated wages policy.

At any rate the position was made clear by the congress decision of 1951, made on the basis of the following argument by the secretariat. Strong powers governing the granting of permission to strike would retain for the leaders the decisive influence in conflicts that could be assumed to lead to injury to the whole movement or to society. It was now (in 1951) obvious that such injurious effects of a labour conflict could arise without their needing to involve inconvenience outside the sphere of activity of the organisation concerned. If there were to be any conditions attached to the permission rule in the light of the effects of the conflict, then these should cover inconvenience caused to other federations, to the movement as a whole or to vital social interests. It would be necessary, in changing the byelaws in this respect, to specify that permission to strike could be refused not merely when the conflict AS SUCH had the effects indicated but also when such consequences could be feared to follow from the demands (e.g. for wages) that lay behind the conflict (direct action) if these demands were forced through. Such an interpretation, said the secretariat, agreed with what was intended when the provision originated in 1941.

1) Op. cit., p. 17
2) See IO congress report 1951. p. 94
The secretariat therefore proposed the alteration that "Permission may not be refused unless the strike or lockout to which it gives rise can be feared to lead to considerable inconvenience for OTHER AFFILIATED ORGANISATIONS, FOR THE TRADE UNION MOVEMENT AS A WHOLE OR FOR VITAL SOCIAL INTERESTS".

John Christensson wanted to leave out the "or for vital social interests". This he thought was an oddity. He assumed that the secretariat of LO, in its examination of these questions, always did adopt the view of society, but he considered it inadvisable to introduce such a provision. There might be a change in the majority party in Parliament at the next election, and the trade union movement ought not to bind itself to respect what a bourgeois majority might come to consider as vital social interests. Strand replied that this was something that had nothing to do with the political power in society. LO had already bound itself by one of its byelaws (the objects and aims of LO) to pay a certain amount of regard to the interests of society. A similar obligation had also been assumed through the Basic Agreement with SAF. There was no other meaning in the words that had now been included about taking account of vital social interests. The idea was that the provision should be applied in the same way as hitherto. After the question had been remitted to the drafting committee (as part of the same discussion as that on the 3% rule and laying off of other trade unionists) congress agreed unanimously to the addition proposed by the secretariat.

In substance these changes made in 1951 as to strike permission and the cessation of support do not involve anything new, but have been designed to express more clearly the meaning of the provisions that was originally intended. In fact then the 1941 and 1951 revisions of the byelaws of LO gave LO increased powers both in

1) Ibid. p. 113
2) LO Congress report, 1951, p. 117.
relation to wages policy and to the social responsibility element in the trade union movement's position.

LO has very full powers to refuse strike permission or withdraw support if it feels wages demands may inconvenience other federations or prejudice social interests. This is an extremely wide field. It is conceivable that LO could refuse strike permission if it thought certain wage claims would be inflationary (or deflationary). Indeed, it is an interesting question nowadays how far wages policy is so significant a determinant in Swedish economic policy that it becomes a prominent social phenomenon. If full employment is both a social and economic end, then wages policy becomes an instrument of social as well as economic action. These ideas will be taken up for discussion in connection with wages policy (chapter XXI). At present we can sum up by saying that LO has extremely wide FORMAL powers; whether it can or is willing to use them in practice is another question which is also answered in connection with the wages policy discussion.

In addition to these principles governing the resort to direct action procedure is laid down for the decision-making process. Strikes are defined as including sympathetic strikes. A request for permission to take strike action is to be accompanied (addition in 1951) by a statement of the reasons for the proposed measure (the demands made, the employers' proposals). This is to be considered as soon as possible by the secretariat, and a decision shall as far as possible be arrived at within a week of the submission being made. If the secretariat refuses permission to strike, the organisation concerned may complain to the representative council, and then to the next Congress of LO.

When a lockout is resorted to by an employer or employers' organisation against members of organisations affiliated to LO it
is the duty of the secretariat, after consulting the board of the organisation concerned, to decide on appropriate measures. In cases of threat of lockout on an extensive scale the secretariat is, if it considers this to be necessary, to call a meeting of the council in order to discuss and decide on measures that the situation seems to require.

Irrespective of the scope of a strike or lockout that has broken out, an affiliated organisation is obliged to notify the secretariat, and, during the course of conflicts for which LO gives support, the board of the organisation involved is obliged to submit reports on the conflict situation to the secretariat. When the conflict ends a report on it is to be sent to the secretariat.

A blockade or boycott with binding effect can only be decided upon by the board of the organisation involved (a federation or independent union). Blockades or boycotts in connection with strikes for which the permission of the secretariat is necessary or with lockouts for which support is given by LO must only be resorted to after the secretariat of LO has expressed its agreement. Blockades that affect workers affiliated to other organisations than that doing the blockading must not be resorted to unless the organisation or organisations to which the workers affected belong or, if they cannot agree, the secretariat of LO, have approved the action. This provision was also in the pre-1941 byelaws. One new provision in 1941 was that the organs in LO that were entitled to arrive at decisions i.e., congress, council and secretariat, were entitled to begin sympathetic action in the form of a stoppage of work, blockade or boycott, covering certain or all of the affiliated organisations, in so far as these were not prevented by a collective agreement or service rules from resorting to direct action.
CONFLICT SUPPORT: On the basis of these careful prescriptions of when and how to strike and other direct action may be begun we find, indeed the careful prescription is a consequence of it, that the secretariat of LO gives support in all conflicts, provided the strike has been approved (§16, clause 1) by the board of the organisation concerned and, where necessary, by the secretariat. There is a right of appeal to the council and to congress if support is refused. Support by LO is paid out from the beginning of the third week of a conflict. Support is, in addition to the above, also given in the event of lockouts that entitle to support in accordance with the byelaws of an organisation, although no support is given if the lockout is preceded by a strike that does not have the permission of the secretariat and requires it. The rules as to strike permission, and the right to withdraw support, provide a guarantee that the support obligation of LO is not used to support conflicts that cannot be approved by the whole movement. Again, the aim is to have uniformity of treatment and action in relation to certain fundamental matters with which the movement is concerned.

Certain increases in the ordinary fees were made in 1941, following on the extended obligations LO was given to provide support. The fifteen men pointed out that a consequence of the increased support obligations that they recommended would have to be higher fees 1). Prior to 1941 the fees were 40 öre a month for a full paying, and 20 öre for a half paying member. These were "comparatively moderate". As a result, the fees were increased in 1941 to 50 and 25 öre respectively per month, and again in 1946 to 70 and 35 öre per month. The reason given on that occasion was in part the increase 1)

1) Fackföreningstörets och näringslivet, pp.197-9
at the same time in conflict support from 6 to 9 and 4 to 6 crowns respectively, and in part the decision to begin a press fund, to which was to be allocated 20 öre a month from full and half members respectively. The fees were again raised in 1951, to 90 and 45 öre per month respectively, the reasons given being the general fall in the value of money and the rise in conflict support to 12 crowns a week for full paying and 8 crowns a week for half paying members. 1) These are flat rates. The entrance fee to LO is 1 crown for full and 50 öre for half members.

Where it finds this to be necessary, the secretariat is entitled to impose a levy of 50 öre per week for whole and 25 öre for half paying members for a maximum period of three months in each calendar year. In big labour conflicts the representative council has the power to decide by a two thirds majority on higher levies, though not in excess of 1 crown for full and 50 öre for half paying members. No maximum period is prescribed for levies approved by the representative council. This procedure shows that LO by no means considers the day of the strike is necessarily past. As the 15 men pointed out, although the number of conflicts has declined very much, LO must still have sufficient strength to carry out the obligations imposed upon it by the new centralising byelaws.

The argument of this chapter has shown what a long process of evolution has been necessary for LO to be given comprehensive powers over its member federations. It was a far cry from the optimistic days of 1898, when the development of LO as an "attacking" as well as

1) A bone of contention has frequently been whether unemployed members of federations should have to pay dues to LO, e.g. in the congresses of 1926 and 1931, and in the report of the 15 men. The position from 1951 is that membership fees are paid for every member, except those who are sick or on military service. Fees must be paid for unemployed members, BUT when periods of unemployment are prolonged the representative council may decide to adjust the fees paid by a federation badly hit by unemployment among its members.
a defensive body was envisaged as being just around the corner, to the formal accomplishment in 1941. It has proved difficult to mould heterogeneous craft and industrial groups into some form of homogeneous group. At first the aspects of centralisation stressed were rather negative - that individual federations were cutting the throats of others when they went their own way in wages demands, and that much was to be gained through setting up a broad front in opposition to the broad front along which the employers chose (and were able) to operate when it suited them. Positively, it was realised, however, that greater material gains might also be reaped from inter-federation co-operation. But what is more significant and eminently creditable is that in the 1930s there developed an awareness - admittedly it was partly induced by threats of legislation - that besides material benefits from consolidated action the trade union movement had now to ponder its position as the largest group interest in society. Social responsibility emerges very clearly as a line of advance, and slowly but surely IO has been able to impress some degree of uniformity on its federations. Nor are the byelaws too rigid for, apart from the compulsory requirements, the federations can adjust forms of organisation to suit their spheres of activity.

Complaints are still made during labour conflicts, however, that IO does not keep its house in order. It is too early to sum up on this charge in this chapter. But, as has been hinted, although the secretariat can pass almost anything it wishes through congress it does not always find it easy to get its federations to toe the line. (See, e.g. the foodstuffs conflict, 1953, chapter XXI.) Even today it is
far from being a dictatorial body in spite of fifty years of
endeavour to concentrate the reins of power in the hands of the
secretariat. The secretariat prefers to rule by moral persuasion
rather than by the book. This is not a surprising conclusion when
one recalls the slow but steady progress in the direction of
centralisation which the leaders have been prepared to follow.
They now have the formal power. The present era is perhaps that in
which the federations have to be persuaded that this is both true
and necessary.
THE ORGANISATIONAL PROBLEMS OF 19

In the 1890s the formation of trade union federations did not follow any precise plan, and in the main division was by trades, only two federations being organised on an industrial basis, those in sawmills and textiles. The iron and metal workers' and the wood workers' federations took the material worked upon as the rough criterion for their respective provinces of organisation. But although there were no great problems of demarcation at this time, certain federations were rather heterogeneous in composition, such as the transport workers' and the unskilled and factory workers' federations. This last approached to being a general or mixed industrial and craft federation, for it covered unskilled workers in building, and workers from the most diverse industries e.g., matches, sugar, phosphate, brushes, brewery, millers, batters, stone workers etc. Some federations were too small to survive. The rope makers for example joined the textile workers' federation in 1906, while the glass workers transferred to the unskilled and factory workers' federation in 1907.

Although by the turn of the century the industrial principle as a basis for organisation had not made much progress there was nevertheless a good deal of discussion as to whether the industrial form of organisation was superior to organisation in general unions. It was argued by the unskilled and factory workers, for instance, that a few large federations might exercise greater influence than a large number of smaller federations. The third principle of organisation, by craft, was not as yet called seriously in question, although there were obvious potential difficulties in a craft such as the coopers having their own and
not belonging to the brewery workers' federation. Each of the three forms of organisation offered certain advantages. Large federations covering a whole industry or several industries could offer strength in conflicts and in negotiations at a time when trade union membership was small, but small and skilled crafts might on the other hand find their interests neglected and sacrificed in a large federation.

A methodical approach to the organisation of groups and demarcation between them had to wait until the 20th century. But forces were at work that made a consideration of the problem inevitable sooner rather than later. The very numerical growth of the membership and number of federations - 19 were formed between 1900 and 1910, but amalgamations led to there being 30 federations in 1910 - posed a problem, while the rapid growth of industry from the 1890s meant that a change from the early days of emphasis on the craft principle of organisation became inevitable. The fact that the craft federations were less than twenty years old when discussion of forms of organisation was taken up seriously meant also that craft traditions had not any sanctified hold on the minds of the workers. Indeed, as was noted in chapter II, it was the unskilled workers who were beginning to dominate the movement by 1900. Again, J0 aimed to organise FEDERATIONS, and this narrowed the problem to a consideration of which form of federation was the best one, craft, industrial or general. A further force making for change was the fact that the employers' associations were beginning to form, and the two largest, SAP and SVF, emphasised the industrial form of organisation. The growth of employer organisations also increased the trend to uniform conditions of work throughout their respective industries, as did indeed the emphasis placed by the unions on equality of treatment. Before employer organisations were formed
it was possible for the trade unions to confine their search for uniform conditions to each craft. But when organisations such as SVF emerged and insisted on concluding national agreements covering the engineering industry, and on payment by degree of skill, not craft, the various trade union federations (SVF had to negotiate with 8, and only in 1903 succeeded in getting them all to sign the new agreement) found that they too required a more comprehensive form of organisation. The process of change in the first decade of this century brings out the reluctance of some groups to give up their sovereignty. The problem was discussed by 10 on numerous occasions.

In 1901 the representative council encouraged federations to avoid treading on one another's toes in the declaring of blockades and in the right to resort to strikes, and advised amalgamation of small allied federations. Motions 1-4 in the 1903 congress wanted such amalgamations to take place, but Lindquist pointed out that although this was desirable it would be dangerous to do so in strict provisions. The main task was still to get workers organised rather than to worry about questions of demarcation. The discussion resulted in congress accepting a statement to the effect that there were administrative and practical advantages in concentrating as far as possible in large federations. But the time was not yet ripe for introducing compulsory provisions. It must be hoped that developments in industry and other forms of economic activity would give the organisations the experience that enabled them to grasp the necessity for concentrating their organisations in order to be effective. To this end the secretariat was to try to shepherd new groups into existing federations, and to discourage small groups from forming independent federations. 2)

1) For this development, see Chapter XIX. 2) 10 congress report, 1903, pp 38-39
The representative council took the matter up again in 1904. An embryo plan was presented by the secretariat which proposed, in view of the rich field still open for organisation, that the composition of the federations should be based on having as closely related trade groups as possible in federations. "In this way the disputes that frequently recur between a number of federations as to where this or that group should belong ought to disappear". The council approved this idea, and the matter was discussed at the congress of 1906. The secretariat by that time appeared to have developed cold feet, for it asked congress to allow the question of introducing definite provisions for the composition of the federations to lapse until further notice. But on the motion of Thorberg (Stockholm), congress instructed the secretariat and council to discuss the problem of federation boundaries, so that a fuller discussion on the basis of a full enquiry could be held. At this 1906 congress, however, the industrial principle of organisation was definitely recognised. Lindquist said he thought the present form of organisation, with federations covering a trade or an industry over the whole country, was the best and most advantageous for preserving and promoting the interests of the various groups, and the secretariat asked congress to agree that one of LO's tasks should be to combine existing trade union federations into federations having a suitable form. By a federation was meant an organisation covering the workers in an industry or trade in the whole of Sweden.

In spite of strong opposition congress approved this statement. Thus the industrial federation took its place formally alongside the traditional craft federations. Some of the strongest opposition to the industrial federation at the 1906 congress came from the iron and metal workers, who feared that reorganisation might lose it iron and
metal workers employed in other industries. It wanted to cover all workers in iron and metals, irrespective of where they were employed. Th. Johansson of this federation wanted the words "an industry or" removed from the secretariat proposal. There should be no talk of industrial federations, but only of craft federations, he said. 1) But the metal workers' federation soon changed its mind, for it was forced to change its views completely as a result of its experience in negotiating a renewal of the engineering industry agreement with SVF in 1906. It found itself confronted with the risk of being involved in an extensive lockout because the sheet metal workers, masons and painters at first refused to agree to the demands of SVF that they too should sign the national agreement for the engineering industry. 2) "For SVF it was clearly inconceivable to have wages in the

1) Congress report, 1906, pp. 63-64.

2) When the first national agreement in mechanical engineering was concluded in 1905 SVF had to deal with four trade union federations and these did not cover all the organised workers in the industry, for four other federations also had workers employed in it. Thus SVF was not able to achieve its specific aim, of having a unified agreement and the greatest possible guarantee against disturbance of labour peace during the period of validity of an agreement. When the workers' side gave notice of termination of the 1903 national agreement in 1908 SVF decided to ask for such representation from the side of the workers in the coming negotiations on a new agreement as would make it binding for all the workers affiliated to SVF who worked in the engineering industry. At first the three federations mentioned above refused to negotiate, but finally only the painters refused to come in. At an extra general meeting of SVF on 26/11/1908 it was decided to send a communication to LO dealing with renewal of the agreement and including the clause that the eight trade union federations concerned should sign. Prolongation was proposed, and a lockout threatened from 1st January, 1909, if the terms were not accepted. On 21st December, 1908, prolongation was accepted by the eight federations - iron and metal, moulders, wood, unskilled, masons, transport, sheetmetal, and painters - after the federations had voted on the proposals. See Styrmann, Verkstadsföreningen, 2nd edition, p. 137.
machine shops determined along such gild lines. The association's refusal was based on the fact that no pertinent reasons were put forward in support of the demands to give certain groups of workers advantages over others. Thus the employers were keen to have industrial federations with which to negotiate agreements.

The iron and metal workers' federation seems to have had some forebodings about the weakness of having so many trade union federations facing SVF, because earlier in the year, at the meeting of the representative council in April, 1908, the board of the federation complained that the byelaws of LO allowed a federation to be a craft or industrial one and argued that it was necessary to fix on one or the other, since confusion merely arose through having the two principles of organisation. The representative council thereupon decided to get the secretariat to appoint a committee to look into the matter before the council's meeting in 1909. No report was completed by then, however, although Lindquist said it was hoped to present one to congress later in the year.

At this congress the metal workers came out very strongly in favour of the industrial federation principle, whereas in 1908 it had not expressed in favour of the craft or industrial principle, but simply said that a choice must be made, in view of the existing confusion, it now came out with a positive declaration in favour of the industrial federation principle. The motion (No. 1) presented by the federation was based on discussions it had had at its own congress and it set out the disadvantages of having many trade union federations facing SVF, because earlier in the year, at the meeting of the representative council in April, 1908, the board of the federation complained that the byelaws of LO allowed a federation to be a craft or industrial one and argued that it was necessary to fix on one or the other, since confusion merely arose through having the two principles of organisation. The representative council thereupon decided to get the secretariat to appoint a committee to look into the matter before the council's meeting in 1909. No report was completed by then, however, although Lindquist said it was hoped to present one to congress later in the year.

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1) Styrman, op. cit., pp. 130 - 1.

2) At the end of 1908 this federation had a membership of approximately 32,000, being the second largest federation. The unskilled and factory workers was the largest, with 44,000 members. Only four other federations had a membership exceeding 10,000. Total (P.T.O.)
federations negotiating with the same employers. The motion did not expect the changeover to take place overnight, but the object should be to deliberate on and determine principles and thereafter to work in the general direction indicated. The committee appointed in 1908 also reported, and said it thought congress should exhibit the federations to sort out the problems that arose from having many federations covering the workers employed in any one factory. Since the organisation of LO was under fire at this congress the committee did not feel demarcation proposals could be made until the organisation question itself was settled. (See Chapter VI.)

And indeed the organisation of LO was a lively topic at this congress. The experience of ten years, which had now culminated in the disastrous strike of 1909, engendered much heartsearching and many proposals for remedy. These were discussed fully in chapter VI. The secretariat put forward (motion 48) proposals for reorganisation, and as a basis for the suggested new byelaws it proposed that the federations affiliated to LO could be craft federations, consisting of workers in a particular or in closely related trades, and industrial federations covering all the workers in a particular industry. But the secretariat was very confused as to what it wanted done by way of reorganisation, and in relation to forms of reorganisation this is born out by the fact that, in addition to the above recommendation, the secretariat said it felt there was much to be said for a division along industrial lines. (To congress itself Lindquist put the matter more strongly, saying that "technically it would be impossible to do away completely with the craft federations, but the development of industrial federations was a necessity which should be brought to fulfilment as soon as possible." 3)

1) LO congress report, 1909, pp. 96-7
2) Ibid., P. 66
3) LO Congress report, 1909, p. 85
The disadvantages of the existing methods were that federations represented in the same factory might arrive at conflicting decisions in negotiations, and that small craft groups in a factory might bring about stoppages covering workers in other federations who worked for the same employer. The secretariat took a long term view of the problem, at least before congress began, for it said it would not be possible then and now to reform the craft federations into industrial federations, since in that event a number of federations would completely disappear or be amalgamated. It seemed advisable to them that congress should declare in favour of a *successive* changeover to pure industrial federations and that the byelaws of IO should allow freedom for such a reformation. It was clearly to be a lengthy period of reformation, for the secretariat recommended that IO was to be open to craft federations that covered the workers in a particular or in closely related trades, and also to industrial federations. 1)

The outcome of the lengthy congress discussion on the constitutional and organisational problems of IO was that a committee was appointed to look into the whole question, and to submit proposals. But on the subject of craft or industrial federations its hands were tied in advance through congress accepting a proposal by Lindquist that it should decide upon a successive adoption of the principle of pure industrial federations, the obligation resting with the secretariat and the boards of the federations to work towards small groups in an industry being included in the federation that represented the main numerical strength of the industrial workers concerned. 2)

This was to be the guiding principle of the committee on this issue.

1) See Casparsson, *op. cit.* vol. 1, p. 336

When it reported in the spring of 1912 the main recommendation of the committee was for a reorganisation of LO in accordance with the principle of industrial unionism. The main principle and plan were that a) the federations should include all workers employed in the same industry; b) the boundaries of the industry should be determined by the scope that it was considered the collective agreements ought rightly have (a vague, and perhaps deliberately so, formulation which seems to suggest that LO was prepared to fall into line with SAP as regards scope of agreements); and that c) were appropriate, several small industries had been combined in one federation where the new industries were directly dependent upon one another in their production. The plan was to have the existing federations (there were 41, and of these 21, covering 78.2% of trade unionists, were already in LO) in 22 industrial federations, the largest of which would be the metal workers' federation, covering all organisable workers in mechanical workshops and steel foundries. The committee did realise that not all the federations could be assigned to a definite branch of industry since there were still many crafts in existence, and in view of the diversity of industry and trade it had not been possible to bring about an absolutely definite drawing of boundaries.

One reason put forward in 1909 in favour of the industrial principle had been that workers in the same industry had common interests to defend even though they might be employed in different trades and belong to different federations. The fear therefore existed, and justifiably, that a small federation might upset the apple cart in a whole industry if it got out of line with the others, for instance in wages negotiations. This committee looked into the question of the prevalence of a number of federations in any one industry,
and found that there were for example 9 federations, many of them very small, in the textile industry, that in housebuilding there were 13 and in the iron and metal working industry 10. This led the committee to propose one federation in the metal working industry, without regard to trades, one building federation covering all the workers employed in housebuilding, and one federation for building materials workers. This recommendation meant that many small federations would have disappeared. The foundry workers would for example have been absorbed into the metal workers' industrial federation. 1) But, as we shall see, not all of the condemned agreed to die.

The recommendations were discussed at LO congress in 1912. Five motions discussed forms of organisation, ranging from proposals for dissolution of federations and direct affiliation by unions, or at the most through local organs, to LO to a proposal (motion 3) asking (as had a motion in 1909) that the federations be completely revised into four large groups covering iron and steel, building, unskilled and factory workers, and one general federation. The secretariat made its points in motion 5. The note struck was one of caution. It might be disadvantageous to have too many small federations in an industry, but wisdom suggested a cautious approach. For it had been clearly shown that strong opposition arose as soon as any intervention took place with a view to persuading an independently operating body of workers to give up their independence and join another federation. On previous occasions when the secretariat had proposed revision of federations in the light of the nature of the industry the various

1) The foundry workers submitted a motion (No. 4) in the congress of 1912 stating that every federation should be entitled to examine and determine its future position freely for itself. One of their representatives told congress that he did not think wages negotiations need suffer if differentiation into craft federations were continued. There could very well be co-operation. Indeed the foundry workers have been very staunch defenders of their independence against absorption by the metal workers' federation, although they have been willing to co-operate with it.
federations interested had reacted so strongly that it had so far proved impossible to carry through any such proposals. The secretariat therefore felt convinced that a too rigid proposal and a requirement of obedience to the proposals worked out by the reorganisation committee would meet with strong opposition. So it recommended that congress should not make the scheme of organisation a compulsory one but that the plan should serve as a guide that the federations were free to follow in forming industrial federations. It emphasised the statement of 1909 on successive adoption of the principle of industrial unionism and suggested that the reorganisation committee's plan for the composition of the federations should serve as a guide "in so far as the organisations concerned find it convenient". There was to be no compulsion.

"It should be observed here that no coercion is being placed on hitherto independent federations, since the independence of no federation can be considered unjustified as long as the majority of its members consider that affiliation to or amalgamation with a particular industrial federation would be detrimental to the members or their interests".

It could hardly be said, therefore, that the secretariat wanted to condemn to death outright, although it did hint that suicide of certain federations, though somewhat messy, would be in the interests of the plan of organisation with its 22 federations, Lindquist said that nothing would be more unfortunate than to decree an immediate change-over. Here if anywhere they must find the golden mean that made it possible for every trade to decide on any changes it found necessary. Congress approved the secretariat's proposals by 144 votes to 29, and also an addition by J.T. Johansson which emphasised a) the importance of having freedom of decision in this matter and
b) Its value for democracy, Congress also approved the recommendation of the secretariat that the motions (1-3) asking for local affiliation and general unions be rejected, and stated instead that IO should be composed of industrial and craft federations.

Thus, at the same time as there was to be no compulsion, the secretariat of IO and the boards of the federations were given the somewhat delicate task of working for the adoption of the principle of industrial unionism. They did not appear to make much progress within the next few years, because motions on the subject (Nos. 7-10) in the IO congress of 1917 showed that the craft tradition was very strong. The foundry workers were still adamant about joining the metal workers' federation, and still refused to admit helpers to their skilled trade. The secretariat commented that these questions of transferring workers from one group to another were extremely delicate, although it did think, and congress agreed, that this kind of snobbery should be rooted out of the organisations. But how was this to be done? The secretariat opposed the view set out in motion 7, that the end of 1920 should be set as a deadline for the changeover to industrial federations. It did not think any deadline for carrying out all the transfers and amalgamations could be set, since that would savour too much of compulsion. The trouble was that each federation had from the beginning decided entirely by itself what its composition and field of activity should be, and the secretariat did not see that it could go any further than to ask the federations concerned to examine their position carefully and ensure that groups of workers who should, in accordance with the 1912 plan, be affiliated to a certain federation were actually allowed entrance to and were taken into the federation concerned. Congress approved this attitude, although 32 delegates who made a reservation said they could

1) IO Congress report, 1917. Statement No. 5.
not see any improvement taking place on the basis of this decision.

The representative council made a statement at its June meeting in 1920 to the effect that the members were not paying sufficient attention to the decisions of congress about the adoption of the industrial federation principle and it exhorted them to do so. Any disputes between federations as to the boundaries of organisation ought to be referred either to the secretariat of IO for decision or to a board of arbitration whose chairman was appointed by IO. Twelve motions (Nos. 10-12) on the subject were submitted to the IO congress of 1922, and of these two asked for a return to the old order of things. The secretariat proposed a compromise, whereby adjustments would be made in the plan of Organisation of 1912 but emphasis would still be placed on the earlier decision to adopt the industrial unionism principle. But congress decided differently, namely to accept by 174 votes to 119 the motion (No. 16) put forward by the board of the metal workers' federation which endorsed the 1909 decision to adopt industrial unionism and asked that the secretariat should be instructed to see to it (no sanction for non-compliance was discussed) that the changeover to the pure industrial principle of organisation was carried out completely by the end of 1925 (the motion suggested 1924). But since congress did not indicate what the precise division into federations should be, and since there had been both industrial change and change in the plan since 1912, the secretariat decided it would be desirable and indeed necessary to have a new investigation made into the problems of the division into industrial federations.

One significant point made at this congress was that the industrial federation principle would be an important weapon when society was based on socialist forms of production. At this time the ideas of socialism and industrial democracy were being fully aired (see
chapter XVIII on industrial democracy), but it is most unusual in LO congress discussions to have such theoretical arguments put forward in favour of the industrial form for unionism. The Swedish approach was and is much more cautious, and conditioned by practical considerations, such as the practical need for and the practical advantages of a uniform front in wages and other negotiations.

In the course of its investigation LO found it had to consider over 60 federation type organisations (of which 34 were in LO), covering about 369,000 members (of which 10 federations had 81.6%). There had thus been diffusion since 1908 in that the number of federations had increased from 41 to 60, but this was explained by the growth of new types of industry and the division of some groups into special groups. Inside LO, however, there had been fairly strong tendencies to concentration since 1908, but this had taken the form more of transfers than of amalgamation of organisations. 1) The results of the enquiry were presented to the representative council in December, 1924 and January, 1925, and, like its predecessor, the enquiry showed how far from complete the industrial union principle was. There were now 20 federations in metal working, 15 in foodstuffs besides the foodstuffs workers' federation that had been formed in 1922 with the object of embracing all the groups of workers in the foodstuffs industry, and 15 in the paper manufacturing industry in addition to the industrial federation that had been set up in 1920.

The recommendation approved by the council was that there should be 33 federations. The same principles were adopted in the proposed plan as in 1912, namely that all the workers in the same industry should be affiliated to the same federation. One other principle

expressed 1) was that all the workers in a workplace should belong to the same federation so that only one federation would be responsible for the wages negotiations in the workplace. This did not necessarily mean that all the employees of the same employer need necessarily be all in the same federation, if for instance an employer had factories of various kinds. In the case of workers employed by the state or local authorities the principle of organisation should be the nature of ownership 2) rather than the nature of the work, but these two cases would, along with the foodstuffs industry, which must not in the view of the secretariat become too heterogeneous, be the only exceptions to the industrial principle. It would be convenient to have small industries and trades lumped together, one federation for seasonal workers was also suggested.

The main object, as set out in the proposals of the reorganisation committee, was NOT to get rid of as many federations as possible, but to clear up the boundaries. The most important matter was to mark out the ground in such a way that not more than one federation need make wages demands in any one firm or workplace. Where several groups of workers belonging to different federations were interdependent, and

1) The principle is set out on p. 104 of LO congress report, 1926. In 1941 it was stressed as being the most important principle (See LO congress report) 1941, p. 292): "The basic idea of the plan of organisation is that there should from the trade union side be central control over the wages and working conditions of workers who are employed in the same branch of the economy. Where a uniform organisation does not exist there can of course be a certain amount of cooperation between different federations within the same sphere in order to eliminate some of the friction but, in spite of the provisions in the byelaws of LO to this effect, such cooperation has not taken place in many cases. A division of the workers in the same industry among several organisations must be detrimental to the wages negotiation activity and give rise in many cases to unnecessary disputes among the federations". The significance of this problem is discussed in chapter XXI on wages policy.

2) The chairman of LO, Axel Strand, pointed out to congress in 1951 that the "ownership" principle had tended to be overshadowed by the industrial one.
where other circumstances justified co-operation, forms should be devised for the purpose of having close co-operation between the federations in the planning and execution of matters relating to conditions of work. The secretariat suggested this was most necessary among the building industry groups, in pulp, paper and forestry, and among state employees.

But the plan also took note that special conditions might justify a departure from the general principles. Boundary problems might arise between federations, in which case it was anticipated that negotiations between the disputants would take place, the LO secretariat lending a hand if necessary in accordance with its byelaws.

Some of the changes from the plan of 1912 are worth noting, partly because they show that any plan must be flexible in a changing and rapidly developing industrial economy if it is to be at all relevant as a plan, and partly because they show that certain problems of organisation are perennial and the source of many headaches. The building workers' federation was now to cover only such workers in housebuilding as were directly employed by building masters (the building trade was still very much a handicraft one) or by contractors engaged on such work. The federation would accordingly cover building woodworkers and unskilled workers, together with masons, whose federation would be dissolved. Certain trade groups like painters and electricians were to retain their own federations. This proposed shuffle was in the main in response to a change in the organisation on the employers' side arising out of the dissolution of CAP, which led the secretariat to consider there was now less reason for trying to press all the federations together into one common building federation. The 1912 idea of a building materials workers' federation was also
abandoned, and the workers employed in the production of building materials were to remain in the unskilled and factory workers' federation. In fact the LO secretariat had recommended that the idea of a building materials federation should be abandoned, but by approving the motion from the metal workers' federation (No. 16) the congress had automatically rejected LO's proposal at the time.

There were some proposed changes from 1912 for certain state employees. In accordance with the 1912 plan there was to be one federation (the postal, telegraph and customs personnel federation) for workers in these services together with hospital staff and commissionaires in government departments. The new plan of 1925 gave the postmen back their own federation (which had in fact never disappeared, since the 1912 plan was never brought to full fruition), and proposed to lump together all the personnel in the telegraph service in one federation (there had been a split into two federations in 1919). The customs officers were also to retain their own federation, and prison warders and hospital staff were to form one federation. The electricians' federation was given renewed blessing and was in future to cover workers in the electrical installation trade and in electric power stations that were not directly tied to a particular industry. There was to be one federation for workers in foodstuffs, although the committee admitted that cooked meats and chocolate were perhaps somewhat strange bedfellows.

This plan was approved by the congress of 1920 as a minimum programme for the composition of the federations according to the principle of industrial unionism. It was open to other industrial federations to agree to amalgamations if they wished. The federations, branches and members were exhorted to hasten on the work of bringing
the plan to pass, although they were not to be obliged to persuade their members to transfer to organisations outside LO. The secretariat also appealed to these latter to co-operate in arranging for the industrial federation principle to be applied throughout the whole trade union movement. If disputes arose between federations within LO as to the boundaries of and the rights of particular federations to represent and organise workers these were to be resolved by negotiations at which the secretariat of LO was to be represented, and in the last resort by arbitration. Federations that were to be dissolved in accordance with the plan were advised to begin negotiations with the appropriate industrial federations as soon as possible.

At about this time certain "cartel" agreements, or agreements to co-operate, had been arrived at by several federations in related occupations. In 1923 the bookbinders, lithographers and compositors had formed a cartel \(^1\), and an agreement was reached between the paper, forest and timber floating, and sawmill workers' federations in 1925.

\(^1\) Motion 15 in the 1926 congress from these federations asked to be allowed to keep their three separate federations until co-operation among them in the printing industry had created the basis for an amalgamation of the federations in one industrial federation, to which they had agreed (i. e., for the federations in one industrial federation, to which they had agreed (i. e., principle. ) At congress, 1922, the LO secretariat had said (congress report, 1922, p. 123) that although it was correct both in principle and practice for the bookbinding and printing industry workers to belong to the same federation it was nevertheless the case that the workers in the industry did not directly injure or inconvenience other industrial federations. The main thing was that they included all the workers in their sphere of work and that they did not grant membership to craftsmen employed in other industries.
In June of the same year the metal workers' and foundry workers' federations had arrived at an agreement whereby there should be co-operation in wages matters and in disputes that arose during the period of validity of agreements. A cartel agreement was reached among federation in the building industry in 1926. This idea of cartel co-operative agreements was not opposed by LO, although this form of co-operation was not expressly approved as such. But some indirect approval was given by the encouragement LO gave to the federations to carry on such co-operation with a view to creating the appropriate conditions for a rapid amalgamation of the organisations. The 1931 congress exhorted the cartels to work in such a way as to make rapid amalgamation possible.

The 1931 congress produced in fact more or less a repetition of views advanced in 1926, although the secretariat was to be given the right to make adjustments in the plan that it thought convenient for practical reasons. Motion 48, which asked that flexibility be applied in carrying out the plan, and that proper attention should be paid to the practical possibilities of carrying it through without thereby harming the trade union movement through driving away some of its members, was also accepted. The safeguard expressed in 1926 in order to look after the interests of union officials and staff who became redundant as a result of reorganisation and amalgamation was repeated, namely that they should be given employment in the federations to which the members were transferred. On the basis of motion 45 the 1931 congress also tried to

1) According to the 1925 plan the foundry workers should have been in the metal industry workers' federation. But, as has already been mentioned, they were strong opponents of dissolution and amalgamation. At their congress in 1929, for example, they passed (by 104 votes to 1) a proposal that the federation should continue to operate, although it declared at the same time that the foundry workers were prepared to cooperate loyally with the metal industry workers' federation.

2) Cartels have since been formed in other branches of activity, e.g. between foodstuffs and distributive workers in 1929, and later between them and the hotel and restaurant workers' federation and, in 1937, in state activity, covering eight (now ten) federations.

3) LO does not now seem to look on the cartel form of organisation as
solve the problem of organisation for the building industry by calling a conference of the organisations immediately concerned. This had little success. A committee was appointed which made proposals for a uniform federation, but the electricians' and painters' federations made reservations, and the sheet metal workers' federation did not promise it would give its approval. The organisations concerned were again exhorted by the 1936 congress to examine the question anew, and congress of 1941 emphasised how helpful it would be to have a unified building workers' federation. 1)

In the general discussion on the organisation problem in 1936 congress the secretariat emphasised that much still remained to be done in order to bring the 1925 plan to realisation, and recommended that attention should be drawn to §8, clause 3 of Lo's byelaws in order to emphasise that when federations in related spheres of work entered upon agreements they should pay attention to the interests of one another and also co-operate with one another in other matters. This was directed at the building industry, which had been a problem child with its conflict of 1933 and had given rise to difficulties which the industrial unionism principle was designed to avoid, that of clashes between federations in arriving at collective agreements. A judgement of the labour court 2) dealing with a problem in the building industry was also discussed by congress in connection with the motions on organisation in industrial federations (Motions 173-189). The judgement stated that workers were considered to be obliged to carry out "all such work for the employer as is naturally connected with his activity and can be considered to come within the general trade qualifications of the worker concerned. " This

1) Congress of 1941 also accepted a proposal by the secretariat on the problem of demarcation between the building and industrial federations to the effect that the industrial federations should have the right to conclude agreements for building work carried out by firms for themselves through the use of workers employed by the firm, including building workers employed permanently by the firm.

2) Judgement No. 29/1929
Decision had since been used as a precedent in other cases. Judgement 29/1930 showed that practice played a significant part, while judgement 85/1933 showed the precedent applied not only to craft but to general workers.

The 1941 congress discussion brought out the problems of wages policy which any plan of organisation must raise. Motion 52 asked that workers employed in crafts should be allowed to organise in craft federations in they wanted to. The secretariat commented that if this were agreed to complications might follow. "The members in these special federations would certainly be brought round to the view that their conditions of work and wages ought to be regulated not in the light of the conditions of the industry in which they are employed but in the light of the situation for completely different branches of industry, i.e. the spheres in which the particular federation has the main strength of its members. This is not to say, however, that the wages set for special workers in the industry cannot experience some influence from the wages set in the main sphere of the craft. 1) The secretariat could not approve this idea of softening up the plan of organisation.

Motion 52 also asked that compulsory measures should not be taken against hitherto independently operating federations unless it could be expressly shown that they had had an injurious effect on one of the other federations or on LO, and also that as long as there existed a majority within a federation for carrying on its activity this should be respected. On this the secretariat commented 2) that no compulsory measures had been resort to for carrying out the industrial federation plan, in spite of the powers congress had granted. But there was no reason to withdraw these powers since they might be needed if a federation

1) The wages position of craft workers employed in different industries is discussed in connection with collective agreements. See Part V Chapter XIX.
2) Congress report, 1941. p. 293.
refused unreasonably to co-operate in the scheme of things provided by the plan of organisation.

This represents a much tougher line on the part of the secretariat than had been taken earlier and is of course closely related to the discussion of centralisation of power, in relation to wages policy, which dominated the congress of 1941. Motion 53 had asked that the foundry workers should commence discussions with the metal industry workers' federation, leading to amalgamation with it, and suggesting a deadline for this. The foundry workers would probably not do anything otherwise until LO congress arrived at a decision binding on all groups involved. But the secretariat thought that greater pressure of this kind should perhaps wait until the return of peacetime conditions, although this need not prevent discussions on amalgamation from taking place. The secretariat accordingly asked congress to give it and the representative council instructions to take the necessary steps leading to the final execution of the plan of organisation, and this was agreed to.

The representative council of LO decided in 1944 to alter the plan of organisation in view of the plans being evolved for a uniform federation for workers in the building industry as a result of the resumption of negotiations among the federations affected. The unskilled and factory workers', the metal industry workers' and wood construction workers' federations had already accepted the idea of a uniform building federation but the masons still rejected it. The aim was to include in the proposed building workers' federation all workers who were engaged in building work and did not come under other industrial federations. In 1946 the boards of the wood constructions workers' federation and the unskilled and factory workers' federation decided to form the federation even if the masons still refused to join. The new federation did in fact begin operations in 1948, with an industrial membership of about 113,000,
consisting of about 44,000 members from the wood constructions' workers, 50,000 from the unskilled and factory workers; 13,000 from the metal workers', 7,000 from the road builders', and small groups from the transport and stone workers' federations. It had not been possible to get all the craft groups in the building industry to agree to join, but the formation of this large new federation was at least a step on the way to realising a project that had been mooted for many years in line with the attempts to organise by industries. 1)

In discussing questions of organisation in the 1946 congress the secretariat said 2) that a survey of the whole plan of organisation was perhaps justified, because of decisions to make specific changes that had already been reached, because of changes in the economy since 1925, and finally because several groups now existed that had not been included in the 1925 plan. The fact that the building industry problem of organisation seemed to be on the way to a solution was also a good reason for reviewing the general plan, and congress agreed to the proposal to make a general survey. Gunnar Anderson said that the aim would not be to get rid of the basic principles for building the organisation along industrial lines, and that the federations would as far as possible be consulted. 3) When the report of the reviewing committee, which was appointed in 1946 was presented to congress in 1951 by Axel Strand, the chairman of IO, he said that the committee had tried as far as possible to follow this line of consulting the federations in order to eliminate the difficulties that existed. The committee pointed out that at every congress in which the organisation question had been taken up in the congress of 1951. See below, pp. 304-7. 2) IO congress report, 1946, statement No. 1, p.233 in connection with motions 60-66, all of which raised specific questions of organisation. 3-) This phrase is justified in the light of the extended powers IO was given in 1941.
discussed emphasis had been placed on the desirability of having 10
cover all wage earners who could be organised. Developments since 1925
had shown how a whole mass of organisations had grown up, particularly
in state industries and in public administration. Further, as motion 91
discussed, the growth of white collar workers' organisations had
brought new problems about the boundaries between them and 10 federations.
The committee had discussed organisation problems with and obtained the
views of federations, and it based its conclusions and recommendations
on the view that the basic principles of the existing plan, that of
1925, should be followed i.e. the industrial principle should be the
basic one. But the craft federations in the plan were also to remain. If
the industrial federation principle were applied there would probably
be more than one federation in certain spheres, and if the plan of
organisation were to be practicable there must be room for flexibility.
(The need for flexibility was greatly stressed at this time). The form
of organisation based on the ownership principle, namely that all the
workers of a firm or concern that owned several factories in different
places and produced different things would be lumped together, had
been a bit neglected, and the committee had preferred to follow the
industrial principle. There were of course some anomalies and boundary
problems.

The committee recommended the approach via free discussion between
federations to the structure of organisation set out in the plan. The
sawmill workers' and wood workers' federations had been able to agree
on amalgamation as from 1949 at a joint congress representing both
federations, and the result of which was that the sawmill workers'
federation ceased to exist after more than fifty years of activity. This

1) i.e. company unionism.
the committee held up as an example of the advantages of free agreement. For this gave flexibility, which was of the essence, since a plan that tried to be permanent would be an unfortunate thing in the light of developments that took place in industrial life. The committee therefore considered that there should be an examination as to whether what was suitable from the organisational point of view a decade ago was still suitable, and that the question of changes that seemed appropriate at present but might soon be out of date should also be left an open one. What it wanted to emphasise by all this was that the plan as presented by it did not necessarily mean that discussion was precluded about further co-operation going beyond the bounds of that sketched in its report and recommendations. 1)

The total number of federations recommended under the new plan was to be 38. It will be remembered that the 1912 plan had suggested 22 and the 1925 plan 33. All the time the organisations were growing, new federations were being formed to meet new problems of organisation while old federations were becoming less important.

We have seen that all the previous attempts to form a completely unified building workers' federation had failed. This committee could not avoid the problem, and it took the view (four of its members dissenting) that the aim should be to get one building federation eventually. Meanwhile three federations connected with building would still remain independent federations, viz. the painters, electricians (those working in the building industry on installation work), and the

1) This undogmatic approach is bearing fruit, as is seen from the fact that in 1954 the agricultural workers' federation and the forestry and timber floating workers' federation began to look into the possibilities of amalgamating. The reasons given were that both were fairly weak organisations, geographically dispersed, and that there was structural affinity between their respective spheres of affinity, since many agricultural workers work in the forests during the winter months.
sheetmetal workers and tin smiths. The aim was to incorporate them by and by, for they were of importance to the building industry in that they might have a prejudicial effect on it if they had not arrived at wages agreements and other building industry workers had. This recommendation led to much discussion at congress.

The masons' federation had still refused to join a uniform building federation, although by both previous plans they should have done so, and their views were expressed on the matter at congress. One of the members of the plan committee who had made a reservation on the subject of a building federation, John Grewin, submitted a proposal to congress, (which was rejected in favour of the committee majority view), that there should be one uniform building federation and nothing else. It was illogical, he argued, to have a separate federation for the painters and yet try to do away with the masons' federations. Another speaker pointed out that it was not quite so illogical as all that. For while the masons had the same employers as building workers, and arrived at agreements at the same time, this was not the case for example for the painters. In any case co-operation in the building trade was good.

The views of the board of the masons' federation are worth noting. Gösta Bengtsson pointed out 1) that the federation board did favour the industrial principle, and had worked for it and endeavoured to have it adopted by the masons when the building federation was planned in 1944. But the members had voted it down, in spite of strong pressure from the board in favour of amalgamation. They had tried again in 1947, at the federation congress, and by a postal vote of members in 1948, without success. The members were clearly opposed to the idea. But they were 1) ILO Congress report 1951, pp.313-5.
even less likely to approve the new idea that they should be absorbed into the building federation while the painters and others were - at least in the meantime - to stand outside. Bengtsson took the view that it would be psychologically disastrous to try to go ahead against the wishes of the members. These things must be allowed to mature. Nevertheless, he supported Grewin's proposal that there should be a uniform federation in the building industry.

Knut Aoberg expressed the views of the painters. He considered it would not be easy to put through changes in a period of full employment, particularly in an old federation like that of the painters. Further, he said, experience of attempts in the 30s to form a uniform building federation had, from the point of view of the painters, been unfortunate, for not nearly enough consideration had been given to the wishes of the representatives of the painters' federation in respect of such problems as apprentice provisions, trade boundaries, retaining of certain funds and administration, always tricky problems when amalgamation is planned. The result was that much sympathy for the idea of amalgamation had been lost then. He clearly took the view that the present, i.e. 1951, was not a psychologically favourable time for having talk of amalgamation. So he approved the idea that the painters' federation should be left to carry on in the meantime.

Karl Gimfors of the sheet metal workers and tinsmiths also considered that to amalgamate with the building federation would require a vote of the members, and there was no likelihood of getting such a majority at present. It would be better to adopt the committee idea and work in the meantime to convince the members of the advantages of amalgamation. At the same time he considered that to some extent the work of members of this federation was different from that of other building workers.
The electricians' federation said that co-operation between it and the building workers' federation was good, but the electricians were not employed by the building masters, and did not have agreements with the building industry federation of employers, but with the Electrical Employers' Association. Fritz Balkvist argued therefore that the electricians should, as in the plan proposal, stay outside the building federation. There were other reasons too. The electricians had certain advantages they wanted to preserve; they felt they would be better off if they stayed outside the building federation. One very important argument too was that with the growth and development of industry and of private power stations there was a lot of organizing work to be done. It was most appropriate that the federation should be left to work along the lines suggested by the plan committee and endorsed by the secretariat of IO.

The conflict here is in the main one of logical arrangement versus empirical arguments based on the practical difficulties of planned organization and of human dislike of change. This last view found most strong expression in the idea that amalgamation had to be worked for over a period, that members had to get used to the idea. This conflicts with the view expressed 1) that the plan had to be logical, and that there should be no deviations and concession from the principle of industrial unionism just to please the psychology of members. If IO wanted to get rid of federations that had been in existence for a half century then it must be done in accordance with a plan of organization that could not be faulted from a logical point of view.

Clearly this last view is crying for the moon. In a changing and complex industrial society, it is impossible to see how a plan could be absolutely logical and at the same time workable. Industrial life has 1) IO Congress report, 1951. p. 322
not proved so simple in structure, nor is it static enough for this to be possible. But there is clearly a case, if not for a logical plan, then at least for some sort of framework of organisation within which the various federations and groups can co-operate and settle their differences. 1) This becomes particularly important in a full employment economy, where there is a great shortage of labour and therefore high labour mobility, and where individual groups can make big advances in respect of wages. Then it becomes important that federations that have groups working in the same industry should, in that industry at least, keep in step in their wages claims. One of the complaints of John Grewin at the congress in 1951 was that, although there was on the whole good co-operation between the building federation and the other smaller federations that he wanted in the federation but which were by the committee plan to stay independent in the meantime, these small groups had let the building federation down in the last wages negotiations—i.e. for the agreement year 1951-52. He complained that other federations had, behind the backs of the building federation, increased the wages demands that had been agreed upon in consultation with the building federation. Karl Gimfors said it could not be his federation that Grewin was hitting at, since the sheet metal workers had had their wages conference before the building workers, who were therefore free to take up their proposals, particularly since Gimfors had given an account of his federation's proposals to the conference held with the other building unions. Fritz Dalkvist of the electricians conceded that it was his federation that Grewin was hitting at. The electricians had asked for ten öre an hour more than the building trades in their proposals.

1) In fact most of the developments towards fulfilling the plan in recent years have been as a result of agreements between federations. Not much LA help has been needed. One view was that the shift in generations among trade union officials was helping along the process. This is understandable when the shift aimed at is primarily away from craft industries of many years' standing.
because the wages committee of the electricians thought this a strategically wise move. In addition, the building trade proposals had to be presented ten days before those of the electricians, and "a lot happened in the economic sphere during the wages negotiations last spring".

This demonstrates, however, as will be discussed in Part V, a very real problem with regard to wages policy. Federations must primarily look after the interests of their own members (and this is a primary reason for other federations wishing to absorb them and transfer the primary loyalty to them), while they must co-operate to some extent with other federations in the conduct of wages negotiations for particular industries and trades whose structure is not at the beck and call of the trade union movement. It is the trade union movement that must be flexible in its plan of organisation in the light of the changing structure of the economy, and not vice versa. The organisation committee was quite aware of this, but nevertheless there are federations that want to become stronger, and there are cases where co-operation between federations breaks down because of the internal policy of any one particular federation.

The organisation committee did propose certain changes in the organisation plan in the light of the changing industrial scene and structure of the economy.

Certain federations that had joined IO since 1925 should be included, namely

Personnel in Civil Administration
Real Estate Workers
Workers in Defence Establishments
Musicians and Entertainers
Water Power Station Personnel
Chimney Sweeps.
The representative of the Civil Administration Personnel Association, Ivar Werner, was disappointed that the plan did not amalgamate two other federations - the prison warders and hospital personnel - with it, since they all had the same employer, the state, and had similar jobs, conditions and forms of employment. The three federations taken together had a membership of 14,500/. Why should the co-operation that existed between them already not be pushed further to complete amalgamation?

It was not so simple as that, however, said Bror Johnsson (LO). There were boundary disputes between the federations, which the state servants' cartel had been asked to take up. Axel Strand said he had no objection to the three federations amalgamating if they wished to do so. They were affected less by the industrial federation principle than by the ownership principle.

That co-operation seems to have pleased to committee just as well as amalgamation - and rightly so, since it is a much more flexible arrangement, provided of course the organisations are not merely duplicating each others sphere of activity - is shown by its attitude to the cartel in the printing and book binding industry. The 1925 plan had lumped the three federations here together in one federation, and, while the committee proposed this idea be retained, although with a new name, Strand pointed out that since there were no other groups on the labour market who were dependent on the organisation problem of the trades in the printing industry it was all the same to LO if they thought they could co-operate best by a cartel form of agreement.

Here we have an example of the opposition of the two main approaches to the organisation problem - the spheres of activity of the federations in the printing industry overlap both industrially and as regards production techniques. But here also are to be found some of the oldest
and most aristocratic trade federations. The committee view said "The existing federations in this sphere have no desire to sacrifice their independence and agree to such an amalgamation as this. This must not be the decisive factor in the present situation".

The committee was quite strong in its view that the associated federations should be disbanded. It had never been included in the plan of organisation, although it had belonged to LO for fifty years. The object was still to get rid of it, said Strand, particularly since members of the federation were often active in the sphere of activity of the factory workers' or shoe and leather workers' federations. In other words, there was unnecessary duplication of organisation. Strand considered the federation was under an obligation to work for the transfer of its members to other federations. In fact the federation was discussing plans for amalgamation with the factory workers' and shoe and leather workers' federations at the time, and a representative of the federation said at the LO congress that a vote of members would be taken when the negotiations were completed. Subsequently, the federation board did recommend amalgamation with the factory workers' federation for its corps of chemical workers, and with the shoe and leather workers' federation for its leather workers. It should be noted that in the past the associated federations had negotiated and held agreement conferences in common with the factory workers' federation - in the chemical industry they had a common collective agreement - while with shoe and leather co-operation had always been good.

But when the associated federation sent out the proposals for amalgamation to its members, the proposals for amalgamation were rejected. Of the federation's 15,496 members affected, 86.29% took part in the voting, and 89.84% of those voting cast their votes in favour of 1) The plans are set out in the report of the associated federations for 1952, pp. 41-62.
retaining the federation, and 11.16% in favour of dissolution. With this clear expression of opinion before it the federation therefore told LO and the two federations with which it was intended that it should amalgamate that it did not intend to do any more about amalgamation in the immediate future. LO of course replied that this decision could not be considered the last word on the issue.

Another of the problem federations, the foundry workers, was discussed by the committee, and it was assumed that discussions between the metal industry workers' federation and the foundry workers' federation would lead to the absorption of the latter in the former on the lines of the 1925 plan. The metal workers wanted an amalgamation, but the foundry workers were keen to be independent, although very willing to co-operate with the metal workers' federation. In its congress of 1953, the foundry workers reaffirmed their determination to remain independent, a view which was they said justified by the fact that neither LO nor the metal workers' federation had tried to give them any ultimatum. In fact, at their congress the chairman of LO, Axel Strand, stressed the good co-operation, but added that the foundry workers should still be guided by the industrial federation principle of the organisation plan.

The musicians' federation had extended its scope to cover other workers in the entertainment industry, and the committee considered a uniform federation should be established for all these workers. The musicians federation had, after some hesitation, agreed to this proposal.

Insurance functionaries were not included in the 1925 plan, the aim being that they should join the distributive workers' federation. In 1925 the insurance workers federation had only 298 members, but now they had 6,500 members, most of whom were part-time workers. In addition three-quarters of the workers in sickness benefit funds belonged to this federation, and a quarter to the distributive workers' federation.
The 1951 committee decided, with one reservation (Johansson of the distributive workers), to incorporate the insurance workers' federation, which was to include the employees of sickness benefit funds, in the plan of organisation. The problem of demarcation boundaries within IO and in relation to TCO is well illustrated by this decision. The Insurance workers' federation had, after much bitterness and wrangling, arrived at an agreement with the corresponding federation of white collar workers whereby higher personnel and office personnel would belong to the white collar worker federation, affiliated to TCO. However, the IO federation was to keep office personnel in the sickness funds. The committee did not see any good reason for transferring the workers of the insurance federation to the distributive trades federation, for if the insurance federation proved incapable of continuing it activity there was a grave risk that the members would join the other insurance workers in the TCO federation. This was the main argument in favour of keeping this federation in IO—because otherwise the members might be lost to the TCO. (This problem is a very important one and will be discussed shortly.)

The distributive trades federation was particularly anxious to have workers in sickness funds organised under it, since it considered the funds were part of "voluntary action", and like other such "action" the office personnel of sickness funds should belong to it. Johansson was not worried about having these sickness fund personnel in the distributive trades federation for economic reasons, he said, 1) (and he conceded the economic reason might be the main one for bolstering up the membership of the insurance federation in this way), but he wanted the question of principle solved: were the voluntary sickness benefit funds the same

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1) There were about 2,000 employees in sickness benefit funds, most of them full time employees. They are therefore an important financial source in relation to the total strength of the insurance workers' federation.
as insurance societies, and if not why did they continue to be in a federation whose name gave the impression that they were insurance workers.

A further problem, however, arising out of the recommendation that the insurance workers' federation was to remain in LO, was that the demarcation difficulty between LO and TCO would arise again, for as soon as the insurance workers' federation was given this new lease on life it would obviously begin to try to extend its competence to include all insurance men. This indeed is the gist of a speech by Class Clarstedt 2) on behalf of the insurance workers' federation.

One major aspect of the problem of organising the trade union movement into comprehensive federations has been that of drawing boundaries between federations. In the past the problem has concerned not simply internal wranglings between LO federations but also the problem of so arranging boundaries that potential member federations were not discouraged from joining LO. Now, however, when LO covers practically all organisable manual workers, the emphasis has shifted to demarcation boundaries with salaried employees organised in TCO. This is a wholly natural development, since the very dynamics of a trade union (or any other group) organisation require active recruitment policies and new blood. Let us look now to a) the internal organisation problem of LO and b) the external problem.

Internally, disputes can arise over the two basic principles governing organisation, 1) the "right" to do a certain job that a group claims, and 2) the requirement that workers doing a certain job shall belong to a particular federation. In principle LO takes the view that the second principle is to be the governing one, that workers in a particular sphere

1) When the compulsory national insurance scheme begins in 1955 it seems there should be no doubt that the sickness benefit fund workers are insurance workers, since compulsory insurance is to be administered through these funds.
2) LO Congress Report, 1951, p. 317.
of work are to belong to a particular federation. Sometimes federations have taken the opposite view, that particular types of work shall be carried out by them. This can and has led to disputes between federations, as the discussion of this chapter has shown.

The remedies may be of two kinds, either based on formal byelaw powers or on persuasion. Formally, the secretariat was given extended powers in demarcation disputes in the 1941 revision of the byelaws. Whereas previously it was to "try to settle" such disputes it is now empowered to examine and decide upon disputes that arise between affiliated organisations and to work for their co-operation in this matter. Thus both approaches are covered. The second method, of persuasion, is perhaps the better. One of the problems that arise through having the industrial federation principle is that exceptions have to be made to the general framework in order to allow for peculiar or changing circumstances. It is important in the event of conflicts, wage negotiations and blockades, that there should be unity of action, but this is not necessarily achieved any better by lumping all the likely groups together in one federation, particularly if inter-federation co-operation and communications are good. Boundary disputes can accordingly be solved in many cases by agreeing that circumstances justify exceptions to the general rules of the plan of organisation. This approach is also becoming more common, and co-operation also seems to thrive on the presence of full employment, where mobility of labour makes for rapid and frequent movement of workers from the shelter of one federation to the sphere of activity of another.  

One clear illustration of the fluidity of membership in recent years is provided by the factory workers' federation, admittedly the federation most likely to experience rapid  

1) IO thus has the right to determine which federation is the legitimate one.

2) One other argument put forward in IO congress 1951 (p. 330) by way of explanation for the drop in number of boundary disputes was that "payment in kind" was now almost entirely eliminated. Presumably by this was meant that a cash nexus provides a looser link between employer and worker and between worker and organisation than some form of truck system of payment in kind.
shifts in member groups, because of its general and comprehensive nature.

In 1951 it transferred 5,626 members to 38 other organisations and received 5,765 new members from 41 other organisations. Total membership at 31/12 was 63,479.

In 1952 it transferred 4,590 members to 38 other organisations and received 4,274 new members from 41 other organisations. Total membership at 31/12 was 62,671.

The necessity for some form of machinery for dealing with demarcation disputes becomes obvious when such shifts in membership take place among so many groups.

The LO congress of 1951 discussed some of the boundary problems and disputes that had arisen about the "right" to particular work1) and what emerges from the debate and discussion is that within LO's sphere of activity solutions can often be reached by the voluntary cooperation of federations, either in loose forms or through cartel agreements, or by direct negotiation - perhaps with the secretariat of LO participating - between federations as each particular dispute arises.

It is worthwhile to look at some of the demarcation problems discussed. Should workers in cork factories belong to the factory workers' federation when the brewers themselves do not make their own corks (if they did the workers would belong to the brewery workers' federation)? The committee recommended that they should. Workers in the food preserving industry wanted to belong to the factory workers' federation since their work is mainly machine tending. Workers in sugar factories wanted to be in the factory workers' federation too, since their work was seasonal and for the rest of the year they might work for example in brick factories. These two cases at once raised boundary

problems with the foodstuffs workers' federation, particularly if one conceded that it should cover "everyone who works with foodstuffs". In that case, as one speaker pointed out, the foodstuffs workers' federation would LOGICALLY be entitled to organise agricultural workers as well. But it is not easy to be logical in a plan of organisation, when there are problems such as local industries, seasonal workers and workers with traditional allegiances.

The creamery workers gave rise to another problem. Should they belong to the foodstuffs' or to the distributive trades federation? Were creamery workers production or distributive trade workers. The plan committee view was that there was as much distribution as production here, and in fact most of the actual production workers in creameries were either unorganised or were organised in TCO. There had been a vote on this problem arranged by the foodstuff, distributive trades and hotel and restaurant federations through their standing committee of co-operation, and the result had been that the creamery workers decided to stay in the distributive trades federation. One speaker raised the question as to what would happen when manufactured articles began to be produced from milk. Would the creamery workers then join the factory workers federation? This is not merely a facetious point, for it does demonstrate the shifting nature of a branch of industry. It could also be argued that, while the preserving workers used the machinery criterion for their wish to belong to the factory workers, on the basis of the material worked with they should have been in the metal industry federation. In relation to this criterion, of material worked upon, the committee decided that body building workers should belong to the metal or wood working federations, depending on which material they used mainly.

These examples show that it is not easy to draw the boundary lines
on a logical basis, in a dynamic situation. Practical and shifting problems must also be taken into account. One very important point the committee made was that it was not its aim to draw up such organisation boundaries as would create direct difficulties on the labour market. If an employer wished to apply sensible arrangements in a workplace or tried to create practical arrangements the trade union movement would not oppose such a development or seek to hamper it through the forms of organisation. "Our forms of organisation must not be pushed to the point of absurdity". Even such a general declaration as this treads on someone's toes, however, for the representative of the transport workers federation, Andrew Flenström, said that they had to be careful not to allow too much scope to the employers, particularly in the case of the stevedores, who had agreement in their contract giving priority of employment to workers organised in the union. This declaration by the committee might tempt the employers to depart from "the usual arrangement".

The second or external group of boundary problems arises from the fact that salaried employees have begun to organise, e.g. in TCO.

Boundary problems and disputes as to rights to organise have been very frequent between LO federations and TCO federations endeavouring to establish a position of strength. Much of the trouble has a political side to it, for the TCO claims that it qua TCO is a politically independent organisation. The growth in the number of white collar workers has meant that these groups offered an attractive prize not only to labour market organisations but to political parties. Hence, although it is not irrevocably committed to the social democratic

1) LO Congress Report, 1951, p. 298
2) Ibid, P. 331
3) See Chapter IV, Pp 158-9
party, the interest of IO and its federations in these new groups of administrative workers of all kinds.

Prior to 1949 a committee had been set up between IO and TCO for regulating particular boundary disputes. But in that year co-operation was widened through the creation of a consultative committee, consisting of four representatives each from TCO and IO. This new committee then took over the functions of the previous committee which dealt with demarcation problems only. The function of the new committee is to discuss questions of common interest to IO and TCO. It appoints its chairman and secretary itself, and discussion on any matter takes place after one side has asked for it through the chairman or secretary. Meetings are held as soon as possible thereafter, and the committee is entitled to make proposals to both organisations after it has deliberated. Its decisions are effective if at least three representatives for both TCO and IO are in agreement. There is thus a common forum for airing matters connected with the boundaries of organisations affiliated either to TCO or IO.

Some of the specific problems of demarcation were considered by the organisation committee that reported to IO congress in 1951, although it had not taken any action on them, since it considered they lay outside its terms of reference. In so far as the problems led to disputes these could be taken up in the joint IO-TCO body set up in 1949. The committee emphasised the importance of IO striving to obtain clear boundaries of organisation with federations outside IO.

Motion 91 in IO congress 1951 took up the question of relations between IO and TCO in a long account which culminated in a proposal that congress should express the necessity for drawing boundaries between the spheres of activity of the IO federations and the TCO organisations.
This should be based on the principles that followed from this motion number 91, and congress should instruct the secretariat of IO to devote the greatest attention to this question and take steps to arrive at a satisfactory solution as soon as possible. The secretariat thereupon asked congress to approve, which it did, the principles set out in motion 91 on the boundaries between IO and TOO.

Motion 91 discussed the developments of IO and the growth of federations in service, distributive and administrative sectors of the economy as a result of the changing structure of the economy, and the growth of white collar organisations following on the growth in the administrative machine. It complained that in recent years certain organisations affiliated to TOO had extended their province of recruitment in such a way as to go beyond the natural limits of a white collar workers' organisation, and had attempted to apply the designation of white collar worker to wage earning groups that did not have such a position. What then was the natural province of white collar workers? What criteria should be used? It must be the nature of the service, not the organisation, that was the determining factor. It was not reasonable to draw boundaries by referring to the organisation the employee belonged to. Nor could a demarcation be made on the basis of training, for many office personnel were less highly skilled than skilled manual workers. The motioners (the distributive trades federation) could see justification for special interest organisations for employees in senior posts, where the work was of a directing or administrative character, for such criteria took account of the tasks performed and the high position occupied.

Because the white collar workers' organisations had in certain cases gone beyond this boundary and seemed to be aiming at recruitment from outside this "natural framework for the trade union organisations of
white collar workers", the motion felt LO's federations were being menacely. It asked for action accordingly.

There was of course not a state of war between LO and TCO. Many demarcation agreements had been arrived at, and there was a committee of co-operation between LO and TCO. The musicians' federation had, for example, had some disputes with a TCO group, the Swedish theatre federation—which dealt with soloists—and an unofficial agreement had now been reached. The organization committee also recommended that, since it was irrational that employees were sometimes divided among federations belonging to LO or TCO, negotiations should be taken up by the federations involved to try to obtain adjustments that would allow the federations to approximate more to the picture of uniform organizations.

Motion 91 was discussed by congress before being approved.

S.A. Johansson said that relations had worsened in recent years between the white collar worker organisation on the one hand and the state servants' cartel, the local authority workers and the distributive trades federations in LO on the other. It was also necessary to obtain a better definition of what was meant by a "white collar worker", for in many cases the white collar worker had superior conditions of employment, and better security and sickness and holiday benefits, all of which were significant factors in wages policy. Then there was the political question, as to the methods to be used to improve one's status and position.

Gunnar Hallström of the local authority workers' federation complained that while in the past the white collar organisations had been content to organize workers who were employed on tjänstetät 3), - which in

1) LO congress report, 1951, p. 292
2) These federations conducted a propaganda campaign for members in 1950 which "was not particularly well received by the TCO organisations". See also TCO annual report, 1950, pp.47-49, where TCO terminated the temporary agreement arrived at for trade and industry in 1944 with the distributive trades' federation in LO. Since then there has been a scramble for members by the rival organisations in LO and TCO.
3) i.e., regular appointment.
itself was no criterion for demarcation - they were now trying to encroach on small groups within the competence of the collective agreements of his federation. "We cannot therefore accept the idea that all local authority white collar workers who are placed on l9nestat 1) should belong to the TCO organisations, but we maintain that the groups who have for a long time been organised in our federation and for whom we cannot without difficulty arrive at agreements at least as good as those of the white collar workers organisations, shall continue to belong to our federation in future. There is no reason why LO should give up these groups of members for the benefit of TCO."

Sten Sjöberg of the telegraph and telephone federations did not think the problem of demarcation with TCO could be solved at one fell swoop all along the front, in peace and quiet. The competition must continue and in that case everyone had to help. The secretariat's proposal was then approved.

Apart from the empirical and concrete approaches to these problems of demarcation between LO and TCO federations that are attempted by the individual federations concerned and by the LO/TCO committee, it is doubtful whether any general principles can be put forward by which a salaried worker is to be distinguished from an "ordinary" worker. The nearest approach to a principle in the 1951 discussion is organisation "by the nature of the service performed". That of course has to become a concrete question as soon as particular jobs are to be weighed in the balance. Nor is it a valid distinction to allocate individuals to organisations by the criterion of whether they are employed by collective agreement or not. (A problem discussed in chapter XIX, on employment agreements). There seems no escape from the empirical approach.

Given goodwill all round, and willingness to co-operate and set 1) i.e., salaries plan. This is discussed in chapter XIX.
Given goodwill all round, and willingness to co-operate and set up standing committees for the purpose, there is no reason why both the internal and external problem of organisation of the trade union movement should not be solved satisfactorily. Even since the declaration in favour of the industrial federation principle was made in 1909 LO has tried to move slowly but surely in the direction the organisation plan indicates. That the empirical approach has been a skilful one and not altogether unsuccessful, in spite of the internal wranglings revealed in this chapter, is brought out by the following table, which illustrates the transition from craft to industrial unionism.

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<tr>
<th>Year</th>
<th>Craft federations</th>
<th>Industrial federations</th>
<th>Mixed federations</th>
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<td>1930</td>
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</table>

Sources: Hanson: Den Svenska Fackföreningarsförbunden p. 66. See also SOU 1935: 66, p. 461 (2)

Both in terms of their share of the total number of federations and of total trade union membership the industrial federations have made steady progress at the expense of the craft and (to a lesser extent) the mixed federations.

1) The mixed federations are the Associated Feds., Factory workers, commerce and trade, and transport.

2) The figures for 1908, 1923 and 1933 are taken from Hanson, the remainder I have compiled myself from the membership of LO in the years considered. Some slight discrepancies arise because Hanson included federations that were not necessarily affiliated to LO. This problem has been insignificant over the past twenty years when LO has dominated the workers' organisations.
federations. It should also be borne in mind that while these figures show the formal position of the federations as craft, industrial or mixed, they do not take account of the fact that there is informal co-operation among various groups in the cartel type of arrangement.

The empirical approach to the problem of organisation has thus had some measure of success. The problem is a sticky one to meddle with, for the craft federations have strong historical roots in the Swedish trade union movement and it is but natural that craft federations should feel that they can do better for themselves "on their own" when they negotiate on working conditions. There is an understandable fear that skill differentials will suffer through amalgamation. Even the mixed federation principle has some good points, for it can be argued that heterogeneity of group gives strength, since it is not often that all groups need call for strike support at one time. But the change in organisation towards industrial federations has been essentially practical, in response to the needs of a situation where the employers organised by industry and were keen to have industry wide agreements. To the employers' broad front the workers had likewise to respond with as broad a front as possible. If this could be obtained by organising by industries and overcoming the tendency for craft federations to go their own way and fight on a narrow front then there was a case in practice for industrial federations.

The trend to industrial unionism is also closely related to the rise of factory industries, where the dominant emphasis comes to be placed on numbers rather than on skill.

At first, as we have seen, the arguments for industrial federations were negative rather than positive. The aim was to overcome weakness. Now a more positive approach can be taken and the industrial federation obviously offers a more fruitful medium for a planned and co-ordinated wages policy than do craft federations. But we should be quite clear that the industrial federation comes on the scene much earlier than the
ideas of a co-ordinated wages policy, which are only twenty years old.

The industrial federation has also its problems of internal organisations. Even though the principle is that one is paid a certain wage because one does a certain job in an industry rather than because one is (say) an electrician, the problem of "cross-rates" between electricians in different industries AND in the electricians' industrial federation means that the industrial federation has to cater for special groups by allowing them to pursue sectional interests to a limited extent within the scope of the industrial federation and by providing skill differentials in industrial and national agreements. (See Chapter XIX). This is a problem that will be analysed in connection with wages policy. Basically, the problem could only be solved by job evaluation.

There is no problem of mammoth federations in the Swedish trade union movement comparable to some of our general unions in Britain. Nevertheless, it has been found that to group workers in a conglomeration of groups in one federation raises problems of identity between unions and men, of loss of personality. To some extent this is overcome by sections for particular groups, but one other factor that is developing nowadays as a substitute for the narrow loyalties of craft is the works council, set up at a factory level and aiming to get the worker interested in and co-operating in the firm. Here the activity of a works council may offset the loss of interest in the industry. There may be a paradox here, however; that it is because the industrial federation is strong that it can afford to encourage local activity in works councils. This major problem is discussed in Chapter XVIII, on industrial democracy.

In conclusion we can summarise by saying that the Swedish trade union leaders quickly grasped the benefits in terms of strength that organisation by industries would bring and that, after a cautious initial
period when the problem was one of organisation versus non-organisation rather than of a particular type of organisation, there has been a steady endeavour to work in accordance with a plan of organisation based on the industrial federation. It is realised that this plan must be flexible, and, although LO has now strong formal powers to settle internal demarcation issues, the emphasis is placed on effective organisation through willing co-operation by the affiliated organisations. External boundary disputes are more serious, but TG0 and LO have now set up machinery for settling problems by discussion.
Appendices to Part One
### Appendix 1.  

#### Table I

Work stoppages in Sweden, 1903-1952

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<th>Year</th>
<th>Strikes</th>
<th>Lockouts</th>
<th>Mixed</th>
<th>Total Stoppages</th>
<th>Total Employers Affected</th>
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**Note:** The table includes data for each year from 1903 to 1952, detailing the number of strikes, lockouts, and mixed cases, along with total stoppages, employers affected, workers affected, and days lost.
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<tr>
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Appendix II. Capital holdings of federations affiliated to LC in 1952. (in '000 crowns)

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<th>1950</th>
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<td>Prison warders</td>
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<td>-</td>
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<td>1,995</td>
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<td>Mining industry</td>
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Part Two

The State and the Labour Market
Introductory

In this part an analysis will be made of the legislative framework that surrounds the Swedish labour market, and in particular of the system that has been built up, by legislation and other means, to promote labour peace. There is much protective legislation, governing hours of work, holidays, accident prevention, accident and unemployment insurance, but such legislation is technical in character and has excited much less discussion and debate than has the problem that arises when one asks oneself what means are to be adopted for the furtherance of labour peace.

The development of workers' and employers' organisations in Sweden has never been a matter to which Parliament could turn a blind eye. The growth of the organisations, the methods they have used to advance and protect their interests, the question of the "rights" and "obligations" to which this process gives rise, all have at various times been a matter for the consideration of the legislature as well as being the constant concern of the labour market organisations themselves. Legislative proposals for promoting labour peace have often been put forward in the name of state authority and in the interests of social peace, and have tackled such problems as the settlement of disputes in a peaceful way, the drawing of boundary lines to protect vital social functions, the right of workers and employers to combine and carry on negotiations, the interpretation of agreements arrived at, and the provision by the state of machinery that the parties to disputes could use. Again, legislation has sometimes aimed simply at codifying the existing practices that have developed in the relationships between employers and workers, while at other times attempts have been made to pass legislation which would provide a new framework and path along which to channel the nexus of labour market relations.

Not much labour market legislation has in fact been passed in Sweden, and the main source of regulation is the parties themselves. To date, legislation has been passed which deals with collective agreements, a labour court, a conciliation system, private arbitration, and the right of association and negotiation. The main distinction
that has governed the attitude of the labour market organisations to legislation has been that between justiciable (rätts - rights) disputes and non-justiciable (intresse - interest) disputes. The growth of and emphasis on the distinction will be traced in the succeeding chapters, but in brief it may be said that justiciable disputes, which relate to the rights and obligations that arise out of the agreements concluded between the parties, have since 1928 been regulated by the collective agreements act and the labour court act and are thus statutory as well. Interest or non-justiciable disputes, on the other hand, still remain unregulated in law, the state going only so far as to provide conciliation machinery that the parties are free to use as they wish. The legislation on justiciable disputes has been in the main codifying legislation, giving legal form to the content of the agreement relationship built up since the turn of the century by the parties themselves. But the framework of procedure and law that has grown up has only come into existence after much bitterness and disagreement, trials of strength, and political warfare. Its progress has now been hindered, now promoted by the political complexion and policy of the party (or parties) in power and in opposition, and it has of course also been influenced by the particular economic conditions prevailing at any time and by the relative strength of the organisations of employers and workers.¹) The views of all these groups have fluctuated with the growth of experience, and in accordance with the power and strategic position they occupy in the political and economic scene. One distinguishing feature has, however, been the empiricism with which the problems of legislating have been faced. At the turn of the century, in the prevailing

¹) The various points of view put forward in the debates and discussions on legislative proposals and their political aspects are analysed in great detail by Jorgen Westerstahl in his Den Svenska Fackforeningsrörelsen. See esp. Part III "Forhållande till Staten", pp. 235-425.
liberal climate of opinion and during the period of establishment of unions and employers' organisations, there was uncertainty about what action should be taken. By the time opinion had crystallised the labour market organisations had themselves established wide powers of private government, and, although the later political climate is dominated by social democracy, there has not been any eagerness on the part of the trade union movement to replace the system built on experience and mutual compromise by a state-imposed system of legislative checks and balances.

In sum, there has been little legislation for three good reasons: a) the labour market parties have themselves built up a system of regulating their relations, b) changes in political power have led to a shifting evaluation of the virtues of state intervention, and c) the trade union movement has found it in its interests, mainly for practical reasons (particularly in recent decades), to oppose legislation, especially on non-justiciable disputes.

But labour peace is not entirely the product of self-discipline. Quite frequently the labour market parties have been urged into action for self-regulating purposes just because the state was contemplating some form of intervention.

Broadly, three aspects of peace promotion can be distinguished, namely:

1) the position in law of the organisations themselves, their internal government and position in relation to other organisations, the rights and obligations of the individuals in them, the right of association, and the right of the organisations to negotiate about wages and conditions of work on behalf of their members. With the exception of the rights and obligations of members, discussed in Part I, these problems will be discussed in Chapters VIII, IX and X.

2) the settlement of disputes, justiciable and non-justiciable, between the parties, and the enforcing and preservation of labour peace. This is taken up in Chapters XI, XII and XIII.
3) the protection of neutral third parties and, on a broader canvas, of society, against the strength and influence of the labour market organisations, which is analysed in Chapter XIV.

All these elements can be traced in the legislative proposals made on various occasions, in the legislation passed, and in the debate and discussion that has surrounded them. As we shall see, it has not always been the case that the various strands were clearly distinguished, nor are they necessarily clearly distinguishable. The position in law of the organisations, for example, has influenced their private methods of promoting peace, and the promotion of peace between the parties can not always be divorced from the effect their endeavours have on the public at large. Sweeping proposals for comprehensive labour market peace legislation have frequently been put forward, but in principle the problems are distinct, however much the practical discussion of the issues involved has led to a clouding of the problems at any one time. Chronologically, the settlement of justiciable disputes in law takes priority, and hence a settled procedure has existed since the passage of the collective agreement act and the labour court act in 1928. The right of association and negotiation was only finally settled and guaranteed by law in 1936. Protection of neutral third parties has not been made the subject of legislation, but since the Basic Agreement was concluded between LO and SAP in 1938 a settled system of protection for public interests has been in force. Again, the position in law of the associations has never been directly defined, while, as has been seen in Part I, the regulation of the internal affairs of labour market associations has been a matter for the associations themselves, aided at times by the advice and encouragement of such official committees as the Nothin.

We proceed to look first at the legal position of labour market organisations which, if the discussion may be anticipated, has never been defined in law, the associations being private, unregistered bodies that are recognised in courts of law as competent to act. The development here is typical of the empirical Swedish approach.
Chapter VIII

The Regulation in Law of Associations.

The legal position of trade unions and employers' organisations as bodies entitled to sue and be sued in the public courts has developed in Sweden in rather a negative way. Briefly, it may be said that by defining the position in law of associations other than those for "ideological purposes" (which include unions and employers' organisations) the position of these last has been clarified, but never defined. The positive definition on which the distinction is based is that governing associations for economic purposes, and these are distinguished from "associations for ideological purposes", which include temperance, free church and other voluntary organisations as well as labour market organisations. The evolution of the definition of an economic association and the attempts to legislate on ideological associations show the differences that have been recognised, either positively or negatively, to exist.

A Companies Act was passed in 1848 to get round the difficulty of collective responsibility and unlimited liability, but it was not until 1895 that legislation was passed on associations for economic purposes, such as trading associations of various kinds, for which the doctrine of unlimited liability that was still applicable to private partnerships was hardly suitable. The act of 1895 had as its main object the protection of the individual members of associations for economic purposes against wrongful or other unreasonable action or decisions on the part of the associations. Such associations were to be required to register, if they were to have any personality in law. This settlement in law of the position of associations for economic purposes, together with the growth of trade unions and of court judgments that raised the legal position of non-economic associations as something undefined, led in 1899 to the question of their position in law being taken up in Parliament in an attempt to clarify their position. This was a question that was bound to arise sooner or later, since both trade unions and employer organisations can be said in some sense to be interested in promoting the economic interests of their members in the labour market.
A committee which reported on the subject in 1903 defined an association for ideological purposes as one that "fulfils religious, philanthropic, political, social, scientific, artistic or communal aims, or aims at looking after trade matters, or otherwise has a purpose OTHER THAN that of promoting the economic interests of the members through economic activity." It also devised a procedure whereby associations other than economic associations would be able to choose between either registering and submitting to a certain number of controlling provisions about their activity and exact economic responsibility, or avoiding registration. If they chose this latter course they would be able neither to acquire rights, assume obligations, nor to petition and be sued in a court of law. Thus only such associations for ideological purposes as registered in the prescribed way would have ANY legal capacity. The committee considered whether special provision should be made for trade unions, but did not consider that a case for this could be made out. General compulsion to register was felt to be too great an infringement of individual freedom, while to restrict compulsory registration to trade unions would have savoured of class legislation. 1) In short, trade unions could either register, and thereupon accept responsibility for the action of their officials (but not their individual members) or avoid all responsibility by not registering. Obviously this would have considerably hampered the trade union movement, and LO opposed the idea of legislation along these lines.

After demands had been made in the years 1904 and 1905 that the committee proposals should be passed into law, and been rejected by the parliamentary legal committee, the secretariat of LO was again found in opposition to legislation on ideological associations. It set out its views on their legal position in a statement to the government. 2) The experience of 25 years of trade union activity had not, it considered, created any need, either from the side of the unions or of society, for legal intervention in the activity of these

associations in the form of registration measures and definition of their legal position, whether voluntary or compulsory. In most cases relations between the parties on the labour market as wage earning and wage paying parties were regulated by mutual agreement, without the intervention of the courts. On more than one occasion the workers had in the past felt the need of protection for the right of association in law, but this they had not obtained, and the need for registration now appeared to be less. (The right of association had just been guaranteed by the December Compromise of 1906 between LO and SAF). Nor did LO like the idea of voluntary registration, for they considered it would be illusory and lead to employers demanding registration as a condition of negotiation. Registration, with its accompanying position in law, would be the first step towards the development of legislation against the trade union movement and an obligation upon them of economic responsibility. Once their legal capacity was settled by law, legislation would more and more come to be directed to making the trade unions economically responsible for the acts of their members. This might prove a great temptation to employers. Further, LO thought that the growing number of collective agreements, whose real implications it was still too early to see, made it unwise to consider any legislation that might disturb this natural development. In short, LO was convinced that the judicial relationships being developed through the activity of the labour market organisations without the intervention of law was the best guarantee of mutual obligations being fulfilled. LO therefore opposed the idea of legislation on ideological associations.

The matter was soon raised again, however, after the companies' committee had reported in 1908 on proposed legislation for registered economic associations, since negatively this involved a consideration of non-economic associations. In the parliamentary sessions of 1910 and 1911, therefore, the question of clarifying the legal position of ideological associations arose once more. In 1910 a proposition (no. 83) proposed a law that would regulate BOTH economic and
non-economic associations. In order to obtain full legal rights it was proposed that ideological associations would have to register (unregistered associations would have been able only to defend a case in a court of law). The lower house of parliament rejected the proposal, however, and asked for a new proposition dividing the question into two laws, one for ideological and the other for economic associations.

Next year the government tried to meet the criticisms advanced against the one law proposal in 1910 by proposing one law for economic and one law for non-economic associations. (Prop. no. 35). It was proposed that only those ideal associations that registered in a certain way should have full legal rights. The proposal also contained provisions for the joining and leaving by members of an association, for the use of the assets of the association, for the board and signature of the association, for auditing, for meetings of the association, for proceedings against the board or accountants, for changes in the byelaws, for cases where a special majority of members was needed, for protesting against decisions, for liquidation and dissolving of the association, for registration, and provision for the possibility of the association being a member in another association, penalties in criminal law, and exceptions from the law. Associations that did not register were to have partial legal rights, but would not be able to plead or sue in the courts. They could be liable to be sued. As Lo pointed out, this would have compelled them to register in order to offset the liability to be sued by the right to sue.

The 1911 proposal met a fate similar to that of 1910, in that the lower house of parliament accepted the law on economic but rejected that on ideological associations. Lo applauded this decision. There was no need for such a law on ideological associations, it said, and the consequences for the associations might have been hazardous. The upper chamber accepted both laws. The opponents of the law on ideological associations argued that in practice the courts had already begun to grant recognition of full legal rights to the unregistered ideological associations.

as soon as they had a settled form of organisation, fairly comprehensive byelaws and a board. A practical argument against the proposed law was that the proposals could not be applied to the type of organisation that had sub-branches, such as the trade union federation type of structure. The unions also opposed the proposals because of the trouble, cost, and legal knowledge necessary for registering in accordance with the provisions of a law. Temperance and free church interests also opposed the proposals.

When legislation on collective agreements was being discussed in 1910, the Minister of Justice had in fact said that the question of the legal position of ideological associations was settled in practice, in that associations that had the settled form of Swedish employers' and workers' organisations were considered to be competent bodies in law. A capacity to act in law developed when an association had byelaws, a board, and officials. He thought therefore that the problem of the ability of such associations to conclude collective agreements, and the legal effects of such agreements, need not be made dependent on the question of the legal position of the associations.

The decisions of parliament in 1910 and 1911 on ideological associations were not, however, allowed to let the issue lapse completely, for the lower house majority asked that new proposals should be prepared for a law on such associations. In 1916 a judge of appeal was asked to prepare a draft proposal for legislation. This he did in 1919, when he suggested that an ideological association consisting of at least five members, and which had adopted written byelaws and appointed an executive board, could be registered and thereby obtain recognition in law of its ability to act. Other provisions related to registered and unregistered associations. These proposals did not lead to any legislation.

1) Heckscher, Staten och organisationerna, pp. 100-101, points out that the 1903 report had mentioned the Supreme Court as agreeing that religious bodies that had a board and byelaws could act in law in relation to property.

2) See Proposition 96, 1910, P. 62.
After 1910 the position of ideological associations was, however, clarified in two ways. The fact that one law, that on economic associations, was accepted by parliament in 1911 meant in the first place that recognised practice could continue to grow in relation to ideological associations in a negative way, namely that "if you are not an economic association, as understood and defined in the act, then you must be an association for ideological purposes." Secondly, practice itself reinforced the position of such associations. Curiously enough, there has never been any great inclination on the part of employers' and workers' associations to sue each other in the public courts. Almost the only case of note that arises is one that arose out of the strike of 1909, and which was settled in the Supreme Court in 1915 by the decision that a collective agreement was binding upon the parties, and that a union could sue and be sued under the common law as a legal person, irrespective of incorporation.¹)

But this was exceptional. The labour market organisations kept clear of the law courts by themselves devising procedures for settling disputes that arose between them. The collective agreements that were developed may have been virtually only gentlemen's agreements, but they could be enforced by sanctions or negotiations set in motion by the labour market parties themselves. Ultimately the practice they developed was such as to enable a codifying statute to be passed in 1928. A further reason for the parties steering clear of the law courts was the great delay in hearing cases. Six years elapsed before the case mentioned above was settled. In the main this was because of the lengthy judicial process in Swedish which (until 1948) was based almost entirely on written process.

This bypassing of the law courts being the practice, and the associations having thus been recognised in practice as competent to

¹) See Enforcement of Collective Bargaining Agreements in Swedish Law, p. 3, for a discussion of this case.
act in law, the discussion of the legal position of ideological associations became almost dormant, and when the discussion was resumed in the 1930s a shift in emphasis had taken place in the discussion. Prior to 1910 the proposals for legislation on ideological associations were concerned mainly with removing the uncertainty that existed about their position in law. In the 1930s, when the discussion flared up again, and by which time the ideological associations had long been recognised de facto, the emphasis was shifted to the actions of the organisations, and particularly to actions that were prejudicial to neutral third parties on the labour market, or to the state and society, or involved decisions that seemed to be based on imperfect byelaws of the associations (e.g. the building conflict case of 1933).

The legal position of ideological associations was of course discussed by the committee on industrial democracy in the early 1920s, and by the nine man "labour peace delegation" of 1926, but in the 1930s it cropped up again in the discussion of abuses that such organisations were accused of perpetrating. Motions in the parliamentary session of 1934 on the subject of labour peace took up the question of legal regulation of the associations of employers and workers, their organisation, position and activity. It was argued that conflicts should not be allowed to begin where the action taken did not express the views of the association as a whole, that minorities should be prevented from arriving at decisions in votes on strikes, lockouts, and conciliation proposals. While employers' representatives were usually entitled to arrive at decisions on the spot, proposals often had to be sent out to members of a trade union for voting before their representatives could arrive at decisions. Some motions suggested an enquiry should consider the organisation and objects of associations, the conditions of joining and leaving, the right to vote, and to arrive at decisions. The second legal committee suggested an enquiry to include such issues, and others such as the boundaries between the competence of the Board and of the members. An enquiry limited only to trade associations would not necessarily

lead to legislation that would cover the whole field.¹ This committee recommendation is one of the threads leading to the appointment of the Notthin committee in late 1934.

In the parliamentary session of 1935 conservative motions were submitted which asked for a rapid enquiry into and presentation of legislative proposals on trade (yrkes) associations, but the second legal committee pointed out² that before measures could be taken to satisfy the need for legislation for a certain TYPE of ideological association the GENERAL grounds for legislation in this field ought to be investigated. The committee accordingly asked the government to have an enquiry of this kind made, but the matter went no further, as the two houses arrived at different decisions.

The Notthin committee pointed out in its report late in 1935 that in fact ideological associations - workers' and employers' organisations, agricultural producers' associations, purchasing associations and other such organisations - had so far been left unregulated in law, but had in case law long been recognised to have the right to acquire rights and assume obligations, and to sue and be sued in the courts, on condition that they had adopted byelaws that contained provisions on such issues as the way in which decisions were to be arrived at, and the appointment of a board. In view of this de facto recognition of their position the Notthin committee did not think that further regulation of the legal capacity of the ideological associations in regard to their EXTERNAL relations was necessary. The issue depended on the internal position and organisation of the associations, on which the committee made several recommendations.³ In any case, the Notthin committee took the view that criticism had been

1) By 1935 it had apparently discovered (see below) that it would be necessary to have a GENERAL investigation first.
2) Statement no. 37, 1935.
3) See Part I, Chapters V and VI.
too exclusively directed against ONE type of ideological association, the trade unions, the result being that it would be difficult to solve questions pertaining to their position in co-operation with the workers. Employers were also doubtful about the regulation in law of the internal relations of such associations. If there was to be legislation, the Nothin committee thought it should be made WIDER in scope and application than workers' and employers' associations only. It must cover all organisations that were formed for economic purposes. The committee did not, however, commit itself as to whether there should be regulation of the whole position in law of ideological associations, since this was outside its terms of reference.

The fact that there was no legal regulation of ideological associations meant that when the 1935 legislation on economic conflict measures was being proposed (see Chapter XIV) certain measures were included that involved a regulation of the right of association. When conservative notions asking for legislation on such associations, and in particular raising the question of trade associations and their special position, were presented to Parliament in 1936, the second legal committee drew attention to its statement of the previous year, and thought that legislative apparatus in relation to neutral third parties would be easier to create if these questions were looked at in relation to the questions of rights of association.¹) If the basis of legislation on associations of employers and workers as well as other ideological associations with various aims could be clarified this would give a good point of departure for a final solution of the question of the regulation of economic conflict measures. So the second legal committee therefore proposed an investigation into and proposals on the question of giving norms to the system of associations through legislation. Both Houses approved. The question

¹) See statement no. 58, P. 77.
of legislation on the associations was referred to the Department of Justice. What the committee had in fact said was that it would be easier to settle problems of neutral third parties if they were quite clear about the position in law of ideological associations. This is in a sense a complete reversal of the approach which led to the revival of demands for legislation on ideological associations through the demands for protection of neutral third parties. Thus an attempt was to be made to define what an association for ideological purposes was. This was more objective than previous attempts to try to find a "basis" in law on which to pin special legislation for the purpose of regulating direct action by craft or trade associations.

The Minister of Justice was asked in Parliament in 1938 what had been done about the 1936 decision to look into the problem of ideological associations. He replied that he had deemed it necessary to make a technical adjustment as to what should be included in legislation on associations and what would best be left to the sphere of special legislation. This enquiry had now been completed and a report on the basis for legislation on ideological associations and a draft for a law was ready.

An ideological association was to be one whose object did NOT include the promotion of the economic interests of the members through the pursuit of economic activity, and which did not pursue activity that involved it in the legal obligation to keep trading books. It was proposed that all associations would have full legal capacity, whether registered or not. The proposal thus fell into line with existing practice. One exception proposed was that if an association did carry on activity that required it to keep books it would be classified as an unregistered ECONOMIC association and be treated in accordance with the act (of 1911) as an association for economic purposes. The draft was aimed to serve as a foundation for further discussion as to the more detailed framing of the law, and it considered what should fall outside a general law on ideological associations, namely, rules for preserving the positive and negative right of
association, and competence rules as to the beginning of economic conflict measures. In the case of these exceptions the problem was one of action that could be taken by all legal subjects and therefore a regulation of them could not be restricted to ideological associations alone.

The next work in the department would, however, cover the scope of the question of the right of association, both positive and negative, and not merely its application to labour market relations. The question of limiting economic conflict measures was, however, a matter for the Social Department.

The draft for legislation on ideological associations was sent out to the interested organisations for their views in the summer of 1938, and not only LO, SAF, and TCO but also other associations such as the farmers' union, rejected the idea of legislation. LO said it was unnecessary, and superfluous, to legislate on questions that were in fact regulated in trade union byelaws. Such matters were being discussed between SAF and LO. The secretariats emphasised that it was not opposed in principle to legal regulation of matters coming within the field of activity of the trade union movement, but in this case it could see no need for such legislation in practice, either for trade unions or other associations for ideological purposes. Subsidiary arguments were that the educational function of these associations was greater under a voluntary system, and that legislation might also hamper the development of the system of organisations. 1) SAF took a similar view. "The absence of legislation on the basis for carrying on the activity of ideological associations has not been disadvantageous to these organisations or given rise to any misunderstandings." 2) As far as the labour market was concerned a practical position in law had been evolved by 1910. If the object was to form the basis for further legislative intervention, SAF was definitely opposed to the idea. The parties on the labour market were themselves trying to bring about mutual understanding (a reference to the Saltsjöbaden discussions.) 3)

1) See LO's statement to the government, 17th October, 1938, and also Packföreningssöresen, 1938, No. 43, p. 412.
2) Industri, 1938, pp. 643 et seq.
3) See Part III.
Society must rely upon the willingness and ability of the organisations to guide developments in the direction that was best for society. If intervention took place via legislation, the organisations could no longer accept their share of responsibility for the development of social matters and of labour market organisations in the country.

The views of LO and SAF at this time represent from the other side the zeal with which they were themselves trying to rid their organisations of many of the abuses of internal organisation and external power which had precipitated many of the demands for legislation about ideological, but particularly labour market, associations during the 1930s. In fact, the issue remained a dead letter in legislative proposals until the whole definition of an economic association was revised in 1951, and the definition of an ideological association became by implication, and to some extent explicitly, an issue.

In the years immediately following the attempt to legislate in 1938 the whole motive power behind the desire to regulate on ideological associations, or at least those on the labour market, was cut off by the action taken by LO and SAF in 1938, when the Basic Agreement was signed, and by the attempts LO made between 1936 and 1941 to put its constitution in order. Whereas previously it had been felt that no final solution of the problems of direct action undertaken with a view to inflicting economic damage on another party could be expected until legal norms for the organisations and their activity were drawn up in order to regulate their rights and duties, and the procedure for voting, joining and leaving them, it was found that the parties themselves proved willing to attempt a solution within the framework of voluntary agreement. This was in no small part due to the gentle persuasion that the Bothin committee report exercised on SAF and LO.

As has already been mentioned and discussed, the 15 men dealt with constitutional problems in their report, and they brought out well the trade union attitude of 1941 to the problem of regulating the
position of labour market organisations in law. In the past, it was argued, the demands for legislation on trade associations, with particular reference to trade unions, had often been based on a political evaluation about the friction that was believed to exist between the large interest organisations and society. It was feared that the concentration of power in these organisations would endanger social peace, and that the solidarity of members could be used in various ways to harm society.  

The report considered this was a distorted picture, in view of what experience had proved. So far was a strongly developed system of trade union organisations from being a menace to society that, as the Nothin committee stressed, such an organisational system was the best guarantee of social peace. The development of organisations had led to increased use of collective agreements, and of peace treaties and arrangements as to rights based on them. In interest disputes the balance of power meant there was greater responsibility, that open conflicts became the ultimate sanction, resorted to with reluctance.

As regards the internal structure of the organisations, it seemed to this committee that in and through the acceptance by most of the federations affiliated to LO of the so-called normal byelaws (first approved by the Representative Council of LO in 1933) – whereby voting on provisions was only advisory – the argument about the organisations keeping an unruly house was no longer tenable. The carrying through of the provisions of the normal byelaws on these points was considered by the Nothin committee to be an important step in the promotion of labour peace. There was again, thought the 15 men, just as little justification in the complaints made against the byelaws of the trade union movement, about the legal relations between associations and members or about monopolisation that restricted entry to trades. This was not to say that the constitution of the trade union movement did not lack defects, which it would be as much in the interests of society as of the movement to remove. Hence its proposed thorough revision of the byelaws.

1) Fackforeningssrørelsen och näringslivet, pp. 165-6.
A final solution of the question of economic conflict measures had often been looked for in legal control of the organisations and activity of the labour market organisations. But since there was now more control by agreement over conflict measures (as a result of the Basic Agreement) the question of legal control over associations should lose its significance. Legislative intervention in the affairs of the labour market organisations was not rejected because of any opposition to legal regulation per se. It was enough to argue that there was no PRACTICAL NEED for such legislation. Both society and the associations were best served through the latter continuing to develop freely, under constitutions regulated by byelaws. It meant also a greater educational and utilitarian value for the associations than if everything were fitted into a framework of legal norms and sanctions. The conclusion thus was that it was rather unnecessary for the state to legislate on the functions and structure of the labour market organisations. Legislation was no end, but it did become one when it proceeded to codify what was already customary procedure and practice.

The position of the ideological associations in law came up again in 1951 when the whole basis of the 1911 law on economic associations was altered. The 1911 act on economic associations (to which, it will be recalled, a complementary act on ideological associations was intended, had it passed the lower house) had provided that associations for promoting the economic interests of members by carrying on economic activity might register as economic associations. But there was implied compulsion to register, in that associations that did not register were considered as unregistered economic associations, not ideological associations, and so lacked the legal capacity adhering de jure to economic associations and de facto to ideological associations.

The whole basis of this arrangement was changed by the law on 1)

1) Fackforeningsrörelsen och näringslivet, p. 167.
economic associations of 1st June, 1951, which came into force on 1st January, 1953. The designation "economic association" was made narrower than it had been from 1911, in order to distinguish economic associations from companies. The term is now reserved for co-operative associations in the real sense, that is co-operative associations of at least three persons who are active in some way in the association; that is, an economic association is one that (§1) promotes the economic interests of the members through economic activity in which the members themselves participate, as consumers or suppliers, by their own labour or through making use of the services of the association, or in other such manner. These associations may register and come under the provisions of the act. But again some compulsion is implied, in that §3 provides that until an economic association has registered it cannot possess rights or incur liabilities, nor plead, petition or defend itself before a court or other authority. However, when a board has been appointed, it may plead in cases dealing with the formation of an association, and in this and other ways take action for the purpose of obtaining contributions promised or payments due.

When they have registered, the economic associations are required to keep books. In other respects they are subject to fairly detailed legislative requirements. The aim is to exclude the association from being used for pure profit purposes (17-20), which would bring it under the new Companies Act, and on to a higher scale of corporate taxes.

The proposals on which this act of 1951 was based suggested that ideological associations could, if they wished, register, and then be subject to the same legal rules as those proposed for economic associations. The reason suggested was that in the case of agreements with third parties, particularly property deals, it would be advantageous to know where the association with which one was negotiating stood in law. Legislation was not, however, to interfere with the practice that existed already in relation to the

1) "SOU 1949: 17, Betänkande med förslag till lag om registrerade foreningar m.m."
legal position of third parties, and the proposal did not in fact anticipate that many associations for ideological purposes would register. SAF, TCO and LO all objected to the idea.

SAF said the advantages of such registration would be small, and was uncertain about the legal effects of ideological associations registering. TCO said it had no complaints about the present system. It was perfectly agreeable to associations registering if they wished, but thought that we would then perhaps be faced with the question of defining a registered and an unregistered ideological association. LO said that legislation was no longer needed on the grounds of the uncertainty of the legal capacity of these associations, and considered that the idea of optional registration would cause confusion, particularly since the option meant that the difference between the two types of association would not be based on the nature of the activity, but simply on whether an association chose to register or not. If a third party wished to know what the legal position of an association was, a definition could be made in law of the conditions under which legal capacity could be conceded to an association for ideological purposes. (It does not seem that this would in fact help, since it would inevitably raise the whole question of definition again). The third party could then refer to this. But LO did not think that an association could be expected to register simply in order to have this confirmed, since it would thereby come under legal regulation. (Herein lies the weakness and contradiction of LO's statement).

When the matter was discussed, the chief of the department of social affairs thought that registration would have both advantages and disadvantages. The disadvantages in his view predominated. The law was primarily orientated towards economic associations, and this might be a handicap for ideological associations. Nor would the proposal remove the inconvenience caused by the problem of drawing a line between the ideological and economic association. Since registration was not to be compulsory, this would simply add confusion. Nor was it proposed that registration was to be based on any distinction of activity, but simply on the WISH to register. For these reasons
he suggested that the proposal should not be passed into law. "In this connection I have no reason to enter into the question of whether in future special legislation for ideological associations in general can be considered necessary and desirable. It should, however, be clear that if such legislation were found to be desirable it should be drawn up along much more simple lines than the enquiry has proposed for economic associations." 

There is thus still no definition in law of what an association for ideological purposes is. The boundary line between them and economic associations is in some ways a vague one, since trade unions and employers' organisations may very well be concerned with promoting the economic interests of their members. But the distinction drawn by the law of 1911 and of 1951 on economic associations is that associations for ideological purposes do not pursue economic activity directly or actively, whereas economic associations do. The main distinction that has been drawn is thus the negative one of what one is not, and whether there is an obligation to keep trading books. This last requirement is not part of the 1951 act, but derives from the legal requirement that registered associations must keep books. The demands for legislation at various times have likewise paid attention to what such associations DO, and whether their actions are against the public interest.

The difficulty in defining what exactly is meant by an association for ideological purposes has obviously been an important factor in the position in law of such associations. As the word "ideological" implies, such associations can cover many and varied objects. In some cases the boundary with economic associations is vague. It has already been suggested that it is not easy to pinpoint an employers' ideology in Sweden, and such associations are ideological in law mainly because they are not directly or actively engaged in

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1) See proposition 1951: 34, p. 63 et seq., and especially p. 71.
2) "Vad Sager Nya Foreningslagen?", by Harry Wikstrom, p. 6.
economic activity on behalf of their members. The solution in Sweden has been a practical and not a logical one. De facto recognition by the courts of the capacity of ideological associations to act has meant that it is possible to get along without enforcing registration on these associations. The main requirement, besides the obvious one that a court of law must be prepared to recognise such an association as competent to act, is that these associations can so order their external relations and internal affairs that they do not alienate the goodwill - or at least tolerance of society. At times, particularly in the 1930s, the associations operating in the labour market came very near to doing so. It is only because they have developed increasing responsibility and centralisation of internal power that the lack of legislation in this field has been allowed to continue. Although they are not subject to legislation, they are not entirely free from legal control, because of their de facto recognition in law. Members can for instance plead against such associations in the courts. Moreover, the threat of legislation has had some influence in the development of growing responsibility on the part of such organisations. Their social conscience is not merely spontaneous but in part also induced.
In discussing the problem of the right of association and of negotiation, it is necessary to distinguish two problems that in part overlap, a) the right persons have to combine in associations, and b) the competence these associations have to act and negotiate on behalf of their members, i.e., their position in law, de facto or de jure. We have looked at the second problem in the preceding chapter, and will look here to the question of the right to join an association which, one presumes in joining, is competent to act on one's behalf in certain matters.

It should first be noted that the term "right of association" is preferred to "right of combination". We in Great Britain associate the latter phrase with trade union rights and a trade union struggle alone, but in Sweden no distinction has ever been made between the right of combination of employers and of workers. "Right of association" is therefore preferred in order to stress this, and to abstract as far as possible from the value judgement content of "combination".

It was stated in chapter 1 that no regulation of trade unions was included in the economic freedom ordinance of 1864. In fact the right of association was guaranteed implicitly by §16 of the Swedish constitution, in the sense that combination among workers as such did not bring the unions into any clash with the authorities, although a breach of the law might lead to the police intervening in the association of citizens. The constitution have protection against arbitrary action on the part of the authorities. But towards the turn of the century many conflicts were fought over the issue of the right of workers to combine in trade unions. Many of the battles fought by employers against workers on this issue were successful, in that they were able to force workers to leave their unions. But, as Hallendorff points out, such successes were very

1) Hallendorff, op. cit., p. 17.
much in the nature of a Pyrrhic victory, although they did eventually have the advantage of teaching the employers the advantages of the right of association when they themselves came to combine. When the necessity for the employers to organise against the other side became more and more inescapable, the question of how the trade union movement should be countered (by the employers) appeared almost self-evident. 1) That is to say that the employers had learned, through fighting the workers' right to combine, the advantage of combining.

In the early years of the twentieth century, when many labour agreements still forbade workers to belong to unions, several motions in Parliament were presented on the subject of the right of association. Indeed, after the Norrland sawmill conflict of 1899, Branting had asked in parliament whether there was going to be legislation to protect the right of association. In 1902 and 1904 motions were rejected on this matter. It was argued that, besides the guarantee given in the constitution, the employer should be entitled to decide whom and on what terms he would employ. To pass legislation on the right of association would lead to greater compulsion to associate than had hitherto existed on the workers' side. The employer's right to decide was just as fundamental as that of the worker. (Obviously too protection for the right of association would have encouraged the growth of the trade union movement, which was not yet considered altogether desirable by anti-socialist elements.)

But the situation soon changed when the employers too had begun to organise on a major scale, and attacks on the right of association became less frequent. Perhaps the most noteworthy attack of all on the right of association took place, however, as late as 1906, when the workers in a sulphite pulp factory in Mackmyra joined a union and the employer closed down his works in the middle of winter. Some weeks later

1) Ibid., loc. cit.
workers were ejected from the company's houses. Questions were asked in parliament, and some months later the company was obliged to give formal recognition to the workers' right of association. This Mackmyra conflict marked the end of the autocratic attitude of the patriarchal employer. There began thereafter a new era, distinguished by organisations of employers and workers. 1)

The growth in organisation was reflected in the well known agreement in the mechanical engineering industry in 1905, when the right of association and of negotiation was recognised on both sides. In 1906 too, SAF and LO arrived at the famous December Compromise. Such agreements meant that the right of association was being recognised de facto. The change in attitude was reflected also in a change in the prevalent opinion within the labour movement with regard to legislation for guaranteeing the right of association. When the conciliation act was being discussed in 1906 the workers' side favoured legislation to protect the right of association, but almost immediately thereafter its views changed, and two years later there was talk of a general strike when legislation on ideological associations was mooted. Likewise, the social democratic party changed its formulation of the right of association being guaranteed by the fundamental law of the constitution when it revised its programme in 1905. The new formulation read "the unlimited right of association", which of course does not necessarily mean that it must be guaranteed via legislation. 2) Further recognition was given to the right of association in fact by the conciliation act passed in 1906.

1) Hansson, Mackmyra till Saltsjöbaden, p.6. It is noteworthy that SAF refused to give support to the employer when it was discovered that the conflict had arisen because of the refusal of the firm to allow workers to belong to a trade union. See Haliendorff, op.cit.,p.74.

As far as manual workers were concerned the right of association, and with it the right of negotiation, became generally recognised in collective agreements. Subsequently it is only when salaried employees begin to organise that the question again becomes one of major importance in the 1930s, although the right of foremen to belong to the same union as the workers under them was challenged by SAF as early as 1907. 1)

After the collective agreements act was passed in 1928, the labour Court became entitled to take up questions relating to infringement of the right of association where a collective agreement existed. The right of association was held by that court not to be dependent on explicit guarantee in the form of association clauses in collective agreement, for (just as with the employer's management prerogative) the court has held that the right of association is IMPLIED by the very process of entering into a collective agreement, and even in the absence of a clause to this effect a union can recover damages when a member is discharged merely on the grounds that he belonged to or was active on behalf of a union. 2)

In its dealings with this right, the court has dealt with three main classes of breach of the right of association that is implied in the existence of a collective agreement, a) inducements to persuade a worker not to join or to leave a union, b) discrimination against a worker because of his membership of a union, c) discrimination on the grounds that a worker has participated in the activities of the union or has appealed to it to act on his behalf. 3)

1) §9 of proposition 96, 1910, (which was not passed into law) proposed that there should be no provision in a collective agreement that prevented employers or workers from belonging to any association; nor provisions that gave certain organisations exclusive or prior right to conclude agreements (the closed shop), although it could be provided in a collective agreement that foremen could not belong to an organisation covering others besides foremen. This was a codification of SAF practice (although, as has been noted, the closed shop has sometimes been successful in non-SAF sectors.)
2) Judgements 52/1930.
3) Robbins, the Government of Labour Relations in Sweden, p. 287 et seq. analyses these three types of case.
Prior to 1936, when the act covering the right of association and negotiation was passed, the Labour Court only took up cases where a collective agreement existed. Under the act of 1936, however, it was given power to consider such cases where no agreement existed. Its competence was extended beyond the field of justiciable disputes to include certain non-justiciable disputes where interests were at stake, e.g., the employer's obligation to respect the right granted under that act to employees to combine for purposes of negotiating with him. Such disputes now become justiciable under the act of 1936, which makes the right of association statutory.

The fact that prior to 1936 the Labour Court could only adjudicate on cases of right of association where a collective agreement existed gives a hint as to the reason for legislation on the subject in 1936. It was found that there were groups of employees who had no collective agreements and had therefore no remedy in the Labour Court. Logically, it would have seemed better to regulate the right of association and of negotiation in law before setting up a labour court on the basis of the collective agreements act of 1928. But the fact that logic did not prevail serves to emphasise two points that are basic to the discussion of this chapter: a) the right of association and of negotiation was recognised in fact for manual workers, and there was no need to codify it in law, and b) there was as yet no strong organisation of salaried employees (DAWO was not formed till 1931) for whom legal guarantee of these rights was to become a goal and, when finally attained in 1936, a boon.

The conciliation act of 1920 had also recognised the right of negotiation in practice, but although it was not specifically restricted to cases where the conditions of employment were regulated by collective agreement, reliance was still being placed implicitly on the willingness of employers to negotiate with their employees. For
two major groups this was not in fact the case, and from the 1920s it is possible to distinguish two strands leading towards the granting of rights of negotiation to the two groups. The first group was formed by salaried workers in private employment, who had little right of association and of negotiation in practice — they were still regarded as the boss's men. The second comprised state and municipal employees, some of whom were in a peculiar position, arising out of the fact that constitutionally they were employed on terms that brooked no grant of negotiation rights, and which involved them in penal code sanctions if they were guilty of neglect of duty. This latter group, enjoying, or suffering — "responsibility of office" form a peculiar anomaly. We shall deal first with the events leading up to the act of 1936, which excluded those with "responsibility of office" from its protection, and then give some attention to their problem of association and negotiation rights in Chapter X. Even within the first group, however, there is a certain confusion of public servants, for although a particular civil servant or local authority official is not necessarily burdened by "responsibility of office" it has at various times been felt that he might very well be banned from the right of association because of the fact that he was engaged on socially necessary functions.

When the representative council of IO was discussing in December, 1926 questions put to it by the nine man labour peace delegation, one of whose subjects for enquiry was the right of association and negotiation, it had no real objection in principle to legal protection being given to the right of association and of negotiation, but considered the question was rather an unimportant one, since the system of labour market organisations had made progress without the support of law. The recognition in law of the right of association was feared by some members to be the thin edge of the wedge, however.

One problem that remained was that of the right of negotiation of
of salaried groups of employees in private service, such as bank and office personnel. Their right of association was by no means always recognised in practice. In 1931 in fact a motion (No. 189) was submitted in Parliament that called for legislation on personal service agreements, but this was rejected for a very interesting reason. There had been applications from a) DACO (the central organisation for salaried employees in the private sector) established on 3rd May, 1931) and b) the liberal association of Stockholm, both asking for an investigation into the question of the right of association. The second legal committee accordingly asked that motion 189 should be rejected, since it appeared likely that the whole question of the legal regulation of labour agreements would be taken up by the government on a broad front. It seemed unwise to have a limited investigation such as DACO had in mind, and so a committee was appointed within the department of social affairs in June, 1931 (the committee on private service employees), to make an enquiry into and to submit proposals on the legal regulation of the labour agreements of employees in private service. In his directive to the committee the head of the department said it was important to have express provisions that would help in judging what the legal relations were between the parties to an agreement. At present this was difficult. It there was no legal framework in the light of which agreements could be judged it was difficult to form opinions about the rights and obligations of the parties. He considered that the legislation could in the main be permissive, although compulsory provisions might perhaps be necessary in certain respects in order to provide effective protection for the weaker side, which was usually the employees' side. In the meantime only agreements for "office-holders" in private employment should be regulated, and NOT those in which the state or a local authority was the employer. Nor was it intended that manual workers should be discussed, but since it
might not be easy in practice to limit the enquiry full freedom was
given to the committee on this point. The matters that should be
regulated were: entering into and discontinuing agreements, the right
to draw salary during illness and the right to holidays. Whether the
right of association ought to be regulated by law was a matter for
debate, but this ought not to prevent the matter being full discussed
during the investigation. The main emphasis was thus clearly placed
on certain problems peculiar to the status of senior employees in
private employment. Only as an afterthought was it added that it might
be difficult to draw the boundary between such employees and manual
workers, and that the right of association might also prove to be a
problem for discussion. However, what is important was that stress
was being laid on the question of defining what the position of the
white collar worker was in relation to his contract of employment.

The right of association and negotiation was in fact, and proved
to be, fundamental to the whole problem, for it was because these
rights were not recognised de facto that the question had arisen of
trying, by compulsory or permissive legislative provisions, to
guarantee salaried employees certain material benefits. If these rights
had been conceded it is probable that the parties would have been able
to solve problems relating to the contents of employment agreements
by forming associations and negotiating with employers. As things turned
out, the committee could not escape this point.

It found out when it conducted a survey into the matter that the
right of association and (more especially) of negotiation was not wide-
spread among salaried employees. On the evidence that the data collected
by the social board for the year 1932 provided the committee found
that 1) "on the whole" the right of association, to affiliate to an

1) SOU 1935: 59, p.101
organisation with the task of looking after the interests of the members in employment questions, was in practice recognised between the parties on the labour market. The enquiry suggested that the right of negotiation, on the other hand, varied for different parts of the labour market and between different types of organisation. For manual workers in industry, handicrafts, and transport, the right of negotiation had long been recognised. In agriculture, forestry, and roadwork it was not in many cases contested, but opposition from the side of employers, mostly against the introduction of the collective agreement system, was not frequent.

As for non-manual workers, the committee found that only to a small extent and in special spheres had the right of association been recognised in practice, mainly because the organisations here were new, and had to some extent different aims from the workers' organisations (This situation, said the social minister, Möller, was good enough ground for legislation and, if the right of negotiation was conceded, the right of association had to be given as well.) The workers' organisations were fighting bodies, prepared to make use of direct action, while salaried employees had as a rule been reluctant to make use of such methods. Where they had not attained the position of agreement - concluding partners their activity had usually been directed towards working out a normal contract of employment for the benefit of their members, to helping members with information about the wages situation, and current practice on other conditions of employment, to giving legal help, and to taking up individual cases of unreasonable conditions of employment and of unjustified dismissals. In other cases tariffs had been drawn up for members when they took up employment. But even for such organisations of salaried employees the idea of the right of negotiation had made progress. If collective wages agreements
had not been achieved the organisations had in certain cases been recognised as the party entitled to negotiate with the employer organisations on questions relating to the working conditions of the members.

On 31/1/1935 SVF and the Foremen's Federation had arrived at an agreement which was in fact a negotiation system. Each side undertook as far as possible to try to prevent disputes from arising, but if a dispute did arise no collective measures were to be taken. Provisions were made for the foreman to have discussions with management before changes were made in employment and working conditions. A procedure for settling disputes was set out by a three-tier negotiation system, at local and central levels, and finally in a consultative council. The decisions of this last body were to be binding (since collective action was not to be allowed) in cases where the dispute was not over an economic benefit. In these last cases decisions were binding only if the matter had been referred to the council for decision by the person concerned.

The committee appointed in 1931 submitted a first report on and proposals for legislation on labour agreements for employees in private service in March, 1935. Its proposals covered every agreement by which one party undertook to work in the service of another for remuneration. Exceptions (most of which had in any case been excluded from the directive in 1931) were made for cases where the employee was employed by parliament or an authority belonging to the state administrative system or coming under parliament, or by a local authority by reason of a special appointment, and for service abroad in ships (regulated by an act of 1922.)

The committee pointed out that there was a remarkable vacuum in the Swedish legal system with respect to employment contracts.

1) SOU 1935: 18.
Repeated attempts (but none since 1910 and 1911) had been made to remedy the omission, but without result, perhaps because of the difficulty of finding a just balance pleasing to both sides in question that were at the same time the object of interest disputes between groups of employers and workers acting in concert. The legislation the committee proposed was in principle permissive i.e., the conditions of employment AGREED upon were to have priority. Some compulsory provisions were suggested on certain fundamental matters like holidays (although even this was not to apply where the content of employment agreements was regulated by the act of 1928. 1) Concentrating mainly on the individual employment agreement, the committee distinguished three groups of employees - foremen and other qualified employees, most other employees, and manual workers - and proposed regulation of certain formal questions, e.g. entering into and terminating agreements, and also on provisions of material content such as sick pay, holidays (for which specific provisions were suggested for the different groups of employees). Certain material questions were excluded, such as hours of work, overtime pay, and pensions. The right of association and negotiation, which the committee was also considering, was omitted from this first report. All these excluded factors were so unique and specialised that it considered they should be looked into separately. The committee later went on to consider (see below for its report) the right of association and negotiation, but did not have time to discuss the other topics. The problem of pensions was removed from its terms of reference in May, 1935.

1) It was accordingly very confusing for the committee to speak of compulsory provisions that could be overridden by collective agreement provisions.

It objected to this method of severing certain questions from the
complexities of all the problems of the individual work relationship. Further, the Nothin committee was considering the relation between legislation and such a general regulation. In view of this and its other criticisms IO objected to the proposed legislation on individual employment agreements. The committee had thought legislation on labour contracts was necessary in order to protect workers not so organised as to be able to look after their own interests. But it had not found it easy to draw a boundary, and rejected the nature of the work and the size of the wage paid as criteria (this is reminiscent of the Trade Board problem). IO agreed this was a difficulty, but if the criteria used were the degree of organisation then in fact most of the organised manual workers would not be affected by the proposed law. ¹) IO did agree with the committee's view that the law should be permissive i.e. that it should only be obeyed if nothing else followed from agreements or custom. Even where provisions were compulsory, the provisions of collective agreements would still apply. Otherwise, though the committee, there would be intolerable infringement of the freedom of contract. ID(and SAF)agreed. The regulation of labour conditions by collective agreement had advantages over legal regulation, particularly as regards flexibility of adjustment to current developments (i.e. PRACTICAL advantages) and of differentiation according to local and other special conditions.

Certain of the compulsory provisions would possible give the workers better conditions than they had in collective agreements. This would lead to dualism, IO thought. Conditions not regulated in collective agreements would come under the law, unless they were

¹) At 31/12/1934 560, 812 of IO's members were covered directly by collective agreements. The remainder constituted 14.2% of its membership, but they were not necessarily uninfluenced by collective agreements, since the Labour Court had adjudged (judgement No. 95, 1932) that collective agreements applied to unorganised workers as well unless specific provisions to the contrary were made in the collective agreement.
regulated in labour contracts or by custom. When the collective agreement did not apply the proposed law would apply, at least in its compulsory provisions (sic.)

LO feared too that the minimum conditions would become maxima. In regulating the right to be given notice, holidays, and sick pay they should not go any further than legislating for the worker's RIGHT to those benefits, without fixing any minima for categories, though there should be a legal maximum for all workers. (According to the report, workers of the first and second groups were to get better holidays).

All this dualism between compulsory provisions that could be modified (sic) and provisions that were not to apply if collective agreements provided otherwise was rather an unholy mess. The committee was not empowered to work out proposals for the legal procedure to be followed in examining disputes about individual employment agreements (which the Labour Court does not normally deal with). There might be a mix up, for if an individual's employment agreement is governed by a collective agreement interpretation disputes can ultimately go to the Labour Court, SAF was opposed to all forms of state intervention for settling provisions for minimum wages, although it agreed there was a need to supplement civil legislation by legal regulation of the relations between employer and worker. There should therefore be civil legislation on the individual employment agreement, but omitting every provision about the size of benefits to be paid. The principles applied should be general, and not applicable simply to certain groups of workmen. SAF also objected to the specific (and compulsory) provisions on holidays and sick pay, and did not think the committee's proposals could be approved in their existing form.

1) Industria, 1935, pp. 527-543.
The Social Board did not recommend their passage into law either, and disapproved of the division of employees into three grades. It thought a law should include minimum provisions about the content of employment agreements, (although it agreed that in practice this was a very tricky matter), as well as a formal framework for such things as giving of notice. DACO maintained that legislation on employment agreements, whether comprehensive or referring only to details of employment, should be so constructed as to give the majority of employees real benefits, while at the same time no group of employees should suffer, directly or indirectly, by the new legislation. Legislation should therefore take account of the fact that salaried employees had in general better benefits than workers. 1)

The root of the matter was that the committee had hold of the wrong end of the stick. Both LO and SAF opposed state intervention in matters relating to the content of agreements, and anomalies were bound to arise if a committee attempted to make material provisions for all groups of employees, particularly since manual workers already had a detailed system of collective agreements. The remedy was not to legislate on individual employment agreements, but to guarantee to employers who had so far been unable to negotiate collectively the right in law to do so. Collective norms were the solution, and these would follow if the right of association and negotiation was once recognised. LO recognised this, for its main objection was that it was wrong to create rules for drawing boundaries on the basis of existing practice, before the workers had had their right of association and negotiation protected by law, since this would give them some influence on the determination of the conditions of work. In fact, perhaps the real reason why there was a vacuum in the coverage of collective agreements, LO argued, was because their right of association

1) Vad är DACO ? (1939), p. 29
and negotiation had not been recognised. In short, LO felt the committee was tackling the problem from the wrong end. It should have tackled the right of association and negotiation first.

No proposition was ever presented on the basis of this first report of the committee. The government was asked to do something about it again in 1936, but nothing has ever come of it, just because the right of association and negotiation which was guaranteed by law in the same year had led to the development of collective employment norms for salaried employees.

The position of state and local authority salaried employees also presented some problems and, although this committee of enquiry did not take up any matters relating to their activity, the proposition that was ultimately submitted to parliament in 1936 on the right of association and negotiation did in fact extend the competence of the proposed act to include employees of the state and of local authorities who did not occupy positions as responsible officials. The difficulty in dealing with the state and local authority sector was of course that of how far any stoppages of work at all could be tolerated. The background is worth looking at.

Before 1936 no very clear distinction was made in the discussion of socially necessary functions as to who and what should be excluded from the right to resort to direct action, apart from the peculiar position of these responsible officials who were debarred by criminal law provisions from having the right to strike. Many of the demands for legislation on socially vital functions that were put forward in the 1920s and 1930s took a pretty wide view of what did constitute socially necessary activity, and who should accordingly be debarred from striking.

It had been stated in parliament in 1920 when the new conciliation act was discussed that the law did not apply to state
employees who had the status of responsible officials, and for whose jobs special provisions were made in instructions. But the department chief considered that, in agreement with the practice that had already developed, whereby the large numbers of personnel in the state business undertakings who had no status as responsible employees had constituted a category where the old conciliation act had been considered applicable, and conciliation had taken place, there was no reason why, even though the law should not be immediately applicable to salaried employees, the conciliator, on the request of the board of a state enterprise should not, in disputes with workers, deal with questions as to conditions of work for personnel who were legally responsible officials.

Negotiation procedure for state undertakings had already been discussed in 1911 and later. In 1920 the social Board issued a report with proposals for a law on negotiations between the state and its servants. It did not recommend any special negotiation procedure between the state as an employer and its employees, in so far as employees were not definitely in the position of responsible officials, for it thought that conditions of work differed little from those in private employment; the nature of the work and terms of payment were in fairly close agreement, there was continual transfer of personnel between state and private service, and workers in state employ were in the main members of the same organisations as those in the private sector. So the Board found no reason to ask for special regulation of the working conditions of state employees, nor for any special negotiation provisions. This view was thus in line with the procedure actually adopted in 1936, although the fact that such procedure, and in particular the registration procedure, proved necessary suggests that the Board was somewhat sanguine in 1920 about the possibilities open to all civil servants to negotiate with their employers.
In 1924 one parliamentary motion suggested that a board of opinion should be set up to consider disputes that were socially dangerous, and in 1926 motions asked for compulsory arbitration in employment agreements for branches of the economy that were of particular importance to society, and for the prohibition of stoppages of work in disputes to which the state or local authorities were party.

When in July, 1927, the proposals for a collective agreements law had been sent out for the view of interested bodies, the chief of the Social Department considered that the other question that demanded attention was that of promoting labour peace in state and local authority undertakings. Various methods were possible, but he thought that the best way would be to try to obtain for these spheres collective agreements that would regulate in a uniform way the relations between the parties and create forms for the settlement of disputes that arose. He did not think he could give any views as to the content of such collective agreements. But the problem of settling disputes that arose during the period of validity required attention, and he thought it should be provided that negotiations should take place between the parties and that, where no settlement could be reached the dispute should be referred to a suitably constituted board of arbitration. In this connection it should be provided that no work stoppages or other direct action should occur during the period of validity of an agreement. It was also desirable that agreement should be reached as to the procedure to be adopted if no new collective agreement could be arrived at when the old one expired.

A general framework such as this would he thought secure labour peace to a high degree in a state and local authority activity. There might be difficulties for local authorities, but he proposed that an investigation should be made as to whether collective
agreements such as he sketched could be drawn up. If so, uniform norms should be drawn up for the content of such agreements. Account should also be taken of the variety of circumstances in the various local authorities as compared with the state.

All this led to the appointment within the department of three labour peace EXPERTS, the primary task of whom was to try to get such collective agreements concluded with the worker in the different enterprises, state and local authority, that the relations of the parties were regulated in a uniform way and forms were devised for the settlement of disputes that arose. This committee of experts reported at the very end of 1932 that agreements in the state and local authority spheres had been developed in the direction the chief had suggested, and that a continuation along the lines they had in mind would not likely lead to any further positive results. The committee therefore asked to be relieved of its task, and was.

In 1928 a motion suggested representation for employees at discussions of wages and employment in hospitals (on which a law had just been passed), but this was rejected in view of the expert enquiry being made. In 1931 Sigfrid Hansson proposed an addition to § 3 of the conciliation act - that, in addition to the conciliator calling negotiations when conflicts of significance seemed to be blowing up, there should also be a right for an employer or an organisation covering at least half the workers to call for mediation. There would thus be an advantage in getting the parties together at an early stage, which the law as it then stood did not allow very easily. DAGO supported Hansson's proposal and, although the second law committee rejected the motion, both Houses approved the reservation to the committee view instead, and § 3 of the law was amended.

In the 1934 parliament proposition 66 proposed a change in the law of 1928 on hospitals run by local authorities or counties so
that the obstacles in the way of arriving at collective agreements for hospital personnel might be removed. The departmental chief said that, although such personnel could not resort to direct action, he thought it was in the general interests that they should be allowed to present their point of view in negotiations. The second legal committee 1) did not, however, wish to have the law changed to allow hospital personnel to enter into collective agreements, and proposition 66 was rejected.

Finally in 1934 parliament did approve of the idea of an enquiry into the problem of negotiation rights for state employees, and experts were appointed in May, 1935, to consider whether and to what extent a negotiation procedure could be set up for them. The committee reported in October, 1936 2). In the meantime, the act of 1936 guaranteeing the right of negotiation and of association had excluded such employees in the service of the state or local authorities who had responsibility of office. So the special procedure for negotiation rights devised for civil servants in 1937 and for local authority employees in 1940 is based on this distinction, which will be discussed in full in the next chapter.

The first report of the committee on private employment agreements was followed in November, 1935, by a second report 3) in which it proposed legislation on the right of association and negotiation. 4) It limited its proposals to PRIVATE service, as directed, 5) but it exceeded the directive in that it did not restrict its proposals to

1) Statement No. 13, 1934
2) SOU 1936:41
3) SOU 1935:59
4) The Committee did not have time to work out proposals on hours of work and overtime, and had been relieved of its task of discussing pensions in May, 1935.
5) In any case the government had appointed experts in May, 1935 to look into the question of negotiation procedure for state employees. This is to be discussed in the next chapter.
"office holders", i.e. senior employees, only, but covered ALL employees in private employment, and also employers. Groups of producers, e.g. in agriculture, were however excluded.

The proposals were based mainly on those dealing with the subject that had been made in attempts to control certain economic direct action, where the position of labour market organisations had been a central topic. The legislation the committee proposed was to be of a permissive nature as regards the right of association, in that the provisions were not to apply if these matters were already regulated in the collective agreements. Stiiven, the LO lawyer, who was a member of the committee, objected to this. He thought the law on the right of NEGOTIATION could be permissive, but in relation to the right of association he argued that there was no guarantee in collective agreements against the abuse of this permissive right. It was just those groups of workers for whom legislation on the right of association was of practical value who could be got at, because they were in a position of dependence on the employer. Provisions could be written into collective agreements that restricted their right of association. 1) Müller agreed with this view. 2) The right of association was not he said to be made permissive. As to the right of negotiation he said that it was correct to state the principle of the right and obligation to negotiate, but the parties should be free to agree in collective agreements as to the negotiations procedure. LO had been very worried about the possible restriction through collective agreements of the right of association. It was not so concerned about restriction on the right to negotiate, since it

1) LO feared that foremen might be denied the right of association. The outcome is discussed below.

2) His view on presenting proposition 240, 1936.
assumed priority would be given in law to negotiate procedures already built up and established in collective agreements.

The committee considered that compulsion to organise, the NEGATIVE aspect of the right of association, should also be forbidden. This raised an issue that had already caused trouble in parliament in 1935. Then the government proposition on economic conflict measures had not taken up the negative side of the right of association, but the second legal committee had proposed that protection should be given against such compulsion to organise. An individual ought to be free to stand outside organisations, and not merely labour market organisations at that, for the law committee proposed that protection against compulsion to organise should apply to other spheres of economic life besides employers and workers. The Nothin committee thought the same. It suggested that direct action must not be resorted to against a third party for the purpose of forcing a party to join an organisation or prevent him from leaving it.

When this 1935 committee thus raised the problem again, Sälven opposed their suggested solution. He argued that organisation clauses in collective agreements could hardly be called an infringement of the right of association in the real meaning. Another reason he put forward was that the 1935 proposition to parliament on economic conflict measures had also limited protection of the right of association to the POSITIVE side, because (as mentioned above) the complex question of compulsion to organise had not been taken up by the 13 men 1) for a general solution in all its forms. Möller had said too in 1935 that he could not recommend a partial solution to this question. In his comments to the 1936 proposition he said that the question of compulsion to organise was an internal matter for workers and for

1) A committee of 1934 which dealt with problems of direct action in relation to third parties. See chapter XIV.
employers, not between workers and employers, and it hardly belonged to this field of legislation on the right of association and negotiation between employers and workers. The question of compulsion to organise should not therefore be taken up in the proposition. The second law committee approved this part of the proposition, arguing that if legislation giving protection against compulsion to organise was not made complete and comprehensive it could appear to certain groups in society to be directed against them. Likewise, it said, the Nothin committee was dealing with these matters, and the law committee hoped that by 1939 enquiries would be completed into compulsion to organise in all its forms. In fact the Nothin committee considered in its report that a regulation of the question whether and to what extent compulsion to organise should be allowed or not ought to refer not merely to employers and workers but also to parties in other spheres of economic life.

Both LO and SAF had objections to the special negotiations procedure based on registration (discussed below). Sölen was not opposed to a special negotiation institute, but objected to the conditions, registration, and the data required about numbers of members. LO considered that the negotiation procedure based on registration with the Social Board, and its peace obligation to ensure the continuation of negotiations under an independent chairman, was a bureaucratisation of the negotiation procedure. The SAF point of view was given in a reservation to the committee report by Gustav Söderlund, the managing director of SAF (SAF endorsed his views). Söderlund could not agree with the majority proposal for a law that introduced compulsion to negotiate. He thought it was shortsighted to abandon part of the right of self-decision which the association had. In any case the need for such compulsion was now less. As to the right of association, he said it could not be denied that it had sometimes been abused, but
he considered that it was better to endure slight injustice than to allow legislation. This reluctance on the part of SAT to concede these rights to salaried employees agrees with its views at the time as expressed in its byelaws. DACO complained that the committee had not proposed an arbitration institute to which special groups of workers whose right of negotiation was not yet sufficiently developed could refer. But since it thought something might be gained from the proposed provisions, it approved them.

10 also favoured legislation in principle, 1) and considered that it was a defect of Swedish legislation that these rights had not been expressly recognised. The proposed legislation should be framed in such a way that it retained the right of association and negotiation already recognised in agreements but also gave unrestricted legal protection where this had not been given de facto. This in effect must mean, said 10, that protection was limited to groups of workers outside the group of manual workers. In other words, it would help salaried employees.

As a result of the committee proposals being sent out to interested bodies for their views, the proposition (No. 240) on the right of association and negotiation presented to parliament in 1936 had some changes to show. The minister of social affairs, Müller, shared the view of the Social Board that the proposed law was particularly justified as a protecting law for salaried employees whose organisations had not as yet won recognition to any extent as negotiating partners on the labour market. So he thought the right of association should be regulated only in so far as was necessary to secure the right of negotiation. Hence the concept of the right of association is limited, in that it can by agreement be modified by organisation (closed shop) clauses. The proposition extended the law on the right of association to cover

employees and workers in the employment of the state and of local authorities as well, but excluding those with "ambetsmanna ansvar" i.e., responsible officials. The committee had included registration with the Social Board as one of its ideas, but the social minister (apparently going along with the objections raised by LO and SAM) proposed to exclude it. But the second law committee reintroduced it, arguing that the special procedure with independent chairman and the peace obligation seemed to be of some help in promoting the aim of trying as far as possible to avoid labour conflicts and to promote agreements. But the second law committee was not too happy about the legislation on the right of association. It thought it should be more general, and proposed an enquiry. When the proposition with its proposed amendments came before the chambers the two houses arrived at different decisions, the first chamber making some reservations. Compromise proposals were eventually approved by both chambers.

Since in practice the right of association had been recognised for manual workers for some thirty years, the act of 1936 on the subject of the right to associate and negotiate was thus of the greatest significance for salaried employees. Indeed the whole trend of the discussion since the 1920s had been to try to clarify the position of the salaried employee in relation to the legal status of his condition of employment, and his right to combine with other salaried employees for the purpose of negotiating collectively on them. As a result of the debate we have just analysed the act regulates the positive right of association, but the right NOT to belong to an association, the right to remain unorganised, is not covered by the act. The act goes beyond the private sector of the economy and covers certain civil servants and local authority employees as well.

To whom does the act apply? § 1 provides that the act applies to relations between employer and employees, with the exception of
employees in the service of the state or local authorities who occupy positions that involve "official responsibility" (ambotsmannaansvar), and whose position is regulated in criminal law. 1) As employees within the meaning of the act are included persons who, while not actually employed, carry out work for someone else and occupy in relation to that other person a position of dependence of essentially the same kind as that of an employee to an employer. Likewise, the person for whom such work is carried out is looked on as an employer.

By an association of employees the act understands associations of which the tasks are, according to their byelaws - no special provisions are made about what the byelaws must contain - to look after the interests of the employees in matters relating to conditions of employment and other relations to the employer. An association of employers is a similar body on their side. The provisions of the act also apply to federations of such associations.

The right of association is taken to cover the right for employers and workers to belong to associations thus defined, to enjoy membership in such an association, and to work on behalf of the association or for the formation of an association. This positive right of association is to be inviolate. It will be seen that the right of association is thus a functional one, applying when persons organise or try to organise.

When is the right of association violated? Violation takes place if measures are taken from the side either of employers or employees against anyone on the other side for the purpose of persuading him not to join or to leave an association, or not to make use of his membership in the association, or not to work for the association or for the formation of an association, and also if from the one side measures

1) See Chapter X.
that injure a party on the other side are taken because this other party is a member of an association, makes use of this membership, or is active on behalf of or for the formation of such an association. (The sanction is damages, discussed more fully below). It should be noted that this formulation only gives protection to those employed against action by their employers. For example, an employer who refused to employ a worker because he is organised in a certain federation or union is not guilty of violating the right of association. 1) Thus an employer is not prevented from systematically avoiding the employment of members of a certain association, for an organisation has no independent right of association. The right arises through having members employed. Here there has however been a change since 1940, when it was provided that violation of the right of association can occur through a measure being adopted for the purpose of fulfilling the provisions of a collective or other agreement. If the right of association is, for example, violated through the giving of notices of termination of an agreement or through provisions in a collective or other agreement this procedure or provision is invalid. This clause is designed to cover "organization clauses". The right of association takes precedence over closed shop clauses if for example an employer dismisses a member of one organisation because he has a closed shop agreement with another. But an unorganised worker has no protection here, since the right of association is functional and dependent on associating.

One exception to the compulsion the act sets out is that provisions may be made in individual or collective agreements that foremen 2) may not

1) See Schmidt, Kollektivarbetarrett, p. 129. That this must be the case follows, in the case of SAF partners, from the fact that by their § 23 (now § 35) employers are free to discriminate between organised and unorganised workers in choosing their labour force.

2) A foreman is defined as a person who is employed as the employer's representative to lead, allot and control work that is carried out by persons subordinate to him and in which he himself does not participate except on rare occasions.
be members of associations that are designed to look after the interests of people employed under them in relation to the employer. This was merely a codification of the practice on which SAF had for instance insisted since 1907. Nor does the law apply to measures based on such provisions. If an employer includes an organisation clause in a collective agreement it means that if a foreman is a member of the workers’ union he can be dismissed without the act being violated i.e., the organisation clause covers the right of employment, not the right of association.

There had been some difference of view on this problem during the discussion on the act. Lo, as previously mentioned, was afraid that foremen might be denied the right of association if the law were made permissive, for then an employer could introduce (or continue to insist on) a clause limiting the right of association of foremen. Sölvén thought an exception could best be given via collective agreement provisions, but in fact the exception was written into the act that employers could insist that foremen should not belong to workers’ unions. Foremen can of course, and do, organise in their own unions, as was pointed out in Chapter IV.

The right of negotiation. In some ways the right of association is more fundamental as a principle of individual freedom than is the right of negotiation, but, as Müller recognised in presenting the draft legislation, the latter is certainly the object that most people in labour market organisations have in mind when they do clamour for the right of association. Chapter 11 of the 1936 act channels negotiations through organisations, on the side of the employees. It provides that the right of negotiation can be exercised by an employer or an association

1) In his memorandum of 16/12/1910 on SAF’s principles for collective agreements, von Sydow held that work foremen should not have to be members of the manual workers’ unions, and that the employer’s demands that foremen should not belong to such unions was not to be considered a violation of the right of association. This idea was expressed in § 96 of proposition 96, 1910, which was not, however, accepted by Parliament.
of employers of which the individual employer is a member, and by 
ASSOCIATION OF EMPLOYEES. These various persons or bodies have the right
to call for negotiations on the regulation of conditions of employment 
and of other relations between employer and employee. Thus on the 
workers' side the right of negotiation is always exercised by an associa-
tion. This right involves the other side in an obligation (the 
sanction being civil damages) to enter into negotiations either in 
person or through representatives at a meeting and, when this is necessary, 
to present proposals for the solution of the question on the subject 
of which negotiations have been called. (See the conciliation act, Ch.VI). 
The party wishing to call negotiations informs the other side, and, if 
the other side so asks, the representatives must be made in writing, 
setting out the question or questions on which negotiations are 
desired. Meetings for negotiations are to be held as soon as possible, 
and the parties are enjoined to agree on a time and place for the 
meeting without delay. 1) If the other side wishes, minutes are to be 
kept of the negotiations and signed by both parties. There is of course 
no obligation to conclude an agreement, which would imply some measure 
of compulsory arbitration as an ultimate solution. The provisions for 
this negotiation procedure need not be followed if the parties agree to 
some other arrangement in a collective agreement. This is the only 
matter on which the parties can AGREE to depart from the provisions of 
the act.

For manual workers' organisations the negotiation procedure to 
be followed is in fact usually set out in collective agreements, and 
Chapter II of the Basic Agreement of 1938 also makes detailed provisions 
for negotiation procedure, but the act of 1936 provides in Chapter III 
certain facilities for the exercise of the right of negotiation where no 
1) No employer may refuse an employee reasonable time off for the 
purpose of his participating in negotiations on a question for which 
he has been appointed to represent his association.
settled procedure as yet existed, i.e., mainly for salaried employees' organisations. The chapter provides for an independent chairman, mutual obligations to keep the peace, legal compulsion against anyone who refuses to enter into negotiations, and the possibility of making public the results of the negotiations in order to exercise moral pressure. We now consider this chapter.

If one of the parties refused to enter into negotiations with the other side that other side has no means itself of demanding that the legal obligation to negotiate is fulfilled. But two possibilities are open to it. 1) It may ask for the assistance of the state conciliator (See the conciliation act, 3) in the negotiations. 1) If such a request is made by employers or by workers' organisations covering at least half of the employees affected by the dispute, the conciliator is obliged to put his services at the disposal of the party. It follows thereafter from the conciliation act that the conciliator is entitled, when one of the parties asks, to ask the Labour Court to instruct the recalcitrant party to enter into negotiations or run the risk of paying a fine. 2) The party seeking to negotiate can ask the Social Board to appoint an independent chairman. Not EVERY party entitled to negotiate is entitled to ask for an independent chairman, but only those to whom this third chapter applies, namely such CENTRAL organisations of employees as have registered with the Social Board in order to qualify for the provisions of the chapter.

The formalities of registration are that the board of the organisation applies for registration to the Social Board and declares that it is prepared to subject itself to the peace obligation (discussed below). The application must include a copy of the byelaws of the organisation, information as to the persons in the board or who otherwise represent it, and proof in the form of extracts from minutes that byelaws have been 1) The conciliation system is discussed in Chapter XI.
adopted and a board appointed. Changes in byelaws and in the board must be reported at once to the Social Board. One year's notice of withdrawal of registration is necessary. The social board keeps a register covering all this information, plus decisions arrived at.

If an organisation has registered in this way it means that it and its affiliated units are OBLIGED, as long as the registration is in force, to submit all disputes i.e., both justiciable and non-justiciable, that arise between it and employers to negotiations before an independent chairman BEFORE direct action is resorted to for resolving the dispute.

In sum, if registration takes place, there is an obligation to keep the peace until the dispute has passed through these stages prescribed by the act. Further, if this registration is made from the workers' side (and the act makes no provision for it being made from any other) the obligation thus incurred is automatically extended to the employer of the employees covered in the registration, provided they have been informed of it. Thus these employers also become obliged to keep the peace, but they are also entitled to ask for negotiations with an independent chairman. When agreement cannot be reached on a matter of negotiation in accordance with chapter II of the act, an independent chairman is appointed by the Social Board. If the board thinks the question for which the appointment of an independent chairman is necessary is very important or complex it can instead appoint a commission of three persons. The independent chairman is, like the state conciliators, entitled to call upon the labour Court to impose a fine on a party that defaults. 1) For the parties are obliged to attend for negotiations when the independent chairman summons them. He can ask the parties to present proposals (with reasons) for solving the problem, and

1) But cf. Criminal law, chapter 11, for substitution of fines by other measures.
they are also enjoined to give him the material he may need, such as statistics and accounts, and also allow him access to workplaces.

The Social Board may also appoint an independent chairman on the request of unorganised employers (10), but can also refuse to do so if 1) the applicant has not fulfilled his duty under chapter II of the act to endeavour to settle disputes by negotiation, 2) the applicant is an association of workers and does not cover at least half of the workers affected by the issue, 3) the applicant is an association that is not open to all in the group(s) whose interests the associations aims to look after, or if 4) the association is one of the workers and does not have at least 300 members.

There is no right of appeal against a refusal on any of these four grounds. The aim here is clearly to include the unorganised employer, but to dissuade small groups of employees - who have proved a nuisance in the state sector - from splitting the system of organisations into small units.

If the issue cannot be solved before the non-party chairman he can recommend the parties to appoint arbitrators to settle the matter DEFINITELY, in that the parties would undertake to follow their decision. If the parties do not take the hint to go to arbitration the independent chairman is obliged, on the request of either party, to ask the Social Board to appoint a board of arbitration to make PROPOSALS for solving the dispute that is the subject of the negotiations. 1) If either side refuses to accept their proposals the board is entitled to decide, on the

1) Schmidt, op. cit., p. 150, points out that questions cannot be referred to the board of arbitration which are of such a nature as to come under a court of law (§13, clause 2). The board cannot therefore deal with a dispute in which a party bases its demands on a legal right, e.g., a dispute in which one party argues that the other party has acted in breach of an agreement or a law.
request of one of the parties, whether the proposals should be made public. However, the board may not, unless for special reasons, refuse permission to a party who has approved the proposal to make it public. Here an attempt is made to bring about agreement through the exercise of moral pressure. Like the independent chairman, the board of arbitration is entitled to ask the parties for any further information it may require, and if it does not get it it may report the matter to the Labour Court, which may impose a fine.

Although the Swedish terminology refers to this board as a board of arbitration, it would be more correct to call it a board of conciliation with certain moral powers of persuasion, for it is not entitled to arrive at a solution and impose this on the parties, but simply to make PROPOSALS for which it can then endeavour to win acceptance, if at least ONE of the parties is agreeable, by means of publicity. It is not formally compulsory arbitration.

What happens then to the peace obligation if no solution can be arrived at through the exercise of moral suasion? If the proposal of a board of arbitration has not been accepted by both parties within the time set by the board for replies, and if one of the parties has within a month thereafter informed both the other side and the Social Board that it intends to resort to direct action, the peace obligation ceases to apply FOR THAT PARTICULAR ISSUE. Direct action can then be taken within a month, but seven days' notice must be given unless there is a valid obstacle preventing this. An account must also be given of the reasons for the action planned. If no use is made of the one month's grace then the peace obligation comes into force again for that particular issue as well. In the meantime, the Social Board is free to ask the independent chairman to follow the dispute and, if changed conditions give reason for this, to invite the parties to new negotiations.
Thus such organisations as register with the Social Board are given a complex arrangement of negotiation whose stages, including that of resort to arbitration, they must endure before they arrive at a "state of nature" where they can take direct action to force a solution. The general peace obligation remains in force until one year's notice of termination of registration with the Social Board has elapsed.

The state conciliators appointed under the conciliation Act are NOT entitled to deal with labour disputes that arise between employers and employees who are obliged to follow this special negotiation procedure based on registration. Parties who are entitled to negotiate under the Act but who do not come under this system of negotiation are of course entitled to negotiate in accordance with the provisions of the conciliation Act. Here, however, there is no such general peace obligation as applies to associations that register with the Social Board.

In fact, very few associations do register with the Social Board under chapter II of the Act of 1936, and of those that do most are small salaried employees' organisations. It was of course mainly in the interests of such organisations that the provisions of this Act were formulated, for there is a clearly recognizable thread running through the arrangement which is based on the assumption that certain organisations may have to force employers into negotiating with them by using the device of registration. In 1949 the provision of this chapter applied to organisations covering about 50,000 employees, of which the largest was the foremen's union with 27,400 members. (The foremen's union withdrew its registration in 1952). Insurance employees and commercial travellers were the other main groups registered. 1)

In fact, "this special case of the right of negotiation is probably of

1) Schmidt, op. cit., p. 149
no great general interest". 1) A similar judgement is implied in the report of the committee on the right of negotiation of salaried employees, 2) which considered that the provisions of the chapter had fulfilled their function and could very well be repealed (although it lay outside its competence to recommend this). It considered there was adequate coverage in the general right of negotiation and the conciliation act of 1920. As was noted in chapter II, SAF had also altered its byelaws in 1948 to give formal recognition to the salaried employees' right of negotiation. TCO also suggested in 1952 that chapter III of the act should be scrapped, since none of its member organisations now made use of the registration procedure 3).

Nevertheless, it is just because such a chapter was introduced in 1936 that many associations of salaried employees did gain the right of negotiation, not so much directly by registering but indirectly, through the law giving them machinery for forcing employers to negotiate with them if the employers did not concede this right voluntarily. That the right has been conceded is in fact a tribute to the provisions passed into law in 1936, and although their direct influence has not been great their indirect effect is the justification for dealing with them here at some length. They mark a milestone in the evolution of the salaried employees' organisations to a position of equality of standing with other groups on the labour market as organisations entitled to negotiate on conditions of employment on behalf of their members.

1) Samuelsson, Kollektivavtal och förhandlingar, p. 37
2) SOU 1951: 54, p. 141
Sanctions under the act of 1936. The sanction that can be used against any person in respect of a breach of the right of association or of the peace obligation is the obligation to pay compensation for the damages caused. The maximum penalty for a breach of the peace obligation is, for both individuals and associations, 300 crowns or the alternatives (usually imprisonment) given in the second chapter of the criminal law. If a member of an association is guilty of a breach of the right of association or of the peace obligation his association is obliged, if the action falls within its sphere of activity, and when it has found out about the member’s action, where possible to prevent him from continuing the unlawful action and to prevent loss resulting from it.\textsection{22)

The act thus channels responsibility through the organisations. In order to fulfill these obligations, an association is entitled to apply such penalties as its byelaws allow against members who neglect their duties to the association and, IRRE SPECTIVE of the provisions of its byelaws, the association may expel a member for a period up to one year. If it neglects these obligations the association is liable to compensation for any damages that may arise, but at the same time it has the right to sue (since 1940) on behalf of its individual members.

Damages can be claimed (see \textsection{23}) for personal suffering, and encroachment on the interests of the injured party in carrying out his occupation without let or hindrance. The amount of damages may be reduced if circumstances make it reasonable, such as the small degree of culpability of the guilty party, the relation of the party injured to the dispute, the size of the damages in relation to the assets of the guilty party, or other circumstances. Complete exoneration from the obligation to pay compensation may not be granted. If this obligation covers several persons, damages are allocated among them in accordance with the degree of culpability of which they are proved guilty.
The party claiming compensation must inform the other side within two months of obtaining knowledge a) of the damage and b) of the party against whom he is claiming, and within two years of the measure on which the compensation is based. Otherwise the claim fails.

Cases relating to the application of the provisions of this act are taken up and decided upon by the Labour Court, which has thus had its sphere of competence extended to cover the rights set out in the statutory provisions and not only, as was the case between 1929 and 1936, rights and obligations arising out of collective agreements. Associations coming under this act of 1936 are given priority (under an amendment of 1940) to plead before the Court on behalf of their members, who may not plead in such cases unless they demonstrate that their association refuses to plead on their behalf (§29). This is in line with the general principle governing the activity of the Labour Court, that actions within its sphere of jurisdiction should be channeled through associations of employers and workers. On this see further chapter XIII.

The success of these provisions of 1936 in stimulating the organisation of salaried employees has already been noted. TCO found in 1951, for example, that the act had been of great use, and that most employers recognised the right of association. There were indeed still some isolated cases of employers violating this right, but they were not easy to substantiate. TCO made this statement in response to motions in parliament asking that the act of 1936 should be locked at, because of violations of the right of association. This idea was rejected, because of the difficulty of obtaining a more precise definition of the concept "violation of the right of association" than that set out in the act, but the government stated it had an eye on the questions of the importance of members of trade unions enjoying protection against reprisals on the grounds of their activity in such organisations.

1) TCO report for 1951, pp.45-6.
Chapter X

The Right of Negotiation of "responsible Officials"

When the act of 1936 was passed, officials in the employment of the state and of local authorities who occupied "positions of responsibility" were expressly excluded from its coverage, but their right of negotiation was taken up soon afterwards. Before we look at the procedure adopted it is worth while pausing a moment to ask why it is that officials who occupy responsible posts are put in a separate compartment (maybe a first class one, but nevertheless a different one from the third class passengers of the 1936 act). This is an important issue because, as has been suggested in Chapter IV, state and local authority salaried employees now form a strongly organised, and in some cases a militant pressure group. The justification for dealing with them at some length is because changes have taken place, and are being proposed, in their position.

The basic idea behind the 1936 cleavage was that such responsible officials were not allowed to strike, being prevented under §25 of the criminal law from being absent from their place of duty without incurring the risk of punishment in the form of imprisonment. However, this loss of the right to strike was offset to a considerable extent by the fact that such officials were allowed to give collective notice of termination of employment (although in some cases permission to leave was necessary) and, further, there was no limitation on the use by such persons of the employment blockade weapon¹).

¹) This was used for example by SACO in 1952. See Chapter IV, p. 172
The distinction between official responsibility and ordinary employment rested on the fact that the former group of employees were considered to occupy positions of authority, where permanence of tenure and settled salary structure were compensating factors for the obligation to perform duties without interruption. The penal code deprived such officials of the right to strike. They were not free bargaining agents, their terms of employment being set by government wages regulations or by the local authority.

The state has for example two main forms of employment schedules, (a) collective agreement and (b) wages plan. Wages plan employment, where the settlement of salaries is still (in theory) a matter for the sole decision of the employer is meant to cover employees whose services are considered to be essential to society.

Employment according to wages plan was the original form of employment for state employees, i.e., conditions and terms of employment and remuneration were regulated in accordance with state salary scales. This form of employment still covers the majority of workers in state employment, but with the expansion in state activity to include business activity many workers have been taken into employment in accordance with the terms of collective agreements for them. The policy as it developed has not been a homogeneous one, no clear lines of demarcation between employment on wages plan or collective agreement were drawn, and no uniform criteria for distinguishing the two have been applied. There are thus often disparities between workers who have similar responsibilities and tasks. In general, attempts seem to have been made to avoid a collective agreement form of employment for employees with responsible positions /
positions ("ambetsansvar") or with jobs that are considered particularly sensitive in the event of labour disturbances. But each government department and agency has tended to solve these questions along its own lines, and the application of the two forms of employment has been far from uniform. This is indeed not surprising, when one asks what the norms are for distinguishing the two forms of employment. Many employees, particularly in defence and business departments of state, have their conditions of employment regulated by collective agreement between the state authority concerned and the organisations of the personnel. Are workers in defence establishments always to be considered as indispensable? Would stoppages of work there be socially dangerous? Can one distinguish between the importance to society of the engine driver and (after the passage of a month or two) the track maintenance worker (i.e. the surfaceman)?

A committee of enquiry appointed in 1948 to look into the question of drawing boundaries between employment according to wages plan and collective agreement found the problem of demarcation a tricky one. The problem is in fact an extremely complex one. Some sort of general difference can be stated between jobs that must be carried on in the social interest, but as soon as one tries to be specific difficulties arise, particularly at the end of the scale covering manual workers. Sometimes attempts have been made to ban direct action by such groups on the grounds that they performed essential public services, but the boundary is very difficult to draw.

1) SOU 1952:3. This report is discussed in connection with wages bargaining. See part V.
2) This is recognised in SOU 1951:54, p.32
Is there some sort of divine right about state employment that gives it its exclusive character? If state and local authority employment did have such a character why did not all the employees come under the heading of responsible officials? From the point of view of wages negotiations and size of salary bills, for instance, there seems no good ground for drawing a distinction between the two forms of employment. The control of one wage bill from a budgetary point of view is as important as that of the other.

IN PRACTICE what determined the difference was the need to have certain services carried out, and the guarantee that they would be carried out, lay in this responsible position. State and local authority activity is often extremely sensitive to work stoppages, social services form a large part of the sector, the authorities are representatives of the public in a wide sense, and there is a different criterion of conduct from that of the "classical" private enterprise and its profit motive. The real basis of difference seems then to lie in the sensitivity to conflict and the explicit duty to the public.

Even in the practical application of the provisions of the criminal law that cover this sphere it has not been easy to draw the boundaries. In a report published in 1944 the criminal law committee tried to set out two criteria on which a boundary might be established:

1) If an employee's services consisted of non-independent activity as a worker under the guidance of another person the position was not one of responsibility.

2) /

1) But this is not absolutely peculiar only to public employment, as Chapter V of the 1938 Basic Agreement between LO and SAP brings out (See Chapter XVI). No precise and permanent boundary can be drawn.
2) If the activity was non-independent, but dealt with relations to the public, the exercise of public powers, e.g., a tram conductor, then the position was one of responsibility.¹

Indeed, when the criminal law definition of a "responsible official" was revised in 1948, it was purposely made rather narrow in order to allow the report of the committee that was being appointed to look into the whole question of the right of negotiation of such officials to have its say. This report will be discussed below.

In practice the dividing line can never be a very clear one, but it is of importance for the form of employment, whether on wages plan or collective agreement, and it is important too for considering which employees have the right to strike. It is also important for the amount of remuneration given and received. The Nothin committee, for instance, considered that such restrictions as were associated with the responsibility of office should lead to better conditions of employment than those for comparable groups in private employment.² At the same time it should be remembered that the trade union movement has never denied the need to keep socially necessary services going. But, as the Basic Agreement and other discussions of the 30s show, it is extremely difficult to say a priori what is a socially dangerous conflict, and consequently which jobs must have these restrictions placed on them that deny the workers in question the right to strike.

1) SOU 1951:54, P. 31 et seq. See also OM BESTRAFFNING AV AMBETSMAN in SVENSKA DAGBLADET, 2/4/1954.
2) SOU 1935:65 P.118
We pass now to consider the provision made after 1936 for responsible officials, and the subsequent developments of their position in practice.

On the basis of the report of the committee it had appointed in 1935, the government submitted a proposition (no. 128) in parliament in 1937, in which it proposed a decree on the subject of the right of NEGOTIATION for the state salaried employees who had "responsibility of office" and were not covered by the act of 1936. This was passed on 4th June 1937. The decree proposed that state salaried employees should have the right to negotiate, as defined in the 1936 act, with the appropriate state authority, including the boards of state institutions, about the general conditions of work and of salaries and their application. However, an important limitation made was that this did not in any way infringe the right of the state authority concerned to make its own DECISIONS in these matters. What was envisaged was consultation rather than a two sided collective bargaining process.

The framework was to be that negotiations were to take place between the authorities and associations of salaried employees or several such associations, but the right of negotiation would only operate for associations to whom the government CONCEDED this right in relation to the authority. An authority could empower a subordinate organ to negotiate on its behalf. Applications for the right to negotiate were to be submitted to the government, and were to include copies of the byelaws of the association, information about the board or representatives of the association, and about the approximate number of members of the association or affiliated associations who were employed by the authority.

1) Under 1 of the 1936 act they did NOT have the right of association.
The procedures for negotiation on the subjects allowed viz., the general conditions of employment, salary provisions and their application, were to take place in the following manner. Before an authority issued proposals for or decided upon new or changed conditions of employment, work and salaries, it should, provided the question was one of principle or otherwise was of general importance and exclusively affected the salaried employees, take suitable steps to give the associations entitled to negotiate with it the opportunity to become acquainted with the proposals. This duty to inform (delgivningsplikt) the salaried employees side was, as the phrasing shows, limited. If the association of salaried employees wanted negotiations it had to ask for them within one week. These negotiations could take either a written or oral form, and the authority could declare written negotiations at an end when it thought reasonable. Likewise, the chairman (appointed by the authority) of oral negotiations could declare these negotiations ended when he thought reasonable.

The committee had suggested that negotiations should take place on the general conditions of work and employment of the salaried employees and their application where a dispute arose about their interpretation. But it was not thought advisable that a salaried employees' organisation could ask for negotiations where a dispute arose about applying these general conditions to specific salaried employees. In its comments LO had thought there should be negotiations on individual cases, for an organisation entitled to negotiate was usually entitled to look after the interests of individual members within the framework of agreements and general conditions.
So it thought these state salaried employees' organisations should be entitled to negotiate on questions relating to individual members, as was the case in the private sector of the labour market. The position seemed to be clarified, however, when a motion (no. 436) in Parliament asking that negotiations should not be allowed to refer to questions relating to any individual salaried employee, unless the matter concerned the application of a more general principle, led both the government and the second law committee (statement no. 44) to say that negotiations should also be carried on in questions that exclusively concerned individual salaried employees. So the motion fell, and thus questions not only of principle but also those relating to individual civil servants (e.g., their promotion) could be taken up under the negotiation procedure.

Both the government and law committee considered that the negotiation procedure should also apply in principle to military personnel, although the government provided for limitations on their right of negotiation such as it might decree. This it did on 23/12/1937 - the main provision (§ 3) being that the right of military personnel to negotiate should, in relation to general conditions of work and their application, not cover questions that were of a technical military nature or for which reasons of military discipline placed obstacles in the way of negotiation.

Although this limited right of negotiation, perhaps more accurately of consultation, was thus given to civil servants who occupied responsible posts it cannot be too strongly stressed that as yet they had no recognised right of association in law. So much for Civil Servants. But what of local authority employees who occupied comparable posts?
In fact, both the minister of social affairs and the second legal committee considered during the 1936 session of parliament that this question should be taken up along with that of civil servants' right of negotiation, which was solved in the above fashion in 1937. The legal committee anticipated that the question would be investigated as soon as possible, although it also envisaged that for certain categories of local authority employees, such as primary school teachers and other persons who were employed by local authorities but paid in whole or part by the state, special provisions might be necessary.

But it was not until 1940 that the right of negotiation for local authority salaried employees was regulated, along much the same lines as the decree referring to state salaried employees, by an ACT of 17th May, 1940 (no. 331). Here also the right of negotiation covers general conditions of work, employment and remuneration and their application. But the employer's right to decide is not in any way infringed. One difference is that whereas for state employees the right to negotiate is conceded by the government in relation to a certain authority, the procedure for local authorities is that the Social Board concedes the GENERAL right to negotiate to an organisation of salaried employees, but in order to be allowed to negotiate with a particular local authority the organisation must also apply to it. § 2 provides that negotiations on behalf of a local authority can be carried on by delegates appointed by it and this delegation can include representatives of the local authority federations.

1) Restrictions for primary school teachers were provided under a decree of 20/12/1940.
This procedure seems to some extent laborious, but it is perhaps necessary that there should be some formal procedure for knowing which organisations are empowered to negotiate, particularly since the public authority is placed under the obligation to inform organisations entitled to negotiate with it about changes it proposes to make in the terms of employment.

In practice this procedure has not proved entirely satisfactory. The committee appointed in 1948 to enquire into the right of negotiation of civil servants and local authority salaried employees (whose report will be considered below) did not think that the system of giving recognition to the salaried employees' organisations that were entitled to negotiate and receive information has fulfilled the purpose that seemed to lie behind it, namely that of creating some order among the organisations of salaried employees in these sectors. The procedure of obtaining approval to negotiate was justified to some extent at the time, in view of the many organisations that existed. But the position does not seem to have been improved as a result of the procedure instituted in 1937 and 1940. In the state sphere it was estimated that in 1954 about 180 organisations were entitled to negotiate, in several cases with many authorities, and about 70 more could probably claim the right.1

1) SOU 1951:54, P.144
2) Most of these organisations fall into one or other of two groups: (a) those that cover salaried employees in only one government authority and (b) those that cover more than one place of work. Nearly all of these associations were affiliated to one of the four main groups of confederations covering civil servants, i.e., LO, TCO, SACO and SR. There was considerable duplicating, in that federations AND their branches frequently had the right to negotiate with the same authority.
This Lingman, the minister of civil affairs, thought was regrettable. The government had since 1937 usually conceded recognition of the right to negotiate as soon as the purely formal requirements of the 1937 decree were fulfilled. In relation to local authorities the Social Board had tried to follow the policy of not recognising an organisation AND its branches in relation to a local authority for negotiation purposes. Even this had not proved entirely effective, for in 1954 the federation of towns estimated that about 40 organisations had the right to negotiate with it. This it considered made negotiations difficult and just terms of salary scale impossible.

The 1948 committee wondered in fact whether the system of recognising those entitled to negotiate might not have contributed to the growth in the number of organisations, and it considered that the whole system might very well be dispensed with were it not for the obligation placed on the state and local authorities to let the other side know of changes they proposed in the conditions of employment. But it did not think that the salaried employees' organisations would suffer if this obligation were to be removed, in view of the growth in the central organisations of salaried employees - it presumably meant that TCO, SAGO, SR and LO could pass on the information they obtained - and it did recommend therefore that both recognition of the right of organisations to negotiate and the obligation placed on authorities to inform them of proposed changes should be abolished. It assumed too that the organisations would do their best to get rid of small splinter organisations.

1) See, e.g., AFTONTIDNINGEN 9th and 10th September, 1953.
2) See proposition 61, 1954, p.9. This federation opposed the removal of the authorisation rules that was proposed in 1954 (and for which see below).
In discussing the proposed abolition of the obligation to inform organisations of proposed changes it used the argument that the private sector of the labour market got along without it, and that it was in the nature of things that the right of negotiation meant that one discussed new and changed conditions of employment with the organisations representing a majority of the employees concerned. This "in the nature of things" is a vague phrase at first sight, but wholly justified by the situation which had developed during the 1940s. The growth in the number, size and power of salaried employees' organisations had led in practice to negotiations in interest disputes being conducted between salaried employees and their public masters in forms that closely resembled those of the 1936 act on the right of association and of negotiation. The results of these negotiations were also in some ways comparable to collective agreements in fact, if not formally. Negotiations developed for example in relation to cost of living bonuses, while in the local authority sphere normal rules of employment were arrived at for the employees of municipalities in 1945. The trend throughout the 1940s was very much towards the centralising of, and development of national norms for, negotiations and their resulting provisions. Despite the limitation of their right of negotiation by the decree of 1937 or the act of 1940 these officials were in practice being granted considerable right to negotiate what amounted in fact to collective agreements. How far were such agreements valid? Opinions on this varied. The criminal law committee of 1944 took the view that collective agreements could be allowed for questions of payment, but not for provisions dealing with the engaging, dismissal and service obligations of such employees.
At various times throughout the 1940s the questions of giving these salaried employees greater formal powers of negotiation to match those that were developing in practice and those that prevailed in the private sector of the labour market were raised in parliament and by TCO. In April, 1948, therefore, the minister of social affairs was authorised to appoint a committee to enquire into the question of extending the right of negotiation of state and local authority salaried employees who occupied responsible positions together with other related questions.

Formally the difference had been that under the law of 1936 workers' organisations were considered as equal parties with the employers in the determination of conditions of employment. For state and local authority employees who occupied responsible positions provision had been made in 1937 and 1940 respectively to allow them to express their views on the conditions of employment they enjoyed. But practical developments were making the differences between the two procedures more "illusory than real". There has thus been a swift movement away from the sharp cleavage established in 1936 between responsible officials and others and from this position which Robbins, for example, considered would be permanent. "With due allowance for the indistinctness of this line in certain sectors, we may safely conclude that the collective contract system may not arise in its future growth above that theoretical ceiling. It cannot expand so as to include government employees who are, to speak broadly, official and not merely auxiliary to the official governing function"1) The fact that this is no longer a realistic statement is a measure of the changes that have occurred in this sector within ten years.

1) Robbins, op. cit., P.126.
Faced with the developments that had taken place in practice, and in view of its terms of reference, the 1948 committee considered that its main task was to make it possible for public servants with positions of responsibility to conduct negotiations and enter into agreements in much the same way as other employees. What it therefore proposed was to make the act of 1936 generally applicable, to take away the disadvantages of "the cares of office" by allowing the employees in question (including school teachers and military personnel as well as those covered by the decree of 1937 and the act of 1940) to enter into collective agreements. One big qualification was however made. The right of negotiation was not to be made absolute.

Following the criminal law committee, the 1948 committee proposed to exclude from the collective agreements questions relating to the engaging, dismissal and service obligations of such employees. Questions as to salary plans and lists of functions, length and disposition of hours of work, holidays and length of period of notice were to be subject to negotiation and the committee envisaged that there would be "discussion" on the matters that were to be excluded from collective agreements1). A further limitation it recommended was that the employer concerned should be left to decide in each case WHICH of his senior employees were to be excepted from the application of the agreement or from the right to belong to organisations of more junior staff. This suggestion is equivalent to the provision in the 1936 act that restricted the right of foremen to belong to workers' organisations if the employer objected.

1) The views of this committee have not been passed into law, and to that extent the following discussion is a hypothetical one. But the committee did raise the problems that have to be solved and to that extent there is justification for treating their analysis in detail.
Direct Action. Another curiosity that arises as a result of the distinction between an "ordinary" and a restricted form of collective agreement is that during the period of validity of the former is, in accordance with the collective bargaining act of 1928, considerable limitation of freedom of action through the peace obligation that the act enjoins. It is thus surprising to find that for the category of employees who were to be separated and distinguished, not by "responsibility of office" but by their restricted right of negotiating collective agreements, the 1948 committee did not prevent them from resorting to direct action other than a strike.

Let us look first to the reasons why they were not to have the right to strike. The committee argued that if this right were conceded it would be necessary to concede also the right to lockout on the part of the employing authority. But since the possibility of a lockout in the public sector was of course practically nil, this "countervailing power" argument is not important in practice. What is important and decisive is that strikes in a large sector of public activity could simply not be tolerated. The committee toyed with the idea of setting up a public board corresponding to the Labour Market Board to deal with disputes, and to try to decide whether they were socially dangerous and therefore banned from the right to strike. But the inadequacy of such arrangement is shown by the list of exceptions to the right to resort to direct action other than a strike.

1) It is even more limited by the Basic agreement in the newspaper industry for instance. There is no direct action whatsoever is permitted during the period of validity of the agreement. See Chapter XVI.

2) SACO argued that they should have the right to strike. See its report (stencilled) for the period 1/12/1952 - 28/2/1953, p.8.
a strike which the committee considered would be necessary, namely "railways, postal, telegraph and telephone services, hydro-electric, electric, gas and water plants, the armed forces, the police, prison warders, hospital staff and firemen." The committee seems to have realised that this did not leave much over; and it stated further that even in other branches of public activity strikes by salaried employees could not be tolerated on a large scale.

The committee therefore rejected the right to strike because of the difficulty of drawing a dividing line between what is and is not socially necessary. What alternative was there? The committee considered the idea of a law that would compel the employees concerned to work. (In certain cases where a conflict has threatened socially important sectors – such as hospitals and the police – parliament can pass a temporary act for each particular case obliging the employees concerned to work. In 1951, for example, parliament was recalled for the purpose of passing a law against nurses. But in the event legislation was not necessary, for agreement was reached between the parties.) But it did not like this idea. Nor did it favour general emergency powers. But it concluded that in the last resort the government must always be able to pass temporary legislation compelling employees who are responsible for socially vital functions to stay at their posts. But in order to minimise this risk, to avoid unnecessary recalling of parliament and in order to increase the possibilities of settlement by negotiation, the

1) SOU 1951:54, P.111
2) Ibid, p.113
3) P. 114
4) SACO preferred the idea of compulsory arbitration, op. cit, P.9 where direct action could not be allowed, and thought there should be a definition of the direct action the state could use. (This is a legacy from the SACO conflict of 1952).
committee recommended that the government should have the right to extend the period of notice of termination of employment required to a maximum of six months. This would give a breathing space.

The right to strike was thus banned, and the government retained the right to use legislation as a means of enforcing a settlement of any dispute. But otherwise these salaried employees were to be left to enjoy the rights they had previously had, namely to give collective notice of termination of duty as a weapon for exerting pressure, and to resort to blockades of posts. The difference was that these rights were now to be set out in law. The committee was thus proposing in essence that the existing system should be retained, for in the past the right to give mass notice and to blockade services had been the chief weapons open to these employees. Mass notice could conceivably be a weapon that weakened the salaried employees' organisations, but in fact most action along these lines nowadays is planned by the organisations. The committee did not feel that the organisations were so lacking in responsibility as to abuse these rights. Nor were the individual salaried employees, for "in general a stoppage of work by a salaried employee involves such a great interference with his life that he would scarcely take part in it except after serious consideration and in full collaboration with his organisation"\(^1\). The salaried employees were therefore to be left free to leave their posts AND their right to do so was to be clearly regulated in the sense that they did not have to ask permission to do so (as had been necessary in some cases in the past). This of course involved a corresponding right on the part of the employer to terminate the agreement after giving due notice, if, for example, he was unable to carry on with his activity.

\(^1\) SOU 1951:54. P.115
What if blockades of employment were to endanger socially necessary functions, such as education, or medical services? The committee majority could not agree on restrictions of the blockade weapon, and alternative formulations were put forward about the prohibition of direct action in certain cases. In a reservation to the report Herr Torngren wanted blockades to be prohibited. But the committee as a whole took the view that there was no legislation that prevented socially dangerous blockades and that in practice any such legislation would be ineffective. It hoped however that the use of this weapon, which could be socially dangerous, could be regulated by agreement, as the case was for workers in public service (where blockades are forbidden).

Since these salaried employees are not tied down so severely by the restraining clauses of an act such as the collective bargaining act of 1928 covering manual workers, they are in a sense in a stronger position than manual workers in the event of a dispute during the period of validity of a "collective agreement". Though they cannot strike they have greater means of pressure at their disposal than do workers who are affected by the act of 1928. But where an interest dispute is concerned, when the parties are in a "state of nature" in relation to one another, the roles are reversed, since ultimately, in both interest and non-interest disputes, the state reserves the right to pass legislation compelling them to work. Such an ultimate sanction is extremely unlikely for manual workers. The salaried employees are in a weaker position vis-à-vis their employers than are manual workers when new agreements are being contemplated and the old has expired, but the compensation they have derived in the past for not being able to exercise such strong pressure is of course security of employment to a great extent and better social benefits. 1)

1) Disciplinary procedure was to be modified and to be milder than under supervision was no longer to be used as a punishment: warnings, dismissal and limited loss of salary were to be the penalties that might without notice be inflicted.
The committee did discuss whether there should be compulsory arbitration for settling interest disputes between these salaried employees and their state or municipal employers, but this it rejected.

Justiciable disputes arising out of the collective agreements proposed for salaried employees were to be settled by a special court (tjänstedomstol) set up along the same lines as the Labour Court, but dealing with disciplinary as well as collective agreement matters. The committee felt the Labour Court was not suitable for public servants because many of the cases that would crop up would refer to individuals' problems. The conciliation act of 1920 would not apply in relations between the state and its salaried employees, but special conciliation commissions were envisaged in the event of serious differences of view. The conciliation act was (with the exception of § 3a) to apply to local authority employees.

Reactions to this report varied among the interested groups. TCO was quite favourable in the main to the committee proposals and thought it represented on the whole simply a codification of existing practice which would, however, make for greater clarity and understanding in the work of negotiation in the public sector of the economy¹). LO was mainly negatively disposed, and wanted further investigation. The LO state servants' cartel thought it was desirable to "go the whole hog" at one swoop in giving civil servants the right to negotiate. SACO was doubtful whether the committee proposal could function satisfactorily and recommended a thorough investigation into the question of whether a uniform system of agreements and negotiation could be set up for public servants. SR considered that the whole scope of the problem should be taken up in view of the obscurity of some parts of the report. Other ¹) Annual report 1952, p. 72.
bodies also argued that the proposals hardly seemed suited to serve as a basis for legislation on the problem of the right of negotiation for civil servants and the salaried employees of local authorities.

John Lingman, the minister of civil affairs, also thought there were still many questions to be looked into, such as the constitutional aspect, the practical consequences of more complete rights of negotiation for the public authorities as well as the employees, the principle of irremovability. While awaiting the outcome of such continued investigations the civil department took up the question of whether certain changes should be made in the existing regulations for civil servants. This resulted in a minute being prepared within the department. The view taken in it was that the report of the 1948 committee should be thoroughly examined; in the meantime it considered that certain changes in the 1937 decree on the right of negotiation for responsible civil servants were desirable in the light of the practical developments in that sphere in recent years. The minute therefore dealt with two aspects of the 1937 decree, namely the question 1) of giving recognition of the right to negotiate to salaried employers' organisations and 2) of the scope of the information obligation of the public authorities.

The minute considered that more experience should be gained of the negotiation procedure applied in recent years in certain matters before revisions were made. (Presumably it meant the central negotiations developed through the 1940s, which have no basis in law). The first main problem was that of whether there should be authorisation or registration of bodies entitled to negotiate with state authorities. The minute considered that there was a lot to be said for the authorisation procedure combined with the examination of the size and

representativeness of the organisation, as set out in 1937 decree. But in practice there were difficulties e.g. the large number of bodies that had become entitled to negotiate, while in principle it not considered that freedom was fundamental. "It should be for the state to try to regulate how civil servants ought to be organised". The minute proposed therefore that the recognition clause should be removed, since in principle the right of negotiation ought to be given to every association of civil servants; but in practice it qualified this by suggesting the requirement that associations that wished to negotiate should submit information about the size of the organisation and the board (as before), but with the addition that they should say whether they were a central or branch organisation. This last point led it to suggest certain general limitations on the right of negotiation: a) in order to prevent an authority from being obliged to negotiate with both central and branch organisations. b) The right of negotiation should be given only to associations that were entitled to represent the salaried employees in ALL questions on which negotiations, in accordance with the decree, might take place.

On these points the second law committee agreed that to delete the authorisation clause was simply a codification of existing practice. Thus every organisation of civil servants would be entitled to negotiate. The law committee also approved the idea of excepting the state authority from the obligation to negotiate with both a central organisation and its branches and, like Lingman, it considered that the problem of WHICH should negotiate was for the associations to decide among themselves. SACO agreed with this proposed change. The minute, in considering the information obligation of a public authority (which it will be recalled, is limited), did not propose to do 1) Statement no. 11, 11th March, 1954.
away with this obligation but to make it clearer what form it could take through the inclusion of a clause that the obligation could be fulfilled by posting notices on notice boards or in other ways. Lingman said the authorities were free to reach agreement with the organisations about the manner in which the information was given. SACO agreed with this more flexible attitude to the information obligation than the 1937 decree and experience of it had given, and considered that the question of how in practice information should be given could be settled by discussion between the parties concerned. This would give greater flexibility. The growth of organisations would also help to make such contact easier. S.R. thought that the right of negotiation should be given primarily to branch organisations.

The ideas put forward in the minute were submitted to parliament in a proposition in 1954. The changes thus proposed changes that were essentially formal and clarifying changes, and did not represent a widening in the right of negotiation. TCO in fact thought that the minute had not taken up the fundamental question of complete right of negotiation at all and thought the changes were simply tinkering.

But there was some justification for this tinkering and for not at this stage going beyond it until greater experience had been gained. The minute did assume that investigations would continue into the whole question of the right of negotiation of state and municipal employees, and in fact in 1954 the minister of civil affairs asked landshövding Åkblom to go over the report of the 1948 committee.

1) SACO report (stencilled) for period 1/12/1953 to 15/3/1954, p.18.
2) See SR report for 1953, pp.3-11 and SR-Nytt, no. 1, 1954, p.4. This attitude reflects the small groups that SR organises (see chapter IV).
3) Proposition no.61,1954, p.27. 4) TCO report for 1953 pp.53/57.
and all the views expressed on it and try to see what further steps should be taken. Fundamentally, the reason for caution is this. In the last resort government expenditure in the form of salaries has to be approved by parliament and it cannot, under the 1937 decree, delegate the final powers of arriving at agreements and their contents to anyone or any body). It could under the 1937 decree allow delegates to negotiate on its behalf, but not to usurp its final constitutional powers. Since in fact the trend has been towards central negotiations in which the minister of civil affairs and his advisors on the one hand, and organisations such as LO, TCO, SACO, and SR on the other, take part, the problem is interesting in a far wider aspect than that of the right of negotiation. It involves wide constitutional issues, as well as important economic aspects of wages policy. The latter is taken up for consideration in Part V.

A similar problem exists in the local authority sphere. The development of negotiation procedure here since the act of 1940 was passed has raised constitutional problems of the right and willingness of local authorities to sacrifice some of their traditional independence both of the state and of other local authorities. The problem is reminiscent, at a different level, of the right a trade union federation has acquired to negotiate on behalf of its unions.

The authorisation requirement for associations covering responsible officials in the local authority sphere had been more strictly applied than in the state sector, and it was more successful therefore in keeping

1) At this stage it is worth remarking that the 1948 committee considered that, since the sums voted for salary payments of this kind amounted to about 40% of total state expenditure, it was hardly likely that the idea that parliament should renounce its power of examining in detail the size of salaries of its civil servants would attract much enthusiasm. See SOU 1951:54, p.131.
down the number of organisations with which local authorities had to negotiate. When he presented proposition 61 in 1954, for the revision of the decree of 1937 that we have just considered, Lingman emphasised that he did not propose any change in the right of negotiation for local authorities, as set out in the act of 1940.

But proposition 67, 1954, did take up a problem peculiar to local authorities in the form of a proposed right of delegation law which would give local authorities the RIGHT to delegate their rights of decision in certain questions to ASSOCIATIONS of local authorities. The background to this proposal was the centralising process that had in fact taken place in the past decade in discussing and settling salary scales with the organisations representing their salaried employees. In 1945, for example, the federation of towns had reached agreement with a number of organisations on rules of service, and the parties bound themselves to try to get these rules approved by the individual town authorities in unchanged form. Similar provisions had been made for rural parishes in 1945 and for county councils in 1947 (and 1953). Likewise, there had been negotiations on cost of living compensation. An even greater trend to centralisation was the requirement introduced into the byelaws of the federation of towns in 1951 that federation members were obliged, on pain of expulsion, to follow the recommendations produced by the salaries and negotiation delegation of the federation. In practice, therefore, salary regulations were being negotiated and centralised throughout the 1940s.

Mr. Hedlund, the Minister of the Interior, did not think this centralising process would be reversed and he thought that it was a practicable proposal that a local authority should, if it wished, be able
to delegate to an employers' organisation of which it was a member the power to regulate by collective agreement, or otherwise in a uniform way, the conditions of employment of officials employed on salary scales similar to those of senior civil servants (wages plan). Such a delegation of external power of decision in salary matters would help to rationalise the work of negotiation and lead to greater uniformity of employment conditions. It was for essentially practical reasons that he favoured the voluntary right of external delegation. The 1948 committee gave essentially the same practical reasons in support of the right of delegation of decision.

But opposition was raised in principle to this change. Local authorities are traditionally independent, and cannot delegate their powers of decision. A new local authority law came into force on 1st January, 1955, and the local authority law committee which had been concerned with the wide range of problems involved (see SOU 1952:14) stressed the independence of the local authorities and feared they might lose in independence if they delegated rights of decision. Hedlund considered that the argument based on principle did not take account of the developments that had taken place in practice. The local authorities would gain in strength against their employees' organisations if they were centrally organised. It was not possible to reconcile the right of local decision with the desire for central action in negotiations. The right of delegation was after all to be voluntary, and could be offset by restrictions on the period and subjects for which powers of delegation were given. The aim was not to extend the sphere within which collective agreements were used for local authority employees nor to change any part of the concept of right of negotiation provided in the act of 1940.
But practice had moved in the direction of centralised negotiations. Both the federation of towns and the rural parishes' federation thought that the right of delegation was simply following the trend that was becoming evident in practice. There was no point in making preliminary agreements if they were not approved by all the local authorities that were party to them. LO agreed that this right of delegation was essentially following what was applied and accepted through the centralised system of negotiations that had already taken place in the local authority sphere. TCO also liked the idea. The county councils (which are fewest in number) did not, on the other hand, think anything would be gained by the formal right of delegation. The existing system worked very well and objections could be raised in principle to the proposed right of external delegation of powers of decision in salary questions. The constitutional law committee¹), approved the proposal, with the necessary change in the act of 1940.

In conclusion it may be said that the position of responsible officials is still obscure in law as far as their right to negotiate is concerned. In practice the development of centralised negotiations has led to their having de facto rights of negotiation with their employers. What the legal position will be when the report of the committee just discussed has been revised it is difficult to say. For there is a dilemma between the state reserving final powers to decide the terms of employment, and to do so by legislation if necessary, and the complete freedom of the organisations to use all the weapons of direct action that go with unrestricted right of negotiation.

¹) Statement no. 6, 11th March, 1954.
It may be that the Swedes, with their genius for compromise and empiricism, will hit on a solution that suits both sides. It is possible that if the salaried employees' organisations become unified and integrated in a coherent way (something that the argument of Chapter IV showed to be unlikely in the immediate future) then perhaps reliance could be placed on their strength and discretion for solving the dilemma. The possibility of forming some sort of public body similar to the Labour Market Board created by LO and SAF in 1938, with powers to examine socially dangerous conflicts and to try to find a solution for them, has been discussed, but it seems more appropriate to consider such an idea in relation to the LO-SAF Board. Accordingly, this is taken up in chapter XVI.
CHAPTER XI

The Growth of Machinery for Conciliation and Private Arbitration.

The second of the three aspects of labour peace that we distinguish is that relating to the settlement of disputes, justiciable and non-justiciable, that arise between the parties, and measures adopted for the enforcement and preservation of labour peace. Three main problems can again be distinguished here, the criminal law and its attitude to action taken by parties on the labour market in pursuit of their interests, 2) the employment agreement, whether individual or collective, its content and composition, and its enforcement. This leads to 3) the problem of conciliation and arbitration, voluntary or compulsory, in regard to a) the interpretation of agreements (justiciable disputes about contractual or statutory rights and obligations that arise out of agreements) and b) the settlement of interest or non-jural disputes when no agreement exists between the parties.

A clear distinction has not always been drawn between the problems that arise out of breach of agreement and those that arise when the parties are in a "state of nature" in relation to one another, and so the methods proposed for remedying the problems have varied from voluntary conciliation to compulsory arbitration.

The criminal law provisions can be disposed of fairly briefly. Apart from the provisions governing civil servants who are "responsible officials" the criminal law has not had much to say on the subject of labour relations. Until 1893 it provided penalties of up to two years' imprisonment for crimes committed by persons who compelled others to do, to refrain from doing, or to endure something.
The person molested had to take the initiative in prosecuting.

In 1893, however, the relevant sections of the penal code were amended to deal with certain practices that had emerged with the growth of trade unionism. It provided penalties for cases in which a person was forced to take part in a work stoppage or was prevented from returning to work. Cases could now be raised by the public prosecutor even if no complaint had been lodged by an individual. Protection under the criminal law was extended in 1897 to those who took over a job during a conflict, i.e. strikebreakers.

The notorious Akarps act on unlawful coercion was passed in 1899. It represented a new departure in Swedish criminal law in that it prescribed punishments involving penal servitude up to two years for persons who ATTEMPTED to force anyone to take part in a work stoppage or who prevented anyone from returning to work or from accepting a job offered. Attempts to commit crime were thus liable to lead to criminal proceedings. The Supreme Court did not favour such a new departure, and the labour movement opposed it as class legislation. Obviously, the act would considerably hamper use of the strike weapon, since anyone found agitating could be prosecuted for attempting to coerce persons.

On the basis of a report of 1901 on labour agreements, proposals were submitted to Parliament in 1905 for changes in the penal code. Punishments were proposed a) for workers who broke their work contracts if danger to human life or damage to property followed, and also b) for workers who had no valid reason for being absent from work in gas, electricity, water, railway, canal, sewage and fire station establishments, whether these were owned by the state, by local authorities, or privately, if obstacles to or stoppages of the/
the work of the enterprise resulted. (Part of the background to this proposal seems to have been the trouble in Stockholm in 1902). Punishments prescribed were to range from dismissal and fines to six months in prison. (The labour press called this proposal Åkarpa law number two, but it will be noted that it was not aimed at labour agreements in general, but only at "socially necessary" enterprises. It was, however, aimed at workers only, not employers, and at strikes but not lockouts.) This proposal, of course, was an attempt to answer again the vexed question of stoppages that were deemed to be "a menace to society" and raised the question of how these stoppages were to be defined and delimited. As we shall see this question was only solved - in so far as it can be solved - in the 1930s. One thing the Parliamentary debate of 1905 on this problem did recognise was that if the dustman was to have this "responsibility of office" in his role as a worker whose functions were essential to society, then some additional economic inducement must be given him. Had it been passed into law the proposal would have had serious consequences for railwaymen and local authority workers and again, had it been accepted, the law would have meant that the ordinary law courts were given jurisdiction over questions relating to labour disputes. As one speaker pointed out, was it not more essential to try to prevent stoppages through the provision of conciliation and arbitration machinery rather than prescribe punishments for breach of agreement. In the event the Second Chamber rejected the proposal, though only by the narrowest of majorities, 112 to 110.
The act was the subject of frequent motions in parliament. In 1910 heavier punishments were proposed, but not accepted, for certain kinds of socially dangerous work stoppages, and for the prohibition of strikes by employees of the state and local authorities. Their functions were essential to society. The minister of justice looked on such legislation as being perhaps necessary in the future rather than at that time, but Branting was strongly opposed to it, arguing that it would help syndicalism, and there would be a real guerilla war.\(^1\) Under the influence of impending war and the need for national unity, the \(\text{\AA}karps\) act was altered in 1914 so that the maximum penalty became imprisonment instead of penal servitude. In 1925 a motion aimed at a return to the pre 1893 reading of the criminal law provisions was rejected, and again in 1928. But in 1938 the \(\text{\AA}karps\) provisions were repealed and the relevant sections of the criminal reverted to their pre 1899 reading.

The act was not by any means a dead letter during its period of validity. Up to the year 1922, 515 persons were sentenced under provisions of the criminal law that related to labour relations, and of these 443 were fined, 135 served terms of imprisonment, and 37 served penal servitude. From 1923 to 1937, when it is possible to give separate figures for the \(\text{\AA}karps\) act itself, 198 persons were sentenced, of whom 140 paid fines, 58 served terms of imprisonment and none penal servitude.\(^2\).

1) Branting also argued that railwaymen had now such good conditions, including pensions, that they would think twice before indulging in work stoppages that were socially dangerous.

Apart from these criminal law sanctions, prosecutions can also be made under the law of libel, which prescribes limits to the methods by which economic sanctions are carried out. This is used only infrequently.

When we come to discuss the problem of enforcing labour peace by the use of conciliation and arbitration, a very important distinction must be made between justiciable or "rights" disputes, which have come to be regulated by agreement, individual or collective, and by statute, and non-justiciable or "interest" disputes, which are settled by negotiation, conciliation, voluntary arbitration or open conflict. Briefly, it can be said that the employers' and workers' organisations recognised fairly early that justiciable disputes should not be settled by force, while they have held even more strongly that non-justiciable disputes must be settled by arrangements that the parties themselves care to make, aided by conciliation machinery provided by the state.

The distinction now appears a logical one, but it has not always been possible to distinguish between the two in the remedies proposed for the promotion of labour peace. It seems best, in so far as this is possible, to conduct the analysis by looking first at the conciliation machinery that has grown up, what it has been designed to cover and promote, and to look there-after at the regulation of other matters between the parties.
Parallel with and closely related to the proposals and steps taken to devise a conciliation system has been the question of labour contracts and their regulation. It is not easy to distinguish between two separate but related questions - regulations as to the content of a labour agreement and sanctions to be enforced for breach of a labour agreement. Even when it is possible to distinguish between them in the legislative proposals made at various times, the problem of method of enforcement still remains - e.g. is it to be by criminal law provisions, or by providing voluntary conciliation and arbitration machinery, or compulsory arbitration machinery.

In 1882 a motion had been presented to Parliament asking for legislation on working conditions in order to protect the worker from arbitrary treatment by his employer and to protect the employer and society against the "abuse of the strike principle," in cases such as gas and water works or the loading of a ship, through the provision of penalties (here we have instances of what was long to be a thorny problem - the protection of public interests in labour disputes). Penalties were also to be provided for breach of labour contract. But Parliament rejected the idea of legislation on this matter, saying that injured parties could seek redress in the ordinary law courts. The Parliamentary committee that considered the proposal explained that the questions raised were so new in Sweden that no definite views had been formed even as to the question of principle - whether the state should interfere with free contracts or not.
Point 8 of the 1883 programme of the Central Committee of the trade union movement contains the idea of an arbitration institute to promote good and just relationships between employers and workers so that strikes may be avoided. The idea also recurred in several Parliamentary motions. In 1887, for example, the Lower House rejected a motion for setting up courts of arbitration, and the committee that considered the proposal drew a distinction between rights and interest disputes, saying that only rights disputes were understood by Swedish usage of the word arbitration. The committee argued that it was unnecessary to give official recognition to the trade union movement indirectly by setting up such courts, since the movement was a rather young and little developed organisation with no recognised authority to speak in the name of the industrial population of Sweden, and that no employers' organisation worthy of the name existed. Solven\(^1\) quotes this committee as saying that the administration of justice in Sweden supported voluntary agreement between employer and worker, and experience had not shown the need to intervene by law in questions which would become unnecessarily complex if the voluntary approach were abandoned. Any legislation would have to take account of conflicting theories, and of experience abroad, on which opinions differed.

The first motion to Parliament on conciliation and arbitration was submitted in 1887. In 1892 and 1893 motions were presented asking for an investigation into the question of an arbitration board which would deal with interest and not jural disputes.

\(^{1}\) ARBETSPREDSPOLITIK, P. 11.
The committee that considered the motion in 1892 suggested that the
basis of the boards of arbitration would be geographical, the
initiative in setting them up being taken at a local level, and the
agreement of both sides being required before a dispute could be
submitted to the boards. These ideas were rejected in both years.
In 1895 a proposal was put forward asking for a general investigation
into the question of legislation for the settlement of both rights
and interest disputes. Arbitration boards were suggested, to be set
up on the initiative of employers and workers for a trade or area.
Reference to the board was to be voluntary. The Upper House
rejected the proposed investigation, saying the situation was much
too obscure and the need uncertain. It might bind the voluntary
coeperation of employers and workers - and if the boards were empowered
to fix wages and so on this might lead to undesirable social conditions.
This is certainly a mixed grill of reasons for rejection!

In 1899 motions in both Houses asked for an enquiry into the setting
up of conciliation and arbitration boards in interest disputes.
Disputes as to rights were to be excluded - they could be settled
in the ordinary courts, it was thought. The committees that
considered the motions agreed that the voluntary principle should
be followed, both in submitting disputes and in carrying out decisions,
and a committee was appointed to look into the question of the
setting up of boards of conciliation and arbitration. (At the same
time a committee was appointed to investigate labour contracts and
legislation in relation to them. This was also the year of the Åkarps
law. So quite a lot of initiative was taken in relation to labour
market problems in that year).
The Committee that looked into the question of boards of conciliation and arbitration reported in 1901. It did not consider that the trade union movement was sufficiently ripe, nor sufficiently recognised in law at this time, to form the basis for effective legislation and, since no other organisation could conceivably do better in enforcing the observance of agreements entered into, it was recommended that there be no compulsion in the matter of conciliation and arbitration. Two different forms of organisation were suggested for a state conciliation system by different sections of the committee, one advocating district conciliators who would promote the formation of private conciliation and arbitration boards in different sectors of the economy, and the other suggesting district conciliation boards on which the employers and workers would also be represented. An important difference was that the first alternative did suggest that the conciliator should not be empowered to force the parties to answer his summons to them to discuss a dispute. Nor was his task to pass any judgement on the demands of the parties, but simply to use his influence to bring about conciliation. The advocates of this latter arrangement felt the conciliation institution should be given a more independent position, in that it should attempt to push through its own ideas on how a labour dispute "ought justly to be resolved". 1

Essentially, however, both schemes were for conciliation, not arbitration, legislation. On the basis of this report of 1901 a proposition was submitted to Parliament in 1903, but it failed to get through the upper house.

1) WESTERSTHAL, op. cit., pp 265-6
In relation to the two alternative schemes of organisation proposed in the 1901 report, the proposition had taken a middle line. Reference by the parties was to be voluntary, the conciliator was to be entitled to call employer and worker representatives together to form with him a conciliation board in the dispute, and, in the event of their not answering the call, to make announcements in the press, or in church. This was one of the reasons for the proposal failing.

The attitude of the unions at the turn of the century seems to have been that they did not object to the principle of conciliation or arbitration, but not much was said explicitly about state participation in it. Westerstål considers that, at the time the social democratic MPs and leaders for the unions met in 1903 to discuss the proposals of the 1901 report, sympathy towards the legislative way out was much stronger in the labour movement than it was to become in later years. Some of the larger federations seem to have been less favourably disposed towards a system of conciliation and arbitration than many of the smaller and weaker ones.

In 1905 the Liberal ministry appointed a committee to look over the earlier proposals for a law on mediation in labour disputes and a proposition (No. 84) was submitted in the 1906 session of Parliament which went through both Houses successfully. There was some opposition and amendment to the proposal presented by the committee, which had in turn made alterations in earlier schemes e.g., there was now to be no injunction on the conciliator to work for the setting up of private arbitration boards.

1) WESTERSTÅHL, op. cit., P. 274
The committee emphasised again the voluntary nature of the proposals for a conciliation system, and the committee of the house to which the proposals were remitted stressed that this legislation would not be thoroughly effective until the legal position of employers' and workers' organisations had been made clear and legally binding labour contracts were in existence. Lindquist, the chairman of LO, disagreed (and proved to be right, since legal recognition was not given until 1936, and legally binding contracts did not come into force until 1928). In the parliamentary debate, Lindquist in fact set out certain principles giving the attitude of the trade union movement to the institution of conciliation and arbitration.

The trade union movement no longer felt the same need of arbitration as in the 1883 programme, although he made it clear at the same time that the right of the state to intervene in labour disputes was recognised. Although the organised workers did not have any great use for conciliation activity by the state, it was the state's duty to intervene for the purpose of preventing conflicts or making them as little wasteful as possible. He then drew an important distinction between "rights" and "interest" disputes. He assumed rights (justiciable) disputes would be put to arbitration, provided it could be established that the disputes were about rights. But he was quite convinced that neither side would allow interest (non-justiciable) disputes to be settled by compulsory arbitration for a long number of years to come.
Two of SAPs leaders opposed the legislation in principle, arguing that, now that organisations had developed on both sides, employers and workers could very well arrive at their own agreements. There was particular objection to the conciliator being allowed to intervene in a dispute without the parties necessarily asking him to do so. The supporters of the proposed conciliation system, on the other hand, saw no reason for delaying any longer in the provision of a conciliation framework, particularly in view of the number of labour disputes.

The conciliation system. The conciliation provisions of 1906 were not by any means arduous. The country was to be divided into districts, each with a conciliator, whose duty it was to follow events on the labour market in his district. When disputes arose that threatened to lead to conflicts the conciliator was to endeavour to bring the parties together to negotiate and obtain a settlement. When disputes arose that threatened large scale conflicts the government was entitled to appoint special conciliators. In the main the state limited itself to the provision of facilities that the parties could use if they wished, for, although the conciliators were given the right of initiative in trying to bring the parties to a dispute together, no provision was made - at that time - for sanctions to compel the parties to attend negotiations if they did not choose to answer the call of the conciliator to come and talk things over.

Changes in the conciliation system were proposed by a motion in 1910 which proposed a permanent conciliation board for dealing with comprehensive and difficult disputes. Both chambers accepted this idea, but as its approval was made conditional by the upper house on acceptance /
acceptance of other legislative proposals on collective agreements and a labour court, which failed to pass into law, the revision of the conciliation system, of which Lindquist approved, failed to pass through parliament. In 1911 the government proposed a permanent conciliation commission. Now the parties were to be obliged to attend when summoned by the conciliator, notice of direct action was to be given and damages were proposed as a sanction for certain breaches of the proposed law. These proposals failed. SAF opposed the appointment of a permanent commission, fearing that it would exercise an unjustifiable influence on the fixing of wages. (LO reckoned the real reason was that SAF thought employers would get a better deal from a government favourable to them than from a permanent conciliation commission. ¹)

Changes in the conciliation procedure were also proposed in 1916, in the report of the committee appointed by the social board to submit proposals for the promotion of labour peace, and a revised conciliation act that was accepted in 1920 was based on the proposals the 1916 committee made on conciliation. This act is still the governing one on the subject in Sweden.

The act ² provides that the country is to be divided into seven ³ (now eight, by decree of 5/5/1950) districts, each with a conciliator, who has the task of mediating in disputes between employers and workers.

1) LO Report for 1910, pp 16-17
2) The act does not apply to employers and workers who come under the procedure and "peace obligation" of chapter III of the act of 1936.
3) By Royal letter of 31st December, 1909, the country was divided into seven conciliation districts from 1910.
As workers within the meaning of the act are included persons who, although a state of employment does not exist, carry on work for other persons and accordingly stand in a position of dependence in relation to that other person of essentially the same kind as that of a worker to and employer. The person for whom such work is carried out is considered as the employer under the act. The government may instruct the conciliator to operate outside his district for a specific branch of activity, or it can also appoint a special conciliator for such branches of activity. Thus the system has both a geographical anchorage and can be adapted to cover problems of specific industries. Further flexibility is provided by the fact that by §12 the government can, where a labour dispute clearly involves a danger for labour peace or where circumstances otherwise require it, appoint experts and experienced persons to act in the dispute as a special conciliation commission along with the district conciliator or, when it is not found advisable for him to take part, in place of him. The same functions may be entrusted to particular individuals, i.e. to special conciliators. The operation of this system in practice will be considered when we discuss wage negotiation procedure in Chapter XX.

The duties of the conciliators under this act include those of following carefully the conditions of employment in their respective areas of activities, mainly districts, and of assisting in the way set out in the act in the settlement of labour disputes that arise.
All kinds of labour disputes are covered by this 1), but exceptions to the competence of the conciliator can arise through the provision in §9 that enables the parties to have special negotiations, or conciliation or arbitration boards, in the event of a dispute. In such cases the conciliator may only intervene if he is ASKED TO DO SO BY BOTH SIDES, or if conditions make it likely that the special board will not be relied upon for settling the dispute, or unless negotiations have taken place with such a board without agreement being reached. Nor may conciliators intervene if provision is made under the act on special arbitrators of 1920, by which the parties can refer a dispute directly to arbitration.

The conciliator meets employers and workers when they ask him to help in bringing about agreements designed to promote good relations between them and to prevent stoppages of work. If employers and workers feel that negotiations on such agreements should take place under the leadership of an independent chairman, and if the help of the conciliator cannot be given or it is thought that he should not be called in, the social board may, on the call of the parties AND when it thinks the circumstances justify it, appoint a suitable person to lead the negotiations. But (§25) if a labour dispute has arisen that has caused or seems to be threatening to cause a stoppage of work of major importance the conciliator ought, through a visit in person to the place where the dispute has broken out or in other ways, to get in touch with the disputants and find out exactly what the dispute is about.

1) Formally, the state conciliators are entitled to use their good offices in every dispute that threatens labour peace, including justiciable disputes, with the exceptions stated here, but in practice their activity is limited to wage agreement negotiations.
He then has to bring the parties together on his own initiative, as was the case under the 1906 act. But now there is a sanction. He should recommend to the disputants that, pending a solution of the dispute, they should not resort to, maintain or extend stoppages of work. He should call them or their representatives to negotiations at a definite time and place with him, as is convenient, and try to bring about a solution. Even if (this was added in 1931) a dispute that has arisen has not given rise to, nor seems to be threatening to give rise to, a work stoppage of major importance the conciliator shall call the disputants to negotiations in the manner prescribed above, PROVIDED a request for such negotiations is made by an employer or an organisation covering at least half the workers affected by the dispute. The sphere of competence of the conciliators is thus extended, as is his initiative in bringing the parties together. This innovation in 1931 was on a motion by Sigfrid Hansson which, although rejected by the second law committee, was passed by both houses of parliament. Hansson's view was that it was important to bring the parties together at an early stage if possible. In practice, however, the conciliator does not intervene until the parties have themselves made serious efforts to settle their differences.

While the conciliator can ask the parties to refrain from direct action while discussions are going on, a new provision has been included since 1935 which requires the parties, where they are not prevented from doing so, to give seven days' notice of a stoppage of work to the conciliator (s) and to the other side (§3a).

1) See Chapter IX, p. 366
Notification must contain a statement of the reasons for the direct action proposed. Failure to observe this provision can involve the liability to pay civil damages in the public courts up to a maximum of 300 crowns.

If agreement cannot be reached during the negotiations with the conciliator he may recommend the disputants to allow the dispute to be settled a) by a board of arbitration or by an arbitrator, as set out by law (to be considered shortly) or otherwise b) to allow one or several persons, whose verdict the parties bind themselves to follow, to arbitrate between them, after due examination as to whether and to what extend the statements they make may be justified and in what ways the dispute may best be resolved. If this last advice is followed, the conciliator ought, in so far as this is found to be necessary, to lend his help in the appointment of arbitrators, inform them of their task, and help in other ways to bring about a decision in the matter at issue. But the conciliator may not himself act as an arbitrator in labour disputes.

The parties to a dispute are of course enjoined (§7), in order to give the conciliator a reliable basis for judging the dispute, to let him have on request accounts and other documents, and statistical and other information they have at their disposal, and also allow the conciliator access to a workplace. Any party meeting the wishes of the conciliator in this way is entitled to pledge him to secrecy.

1) If there are unorganised workers on the other side notification can be given for them through a public notice in the place of work.
No sanction was provided in the 1920 act, other than that of public opinion, for the event that the parties might fail to attend for negotiations when the conciliator asked them to do so, although it was stated that they were "obliged" to attend. "It is the duty of the disputants to obey the summons of the conciliator". (§4 provided that the conciliator could use methods such as informing the disputants' association, displaying notices in workplaces or announcement in the press in order to summon the parties where he could not call them together personally).

The obligation to obey the summons has now a sanction behind it, for it was provided by an act of 1936 (nr. 507), passed at the same time as the act setting out the right of association and negotiation, that neglect to attend such meetings with the conciliator can lead to fines, the conciliator referring the matter to the Labour Court on the application of the party wronged. The Labour Court can impose a fine under §4 of the act of 1936 on the right of association and negotiation. The parties have a legal obligation to negotiate as well and to present proposals for solving the question at issue.

The negotiations that the conciliator convenes (§6) and conducts between the parties are primarily for the purpose of enabling the parties to arrive at agreement in accordance with offers or proposals that they themselves may put forward during the negotiations; but the conciliator is entitled, if and to the extent that he considers it is likely to promote a good solution of the dispute, to submit to the parties adjustments and concessions that are thought to meet the case. The fact that he is entitled to ask the parties for information helps on this matter.
But it should be clearly grasped that the conciliator has no other duty than that of seeking to bring about an agreement between the disputants. He has no duty or power to try to force an agreement through that embodies certain provisions or principles. His sole task is to work towards an agreement that both sides are likely to accept, quite apart from its intrinsic merits or economic implications. This of course leaves him considerable scope for initiative and active conciliatory policies.

The most the conciliator can try to do along those lines is set out in a royal decree. § 6 provides that where a settlement of a labour dispute is reached through the direct or indirect assistance of the conciliator he ought to endeavour (a) to have such provisions introduced into the agreement as are designed to prevent disturbing stoppages of work in future, and (b) to work for such agreements, which ought preferably to be in writing (the Collective agreements act of 1928 provides that such agreements shall be in writing), being given a clear and unambiguous formulation.

The conciliators come under the Social Board, which tries to govern their activity in such a way as to bring about the greatest possible uniformity of application of the act, and the maximum co-operation between conciliators. Conciliators are appointed by the government for a specific period or indefinitely, and may be dismissed at any time. They are enjoined to endeavour to obtain a knowledge of the collective agreements and other provisions that apply in questions of labour relations in their sphere of activity. The costs of keeping minutes and providing meeting places for negotiations in which a conciliator takes part are met by the parties as they may agree.

1) Royal decree (nr. 898) of 31st December, 1920.
Payment of conciliators, members of conciliation commissions, and independent chairmen are provided for by a Royal letter of 22nd April, 1938.

The manner in which the conciliation system operates will be brought out in Chapter XX, where the process of negotiation and bargaining that leads to collective agreements being concluded between parties on the labour market is considered. For reasons that will emerge shortly, the conciliation system is almost entirely pre-occupied with such problems, non-justiciable disputes, "interest" situations where the parties are contriving to arrange a new agreement between them.

An attempt was made in 1934 to introduce new elements into the conciliation system, and this was reflected in the introduction in 1935 of the requirement of seven days' notice before resorting to direct action. In 1934 too some motions took up the question of compulsory conciliation (which is perhaps a contradiction in terms). At any rate the Nothin committee considered it doubtful whether anything was to be gained by legal provisions that would aim to make mediation obligatory and to give greater formal powers to the conciliators. The present conciliation procedure was based on two main pillars: (a) the availability of the conciliation organisation, based in turn on the personalities of the conciliators and (b) the willingness of the parties to co-operate and show understanding. None of these factors would gain from the legislation that had been proposed. It could rather turn out to be the case that compulsory rules, which would scarcely be reconcilable with the character of conciliation that was connected with the mediation procedure, would be infringed in critical situations, and this could hardly fail to have a detrimental effect on the whole conciliation system.
Private arbitration. In addition to the conciliation act of 1920, additional legislation was adopted in the same year on (a) a central board of arbitration for certain labour disputes, and (b) an act providing for special arbitrators in labour disputes. These were in some degree complementary to the conciliation act, and they provided alternative machinery for settling disputes.

(a) The central arbitration board consisted of seven members, two representatives from the employers (appointed by the government on the recommendation of SAP's consultative council), two from LO and three appointed by the government from among persons who were independent of both employer and worker interests. The Board was entitled to take up questions as to the correct meaning and application of collective agreements (i.e., justiciable disputes), PROVIDED such questions were referred to it by the parties, either in accordance with the provisions of the collective agreement or otherwise through AGREEMENT between them. Judgements given by the board were compulsorily binding. This then was voluntary arbitration of "rights" disputes. The parties had to agree to refer disputes to the board, and to accept its decision as binding.

This Board was somewhat similar in composition to the Labour Court that replaced it in 1928. Experience of its working was rather favourable. Altogether the Board dealt with about 190 cases during the period 1920/28. Between 1st July, 1920 and 31st December 1926 it dealt with 122 cases, the outcome of which was as follows:

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employers gained point</td>
<td>51</td>
</tr>
<tr>
<td>Workers</td>
<td>56</td>
</tr>
<tr>
<td>Both sides both gained</td>
<td>15</td>
</tr>
<tr>
<td>Both sides both lost</td>
<td>72</td>
</tr>
</tbody>
</table>

In 72 cases (59%) the board's decision was unanimous.

1) See Chapter XIII.
The employers' representatives dissented in 31 cases, and the workers' representatives in 19 cases. The government representatives differed in 15 cases (in 8 of which they agreed with the employers' reservations, and in 7 with those of the workers' representatives).

These figures do not suggest that the board was in any way biased and they were in fact quoted by LO as an argument against replacing it by the Labour Court in 1928. LO argued that the parties trusted the board.

(b) The act of 1920 providing for special arbitrators in labour disputes is still in force. By it the government is authorised to appoint special arbitrators, ON THE REQUEST OF BOTH PARTIES, to settle disputes that the parties refer for arbitration or, on the request of the parties or of arbitrators appointed by them, to take part as independent chairmen in boards of arbitration set up for settling such disputes. The duties of the arbitrators are set out in greater detail in a government decree1) The arbitrator has (§ 1) on the request of the parties, to settle disputes about the correct meaning and application of individual or collective labour agreements i.e. he deals with justiciable disputes. § 2 provides that the special arbitrators ought not to co-operate in the settlement of labour disputes in cases where the arbitration agreement between the parties allows the parties to question the arbitration decisions.

Arbitrators are to have the necessary legal qualifications for competence as a judge, they are appointed for a maximum period of two years, and are entitled to be paid by the parties. Like the conciliators they are controlled by the Social Board.

Between 1921 and 1926 the number of cases dealt with by these arbitrators was: 1) No. 899 of 31/12/1920.
special arbitrators was 248, but of these 126 cases were dealt with in 1921 alone. The act is essentially a permissive one, and hinges on the parties having agreed to settle justiciable disputes by recourse to arbitration in this form. The act now exists parallel to the Labour Court, which is the final court of judgement in the event of the parties failing to make other arrangements - such as the private appeal to arbitration provided in this act of 1920.

Prior to 1920 private arbitration in labour disputes could be arranged under the terms of the arbitration act of 1887. Provision for such arbitration was frequently made in early collective agreements, because the trade union movement considered that justiciable disputes should be settled by arbitration. (At first, when they were in a weak position, the unions were not entirely opposed to arbitration even in interest disputes - but this view has since changed.) Resort to arbitration under the act of 1887 was not always happy, because experience showed that arbitrators did not always understand the meaning of the disputes put before them; collective agreements were rather technical and were perhaps best interpreted by experienced and specialised men in that particular field. The arbitrators appointed under the act did not always fulfill these requirements, and this led to provisions for private arbitration being introduced into collective agreements. But should there be arbitration on both justiciable and non-justiciable disputes?

SAP took the view that it was sometimes difficult to tell whether a dispute about the content of an agreement was one about interpretation or an interest dispute that had not been settled when negotiations on the agreement took place. It therefore wanted negotiations to take place first of all between the parties and
their respective top organisations about disputes that arose, and it was to be a matter for agreement between the parties at these negotiations whether the dispute should be referred to arbitration or possibly give rise to open conflict if agreement could not be reached on a settlement of the dispute. This led LO and SAF to agree on a provision in 1908 that read "if disputes arise about the interpretation and application of agreements in force or disputes between the parties for other reasons, such disputes must in no circumstances give rise to an immediate stoppage of work on either side, but negotiations on the matter are first to take place between the parties themselves and thereafter, if no agreement has been reached, between the employers' organisation and the trade union federation involved".

This suited LO. The act of 1887 was considered suitable primarily for business contracts, but not for collective agreements (which in any case are almost entirely a post-1887 phenomenon) where disputes had to be settled quickly in order to prevent conflicts. The pressure under which collective agreements were frequently drawn up, their complexity, and lack of legally trained negotiators on the workers' side, required something less formal than the provisions of the 1887 act envisaged. Thus when the central arbitration board and the special arbitration provisions for labour disputes were created in 1920 LO considered that the government had taken the LO-SAF agreement of 1908 as the guiding line. In 1926 LO still held this view - that it was wise to retain permissive legislation about the settlement of interpretation disputes that arose out of the content of agreements.

1) LO's views are expressed in its comments given to the Kommers Kollegium on 16th January, 1926, on a proposed revision of the 1887 arbitration act. LO recommended that a provision should be introduced into it excluding from the application of the act disputes about the interpretation of collective agreements or the settlement of questions about the correct meaning and application of collective agreements. When revised, on 14th June, 1929, the arbitration act did not include any provisions to meet this view. But the labour market parties would never use it, since they have facilities under the special arbitrators act of 1920 and are now obliged, as a last resort to have justiciable disputes arising out of collective agreements settled in the Labour Court.
By voluntary agreement the labour market parties had by 1920 found it advisable to regulate the settlement of justiciable disputes voluntarily either through negotiation or by provision for arbitration. The legislation of 1920 therefore provided a useful supplement - since reference to the arbitration facilities it provided was voluntary - to their own efforts. The number of conflicts over interpretational disputes was by that time small, only 0.9% of all labour conflicts between 1913 and 1925 being over justiciable questions, and only 4% of workers being affected. Special rules existed in collective agreements, covering 94% of workers coming under such agreements, for the settlement of disputes that arose during the period of validity of an agreement. For about 40% of all workers arbitration was provided, for 54% disputes were solved through direct negotiations between the parties concerned, while for 6% of workers covered by collective agreements and for 467 (20%) agreements there were no provisions.

<table>
<thead>
<tr>
<th></th>
<th>Arbitration</th>
<th>Negotiation</th>
<th>No Provisions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of agreements</td>
<td>659</td>
<td>1,152</td>
<td>467</td>
<td>2,278</td>
</tr>
<tr>
<td>No. of workers</td>
<td>172,721</td>
<td>237,971</td>
<td>26,895</td>
<td>437,587</td>
</tr>
</tbody>
</table>

Such figures led LO to object strongly to the proposed collective agreements legislation in 1928.

Thus the parties usually preferred to sort out their interpretation disputes themselves, through negotiation, arbitration or conflicts. Few disputes went to the public courts, although the Supreme Court had ruled in 1915 that the collective agreement was a legally binding agreement and that breach of it entailed liability to damages.

1) SEE MOTION 262 UPPER HOUSE, 1923, BY ARVID THORBERG MOLLER, WIGFORSS AND OTHERS.
When one considers that effective machinery appeared to have been created by 1920 for solving rights disputes, and the conciliation act of 1920 gave useful state facilities for solving interest disputes, one might expect that demands for legislation would have subsided on both these questions. But such was not the case. A whole series of proposals on the problem of the content of and enforcement of collective agreements had been maturing, and to a consideration of these we now turn. Thereafter the later history of non-justiciable dispute legislation proposals will be taken up.
CHAPTER XII
Enforcement of Collective Agreements by Compulsory Arbitration.

The Debate.

In 1890 a motion was submitted in Parliament which set out the dangers that could arise if either side could resort to a strike or lockout on the spur of the moment. The "legostadga", which provided against interruption of service, e.g., on farms, should, it was argued, also be applied to industry, and it was proposed that two months' notice of termination should be given for industrial labour contracts. The parliamentary committee said there would be great advantages in having more settled terms and conditions of employment, but neither side on the labour market was disposed to this, and the aim of the motion could only be attained if both parties came to realize on the basis of conviction and experience that there were benefits to be derived from more settled relationships and themselves decided on the conditions of labour contracts. The motion was rejected.

So far it is clear from the reasons given that the problem of labour relations was not yet taken to be - and was not - very pressing, at least as regards the question of contracts and settlements of disputes over them. And of course the predominant type of agreement was the individual labour contract. But with the growth in organisations towards the end of the century, the increasing number of strikes and the increase in the proportion of disputes in which victory went to the workers' side, several motions were submitted to Parliament between 1897 and 1899 and in this last year both Houses
accepted the idea of an enquiry into matters related to labour agreements. The main emphasis seems to have been on what should be done in the event of breach of agreement, but the enquiry showed that this could not be dealt with in isolation. This committee of enquiry into problems relating to labour contracts was one of two committees appointed to look into labour market problems (the other being the committee on conciliation and arbitration). Both committees reported in 1901. Like its opposite number, the conciliation and arbitration committee, the committee on labour agreements was not too favourably disposed to the trade unions, when it asked itself the question of what should be done if labour contracts were broken. In its view the employer was in a better position to pay damages than were the workers, and it did not think the position could be equalised through strong organisations. It discussed possible solutions for forcing workers to observe labour contracts into which they had entered, e.g., by prescribing work books or cutting them off from Poor Relief, but it settled eventually for two possible solutions: 1) a system, by which employers would be entitled to retain part of the worker's wage as security against fulfilment of the labour contract, or 2) alteration to the criminal law. The committee proposed a general law on labour agreements dealing with such matters as rights and obligations, periods of notice as to termination, how agreements were to be entered into — in other words a certain framework to which labour contracts should conform — and it also proposed certain amendments to the criminal law whereby penalties might be imposed on persons who left a job and danger to life and health ensued or damage to property resulted or, in the case of certain public utilities, if workers left without giving notice.
Thus deterrent punishments were suggested for the problem of conflicts that endangered social interests, and décompte proposals for ensuring that agreements were kept.

The secretariat of LO criticised the proposals for a framework for labour agreements, because the proposals took no account of the collective form of agreement. It also opposed the amendments to the criminal law, and argued that the free co-operation between the labour market organisations would be disturbed by such intervention on the part of the state. Legislative proposals for changes in the criminal law were in fact submitted in 1905, on the basis of this report, but, as we have seen, they were rejected, if only by the narrowest of majorities in the lower house.

When the conciliation act of 1906 was passed, emphasis was placed in various quarters on the necessity of legislating on other questions such as labour contracts, and in 1906 a departmental committee was appointed by the new Lindman (a conservative) government to look into certain questions of labour legislation.

By this time the collective agreement was beginning to take a prominent place in relations between the organisations. In fact, of course, with the growth of trade union organisations there was bound to be an increase in the number of collective instead of individual labour contracts, since one of the primary aims of the organisations was to present a united front, and at the same time to ensure uniformity of treatment for their members. In 1905, too, the engineering industry had obtained a collective agreement which formed a landmark in the development of this type of contract, and SAF had set out in a circular to its members the points to be observed in arriving at
collective agreements with the other side. Thus, when the 1906 committee submitted a report on labour contracts in 1907 it took the view that the INDIVIDUAL labour contract alone could definitely not form the basis for such legislation, but that such legislation should primarily be based on COLLECTIVE agreements.1) The committee therefore examined the legal implications of collective agreements and stressed the necessity of expressly legislating that, if individual labour contracts between employers and workers who were obliged to follow a collective agreement contained provisions that conflicted with the collective agreement, then such individual agreements should not be valid, the corresponding provision of the collective agreement applying instead (cf. the provisions of the 1928 act, which were along these lines). A report on legislation abroad on these matters was also compiled2).

However, the Lindman government did not apparently share the views of this committee, for in October 1907 another committee was appointed to look into the possibilities of legislation on individual labour agreements and, in the event of such legislation being found possible, to make proposals on the subject and on changes

1) Westerståhl, p. 301 points out that this discussion is the initial one on the subject of introducing collective agreements into Swedish law.

2) One interesting legislative proposal of 1908 was what became known as Lex Hildebrand, an attempt to introduce a provision into the fundamental law of the constitution, which guarantees freedom of the press, in order to forbid anyone from causing danger or loss to anyone through interfering without warrant in the free exercise of his or her trade or profession by means of public communications or otherwise. The aim was to stop the labour movement putting announcements in the press dealing with blockouts, boycotts, lists and announcements. It was defeated in the lower house.
in the contract of service (tjänstehjon) statute. No new legislative proposals relating to the labour market organisations were presented to parliament in 1909, for the 1907 committee had not yet completed its work. However, in the summer and autumn of 1909 the big strike took place, and in mid-September the government decided to dissolve the committee of 1907, which had explained that it would not be able to have proposals ready for submission in the 1909 session of parliament. The government appeared anxious to have some legislation passed, for it had been concerned ultimately in the big strike, and it entrusted the job of completing the work of the committee to the department of Justice. As a result of its work the Lindeman government presented very comprehensive proposals for regulation of the Swedish labour market in the parliamentary sessions on 1910 and 1911. Proposition no. 96 in 1910 included legislative proposals on collective agreements, a labour court, labour agreements (arbetsavtal) a law on ideological associations, and also some changes in the criminal law (to cover socially dangerous conflicts) and in the conciliation act. The background to the proposals is well set out in the statement made in support of the proposition by the head of the department of justics, Petersson.

The reason for the haste to get proposals out was, he said, the recent conditions prevailing on the labour market. For a long number of years relations between employers and workers had by no means

1) As will emerge later, there was a somewhat parallel course of events in 1927 and 1928, when the work of a committee of enquiry was bypassed in an attempt by a liberal government to pass legislation on collective agreements and a labour court with all possible speed. The explanation given by the prime minister, Lindman, for the haste in 1909 was that the government had to try as far as possible to prevent a recurrence of the events of 1909 in the future. LO considered it was in a hurry to cash in on the big strike. See LO annual report 1910, p. 7.

2) Proposition no. 96, 1910 p. 34 et. seq.
conformed to what was desirable from a social and economic point of view. Labour peace was conspicuously lacking. A large number of the disputes were caused by employers and workers interpreting the existence and meaning of rights and obligations in different ways because agreements were incomplete and obscure. The greater the realisation the parties had of their legal position in relation to one another the greater would the probability be that contractual relations need not give rise to disputes. He hoped the legislation proposals would help to remove the causes of labour disputes.

He felt that a law on collective agreements, which were closely linked with the attempts of the workers to organise, would overcome the crisis of confidence caused by the big strike. Strong organisations on both sides were a condition of and the best guarantee for achieving peace and quiet in the labour market. (It will be noted how the attitude to labour market organisations changed as these became stronger and acquired powers in fact if not yet in law, and at the same time how the very growth of the organisations made their position in relation to law more pressing).

One of the biggest issues raised in the proposition and the subsequent debate was that of whether there should be a complete ban on direct action during the period of validity of an agreement. Petersson went into this question very fully. Interest disputes could he thought arise during the period of validity, particularly since collective agreements did not as yet regulate every small detail of the employment relationship. If all direct action (strikes, lockouts boycotts, blockades) were to be prohibited it would mean that the state must force the parties to accept decisions from outside. But "through such legislative intervention in interest disputes between employers
and workers we enter upon the public regulation by law of labour relations and the collective agreement, and for us at least this is probably neither advisable nor desirable at present." What he was saying, in effect, was that if direct action were to be prohibited the state would have to take upon itself the task of settling interest as well as rights disputes. There would be compulsory arbitration.

He advanced further arguments that militated against the complete prohibition of work stoppages during the period of validity of an agreement. There was for instance a big difference between strikes and lockouts in method. "As long as a labour organisation has not attained a particularly high degree of economic strength its natural tactics in arranging a strike are if possible to allow it to cover only a small section of the members, who could then be supported for a long period from the fees of those not involved in the strike". Where the organisation covered the workers of several employers, it was thus most often in the interests of the workers to direct their pressure against one employer at a time. For the employer the matter was quite different. The economic support he could get through affiliating with other employers was often of very small significance in determining his ability to oppose the demands of the workers. A long conflict tended to put him out of the market, particularly foreign markets. If he faced up alone and accepted the existing situation he found himself worse placed than other members of his organisation. The front would thus be split. The remedy was the lockout covering employers whose workers were not directly involved in the dispute. Countervailing power was created in this way.

Unity gave strength. If the employers had a split in their front they were surrendering the citadel to the enemy. (SAP could scarcely
have expressed it better!!!). Obviously, he added, such lockouts were a last resort which, if, sometimes unavoidable, nevertheless brought economic losses to the employers, and embitterment to the workers. LO would hardly have agreed with this. Lockouts were NOT always a "last resort" at that time.

It must accordingly be a task of the greatest moment so to arrange relations that resort to this weapon need not be made. How to do this? The best way out, he thought, seemed to be national agreements and a common date of expiry for agreements in related or interdependent industries. The object of this would be to bring the individual employer out of his position of isolation and inferiority in disputes with the workers' organisations.

Admittedly, the employers were moving in that direction, but the organisation cult, and thereby the idea of uniform conditions through collective agreements, had won general acceptance much earlier among workers than among employers. Since, however, it would take time to bring about national agreements and similar periods of validity, it would in the meantime nullify the advantages the employers obtained through organising if there was to be a prohibition in law of work stoppages during the period of Validity, even when the stoppages were not directed against the agreement in force.

Thus the sympathetic lockout was to receive his blessing.1)

1) In 1927 SAF had persuaded LO to agree that sympathetic action was allowable during the period of validity.
Here the employer helps others, but is not aiming to gain anything for himself directly. But that leads on to another question - of whether and to what extent it is allowable, during the period of validity of a collective agreement, to use these means of pressure for forcing through an agreement on provisions THAT ARE TO BE APPLIED AFTERWARDS. Petersson, in considering this, said that the idea of a collective agreement hardly agreed with the view that the parties should, during the period of validity, be fighting about the contents of coming agreements. On the other hand, circumstances did arise in which, in the interests of labour peace, it would be highly desirable for a provision to be arrived at that was valid even after the period of validity of a collective agreement had expired. This was the case when, during negotiations on a collective agreement for part of an industry or trade, disputes arose about provisions that referred to principles which ought to be applied to the whole industry or trade. In such cases it was undoubtedly of great importance to have the matter regulated along the whole front for a certain period to come, irrespective of the fact that several collective agreements might expire at different times in the industry or trade. It would perhaps also help to avoid the same issue of conflict arising every time a collective agreement expired. It would help greatly to promote labour peace, and also the national agreements that were so rightly being sought after.

However, Petersson agreed that it was not possible at that time to draw up in law a fixed dividing line between subjects that should not, since they were not matters of general principle, be the subject of direct action during the period of validity of collective
agreements e.g., wages, and such for which the use of force to establish uniform principles was legitimate. A considerable obstacle here was the varying scope and organisation of the side both of employers and workers. Petersson's view then, in view of these factors and the need to proceed with caution in this completely new sphere, was that a general prohibition of work stoppages during the period of validity of a collective agreement should NOT be introduced, but only a prohibition for those instances where there was no doubt about the functions of the prohibition. In the draft law on collective agreements these ideas were accordingly expressed in §8, where it was stated that there should be a general prohibition of such action, if the object was to bring about a change in the agreement either because of a dispute as to the interpretation or application of the agreement, or for the forcing through of provisions in the agreement designed to apply after this time. No direct action on other disputes was to be allowed until negotiations had taken place before an independent instance, as might be provided in agreements or, if not so provided, until a report of the dispute had been made to a conciliator, and negotiations had taken place under his leadership, or one of the parties had refused to heed or ignored the summons to negotiate with the conciliator.

No sympathetic action was to be allowed when the party being sympathised with was not entitled to take direct action. A big qualification was made to this, however, If two parties were

1) Other disputes were apparently interest disputes, since otherwise they would be under the jurisdiction of the labour court proposed.

2) Petersson did not think any sanction should be introduced for failure to attend. It was enough that the other party would thereupon be freed from its obligation to negotiate.
entitled to resort to direct action, employers or workers bound by collective agreements were entitled to take and maintain direct action for the purpose of having included in new agreements between them, after their agreement had expired, provisions which were the subject of the original dispute. This last clause about sympathetic action only for matters referring to the original dispute was not in the original proposition (which provided no such restriction) but was introduced by the council on law.

Lindquist called this §8 of the government proposition a "handbook of lockout law". The proposed provisions could neither be designed to diminish nor contribute to diminishing the number or magnitude of conflicts, or contribute in any way to the creation of mutual trust.1) LO pointed out that everyone seemed to be agreed that the right of association should be inviolate on each side, and that work stoppages were permissible and justifiable as long as the parties had not bound themselves by entering into agreements2). Thereafter views differed about how much else should be regulated. From the beginning the workers' side had been opposed to any work stoppages during the time the parties were bound by a collective agreement, and the rights disputes that arose were often referred to arbitration or to a detailed negotiation procedure. But when the employers discovered how the mads lockout weapon favoured them, they tried to force through exceptions to the general rule by demanding the right for SAF and its members to resort to sympathetic lockouts. SAF was quite agreeable

1) See motion 272, lower house, by Lindquist and others, 1910.
2) See LO Report for 1910 pp 10-11
to the workers having similar rights and, although it opposed this, LO had in fact been obliged to accept sympathetic action clauses in agreements in 1907.

In fact the government proposition included, as Ernst Blomberg complained, the principles SAF had tried to insist upon in 1909 after the big strike, including the right to sympathetic measures. In the parliamentary debate on the clause covering sympathetic action, Herr Jonsson in Refvinge said that he thought sympathetic provisions constituted a gap in the proposals which ought to be sealed up by declaring in law, as it was accepted by the people, that an agreement is an agreement, which ought to be adhered to during the period it is supposed to be in force. The workers were prepared to abandon the sympathetic strike, and thereby large scale strikes, but the employers' side seemed to have a dogmatic belief in the big lockout as a weapon.

The second legal committee had considered that the parties should not be allowed to resort to direct action over interest disputes that developed during the period of validity of an agreement about matters not regulated in the agreement. (Such disputes were, it understood, not very frequent). Such prohibition need not, it felt, lead to provisions on compulsory arbitration; the parties should be free to agree on this problem, and had done so in many cases.

1) See LO Representative Council meeting, December, 1907
2) Other SAF demands in 1909 had been for a settled negotiation procedure, foremen prohibition, and §23. But LO would not agree.
3) Lower Chamber debate 30/5/1910, p. 63
to sympathetic measures, the committee did not think the time was ripe to scrap these completely, but it did favour greater limitation than Petersson's proposition proposed, for it did not agree that the exception set out in the proposition to the general prohibition of sympathetic action was justified. There was no doubt that public opinion supported the view that work stoppages designed to bring about changes in a collective agreement during its period of validity should be prohibited. It proposed therefore that only "pure" sympathetic action should be allowed\(^1\), i.e. the right to engage in sympathetic strikes or lockouts should only be recognised in cases where the party to be supported was NOT bound by a collective agreement, and had himself resorted to or been attacked through a stoppage of work. To prevent a conflict spreading, mediation by the state conciliators should be provided for.

Petersson was prepared to agree to the proposal for purely sympathetic direct action, but opposed the idea of otherwise having a complete prohibition of all direct action during the period of validity. He repeated his arguments about the lockout. Even if it might prove double-edged, it was nevertheless the only weapon the employers had. The greatest guarantee of labour peace lay in strong organisations, but they must be strong on BOTH sides, not just one. The awareness that a conflict could, if carried to extremes, lead to gigantic clash was in his view the strongest incentive to moderation and discretion on both sides. He still retained his passion for

\(^1\) Statement no. 6, 1910. Lindquist and Nils Persson thought that this still legalised work stoppages during the period of validity and they accordingly made a reservation asking parliament not to support it.
national agreements and uniform time of expiry, which would eventually lead to there being no NEED for sympathetic strikes and lockouts. Strikes were suited to a guerilla war. Was this why the workers wanted total prohibition of sympathetic action?

There is much in this argument, but nevertheless there is surprising unanimity between Petersson's views and the aims of SAF. Indeed when the proposed legislation had been rejected SAF considered that the principles it used in its agreements had been taken into account and gained wide acceptance through this attempt to legislate. "The association (SAF) had thus had the legal basis for its activity considerably strengthened and endorsed by neutral parties"\(^1\)

The sanction to be used in the event of a breach of a collective agreement was civil damages. Lindquist considered there was no protection here for the workers' organisations. It could ruin them\(^2\).

He was more favourably disposed towards the IDEA of a labour court that was proposed for dealing with case relating to collective agreements, and which would deal with claims for damages, mainly because of the practical advantage that such an arrangement would have. It would be the state that paid the piper; at present the costs of all the arbitration bodies that had been set up fell on the workers' organisations. LO took up the view that no one could object in principle to rights disputes being solved by such a court.\(^3\) But it was not pleased with

1) Industria, 1910, p. 292

2) There was some protection, in that an association was only to be responsible for a breach of agreement by its members if it had been a party to that breach, e.g., through a decision at a trade union meeting, or through supporting the action.

3) LO report for 1910, p. 15.
the proposed composition of the court, which was to be two or three judges plus four representatives of the parties. The big snag, however, was (as Lindquist expressed it) that certain parts of the collective agreements law to which he and LO objected would also have been accepted, for collective agreements had to be defined before they could be interpreted. 1) Industria was somewhat dubious about this Labour Court being a court of final instance. 2)

One distinguishing feature of collective agreements is that the workers bound by them and guaranteed certain conditions of employment by them were never individually determined, but were only indicated in a general way as belonging to a certain organisation or trade. (This important point is recognised in the collective agreements act of 1928). The proposition on labour legislation in 1910 took account of this point by proposing a law on individual labour agreements (arbetsavtal) which set out detailed provisions about the relations between employer and worker in both industry and agriculture. Seven days' notice of termination of agreement should be given; a worker occupying a tied house should receive fourteen days notice (§ 21): a system of retaining part of the wage should be legalised as a guarantee against breach of agreement: and (§ 19) the right of the employer to lead and allocate the work should be provided for. The sanction against breach of these provisions was to be civil liability to damages only.

1) See debate in the lower house, 39th May, 1910.

2) Industria, 1911, p. 135.
This provision reserving to the employer the right to lead and allocate the work was of course also looking to the employer interest. It agreed with part of SAP's section 23. Lindquist, who was by no means a doctrinaire opponent (see chapter XVII) of § 23, nevertheless thought it gave quite enough trouble without having it written into law.

Let the final word on these proposals fall to Lindquist before we consider the fate of all the proposals.) It was questionable, he said whether legislation in this sphere was necessary or useful. If it was considered necessary in some degree, the line of approach to JUST labour legislation ought to be the development of the conciliation system, the setting up of a well organised, really independent and expert Labour Court for solving rights disputes and (in consequence) the recognition in law of the principle of the collective agreement. The present proposals were, he considered, ill prepared, and the existing composition of parliament was such that it was incapable of legislating on the matter with absolute impartiality. The proposals should therefore be rejected.

When all the proposals falling under proposition 96 were debated in parliament the proposed laws on collective agreements and a labour court were approved in principle, but there was disagreement about the content of the legislation. The second law committee submitted a compromise proposal which the upper house accepted but the lower house rejected.

1) Motion 272, lower house, 1910
The law on labour agreements was approved by the upper house in approximately the form suggested by the law committee, but completely rejected by the lower house. The conciliation proposal was accepted by both houses, but since its acceptance in the upper house was made dependent on the acceptance of the laws on collective agreements and the labour court, it too failed to pass into law. The changes proposed in the criminal law also failed to get through parliament.

Industria commented¹ that it was the frantic opposition of the social democrats and radicals, together with the lukewarmness and party tactics of the liberals, that had settled the fate of this first cautious step towards creating a framework of legislation for agreements. This it thought must be deplored by everyone who considered that the most secure basis for labour peace lay in order and law, and who realised the restraining effect that legal responsibility would have on a labour party whose moral responsibility tended to be abandoned at the first fence. Society was the sufferer. But at least the debates had cleared the ground and, as already quoted, Industria considered that SAF had won support for its views through the legislative proposals.

In 1911 the Lindman government tried again to put through proposals for legislation based on the compromises that had been attempted in the previous year, but again the lower house rejected the proposals. The most significant aspect of the 1911 attempts was that SAF now came out against the proposals put forward. The government now proposed that there should be a permanent conciliation commission and an obligation to attend its meetings when summoned.

¹ Industria. 1910. p. 222.
The commission was to help in solving serious labour disputes, no obligation was to be put on the parties to present proposals for solving a conflict, BUT no direct action was to be allowed for a period of thirty days after the conciliators had called the parties together to negotiate. SAF opposed this last point and thought the pressure of public opinion might win the day, irrespective of the terms of labour peace. In effect the employers would, it felt, be unable to oppose a mediation proposal that had the backing of a state body. The result in fact would be the same as in the Australian system - state-fixing of wages. And once the state got its foot in the door Sweden would be on the highroad to an arbitration system. SAF opposed compulsory arbitration.1)

This volte face is not easy to justify, since the conciliation proposals of 1911 differed very little from those of 1910, for a permanent conciliation board was proposed then as well. LO considered that the real reason for SAF opposition was that the employers felt, as a result of the experience of 1909, that they would get a better deal from a government that was favourably disposed towards them than from an independent conciliation commission 2).

SAF was on stronger, or at any rate, more consistent ground when it complained that the 1911 proposals gave no express recognition of the right to have sympathetic lockouts during the period of validity of a collective agreement. The 1910 proposals had taken a definite line on this problem, which Industria considered was vital for the employers' organisation, in that it had stated strikes and lockouts were permissible during the period of validity.

1) Industria, 1911, pp 125 et seq.
2) LO report for 1910, pp 16/17.
Now there was no specific mention of this right, but only the provision that sympathetic action must not be resorted to for forcing through provisions for coming agreements. So SAF opposed the 1911 proposals. Its annual report considered that no legislation was better than bad or unjust legislation\(^1\).

LO considered that the proposals in both years had been unjustly weighted, and that their content was much as to justify the label of "class legislation". On a more sober assessment it said that, while it was difficult to tell what the effects of legislation might be and that it was difficult to avoid legislation that was not, in the nature of things, unfavourable, to the weaker side, the workers, that was not to say that the law ought not to intervene in some ways. Social interests were sometimes at stake. The conciliation act was a good thing, but if legislation was to go further than this, it must do so cautiously. There must be no partisanship\(^2\).

Westerståhl considers that the social democrats were at this time prepared to accept certain legislation, e.g., a permanent conciliation commission and a labour court, but this period marked the high water level of willingness on the part of the social democrats to accept legislation that affected trade unions. "Neither before nor since have such precise and authoritative declarations been made in favour of state intervention"\(^3\).

1) SAF Annual report for 1911, p.3.
2) LO report for 1910, pp. 3/25
3) OP. CIT, P.333
By 1911, therefore, the only official provision made for labour peace was the conciliation machinery and the attempt to deter strikes through the Åkarps act. In part the difficulty was that relations between employers and workers were still in a formative stage. It was not easy for legislation to take cognisance of developments in practice and codify them, for these were still evolving; nor was it easy for the state to try by legislation to mark out new ground. This has never been the Swedish way of proceeding and the parties opposed it. There were still many problems to clear up, and the one that touches the public and therefore parliament most closely was that of the boundary line between socially dangerous and permissible disputes. Although recognition of the possible necessity of having some system for regulating and settling disputes as to rights was growing up—though this could obviously not precede the recognition in fact of the validity of collective agreements—there was strong opposition to the intervention by the state in interest disputes. It is the case, of course, that not all these issues have yet been settled—the right the parties on both sides maintain to the ultimate sanction of direct action in interest disputes raises issues not only directly, but indirectly, as soon as it is realised that certain conflicts must inevitably be treated by the state as a menace to the functioning of society.

) Hallendorff, p. 125. After the failure of the proposals of 1911 SAF considered the idea of discussing with LO the possibility of setting up a court to handle disputes as to rights—although they realised certain employers might have misgivings about this, quite apart from the attitude the workers' side might take. But the change of ministry in the autumn of 1911 led rather to a "wait and see what the government will do" attitude, and SAF did not follow the matter as far as asking for discussions.
The next stage in the process of setting up some kind of machinery for dealing with employer-employee relationships and the issues these raised was in 1915, when the social board was instructed to make an enquiry into whether and to what extent, particularly via legislation, labour peace could be promoted. A report was presented in 1916. The background to the enquiry was the apparent feeling that the current tranquillity of the labour market (which marked the early years of the 1914/18 war but which had by 1917 been replaced by serious differences arising out of shortages of foodstuffs and the rise in the cost of living) would make it easier for the parties concerned to agree to some basis for legislation. A negative reason for trying to establish some sort of order of things was that big labour conflicts were feared when the war ended.

The proposals put forward by the committee of enquiry in 1916 were based mainly on those parts of the 1910 and 1911 proposals on which the parties had been agreed. A proposal was made for one law to cover collective agreements, a labour court and conciliation procedure. The labour court was to judge rights disputes. For collective agreements it was proposed that conflicts during the period of validity should be banned, except for sympathetic measures, which were NOT to include measures designed to have clauses inserted in new agreements.

1) The conciliation proposals have already been discussed. See Chapter XI.
Notice of conflict was to be given seven days in advance and, when the parties had been called to negotiate, direct action was to be postponed for at least two days. The conciliation system was to be improved by placing on the parties the OBLIGATION to answer the call of the conciliator to attend for negotiations. It was further proposed that damages for breach of agreement should be imposed only on the association or individual who had committed this offence and not for example on associations that had supported the action but taken no direct part in the decision. 1)

The reactions of LO and SAF to these proposals are most interesting when one recalls their respective attitudes in 1910 and 1911.

Von Sydow and Lindquist were both members of the committee, and both had reservations to make. They both opposed the limitation on the right to resort to direct action which the right of intervention given to the conciliator would mean. Both (and this is surprising, as we shall discuss) criticised the prohibition of direct action during the period of validity of an agreement for the purpose of forcing through new provisions in a coming agreement. Von Sydow wanted the right to have such sympathetic action in cases where provisions of principle were part of the general dispute. This agreed with SAF's earlier view but it was certainly surprising (but a measure of the growing confidence of the unions or perhaps more accurately of LIN33QUIS?) that Lindquist should now argue that if, during extensive sympathetic

1) Von Sydow opposed this, for he argued that, although most agreements were entered into by Unions, in actual fact the TRADE UNION FEDERATIONS stood behind the unions and possessed the economic power.
action, a question common to several organisations arose as a dispute without disturbing agreements in force, it would probably promote labour peace if the direct action in progress could constitute a means for solving these disputes about provisions that were to apply after the agreements expired. If this procedure were forbidden, new conflicts could be anticipated when collective agreements expired. In fact Lindquist was prepared to go further and allow a party to an agreement ITSELF to begin a conflict (not sympathetic measures) in order to have other provisions introduced into a new agreement. Industria, in commenting on this, thought this last point was going too far.\footnote{1} Nor was Lindquist able to get LO congress to share his view.

The representative council of LO discussed the proposals in October 1916 and, while it rejected the proposals in their present form and considered alterations would have to be made, it was not opposed in principle to the idea of strengthening the conciliation system and setting up a labour court to settle rights disputes. But LO congress was much more afraid of legislation when it met in 1917. Lindquist had to defend his approval of an extension of the conciliation procedure and the setting up of a labour court.\footnote{2} He considered that a completely negative attitude to these problems was in the long run untenable. He admitted that he did not share the view of many of the congress delegates about a labour court.

\footnote{1}{Industria, 1916, pp. 895-6}

\footnote{2}{In fact this became an issue in his re-election as chairman of LO and he was re-elected only by a majority vote.}
He believed the setting up of such a court would be of advantage to the workers. It was natural that rights and interpretational disputes should be settled by arbitration and it was better to have one court than many. As for the conciliation procedure, the workers had nothing but praise for it. But when he referred to LO's favourable view of these problems in 1911 J. O. Johansson argued in reply that conditions had changed since 1910 and 1911, because of the wages policy pursued by SMF in recent years. The workers were afraid they might lose by legislation. Motions 57, 58 and 59 asked LO therefore to oppose all such class legislation that would hamper the trade union movement in its task of looking after the interests of the workers, and the secretary stated (Statement no. 33) "that all legislation whose aim is in any way to prevent or impede the work of the workers' organisations for looking after the interests of the workers should be very strongly opposed." But the motions and the statement were rejected in favour of a more forceful motion put by G. Wahl and Nils Linde, which asked for very strong opposition to the proposals of the social board for a law on certain measures to promote labour peace, and to all other legislation that aimed to prevent or impede, or operated in such a way as in any way to prevent or impede, the work of the workers' organisations for looking after the interests of the workers.¹)

The workers' fear of legislation seems at this time to have been very strong. Industria also took a somewhat more sceptical view of legislation than it had done in 1910.²)

1) See LO congress report 1917, pp.138-143
2) Industria, 1916, p. 891.
It considered it was not easy to promote labour peace by legislation. Active promotion of labour peace must rest with the parties to the labour bargain and their organisations through the agreements they concluded. The concern of the state should be to protect rights and the settlement of rights disputes and otherwise supply its good offices in disputes that could not be regulated in accordance with an existing collective agreement (by which it presumably meant conciliation facilities). It considered that the proposals put forward by the social board did keep to these lines in the main. The legislation should try to make precise how far Sweden had got in these matters and, through summarising rules that had already developed or gained recognition, create such forms for and content of legislation as would promote future developments. However this idea of codification with an eye on the future was not taken up, for parliament decided in 1917 to let the question of legislation for the promotion of labour peace wait till the following year. By then the question had become an academic one, for the shortage of food, high prices and the March revolution in Russia all led to unsettled domestic political atmosphere which resulted in a change of government to a socialist/liberal coalition. Radical tendencies became very strong in the labour movement and the opposition to legislation on labour problems grew. SAP found itself regretting that there was no clear legislation that marked out the ground. It had not had great hopes of the 1916 proposals, but felt that some codifying law that gave collective agreements a positive legal position and set out the consequences of breach of agreement would have been particularly useful at a time when circumstances were reducing respect for collective agreements\(^1\).

Proposals stemming from the 1916 enquiry were however put before parliament in 1920. They dealt with the conciliation procedure, special arbitrators in labour disputes and a law for a central arbitration board\(^2\).

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1) SAP report for 1917, p.26
2) See Chapter X1.
In 1920 too the social democratic government set up a committee of enquiry into the question of industrial democracy. This was in fact a year of many labour disputes and in the following year the question of labour peace was raised in a number of parliamentary motions on such subjects as measures to prevent conflicts that were dangerous to society or to the public; to protect agriculture from work stoppages (for which a law was suggested that would regulate the labour agreement and its legal effects). Von Sydow and others submitted a motion asking for an investigation into and measures to prevent certain methods of blockade. In response to these motions the first social democratic government appointed an expert, Director Allan Cederborg, to make enquiries and submit proposals for measures aimed at securing labour peace. But this investigation was shortlived for it was declared suspended in November 1922 in the general "slaughter of committees" carried out by the social democratic government. In September, 1924, it was set going again under the social board and while this new - or resumed - investigation was still proceeding the government (a social democratic one) decided in January, 1926, to appoint a "labour peace delegation" to enquire into measures for the promotion of labour peace.

This new committee of nine persons consisted of three representatives each from the state, from LO and from SAF, and was instructed to investigate the position and find out the attitudes of the parties on the labour market about the suitability of legislation. The aim was to find out to what extent cooperation could be obtained from the parties between whom labour conflicts were fought directly, to find out their views and to try to find a basis on which to form a judgement of the advisability of further measures for promoting labour peace, via legislation or in other ways.

1) In various sessions of parliament after 1921 there had been motions and demands for compulsory arbitration in interest disputes in the case of functions that were of vital social moment, and for local authorities.

2) SAF (annual report 1926, pp42/3) suggests that in the composition of this committee the government perhaps had in mind the possibility of agreement between SAF and LO for certain parts of the labour problem e.g., arbitration in right disputes, that would make legislation unnecessary. Such an idea was, however incorrect, said SAF, for SAF and LO did not cover the whole labour market for which measures designed to promote labour peace were desirable. SAF instanced the syndicalists. In any case an agreement for the purpose of settling rights disputes by arbitration would require sanctions enforceable at law for failure to obey the judgements made.
The object was NOT to submit detailed legislative proposals. More specifically, said Gustav Möller, it was to look into the question of compulsory arbitration in rights disputes, it should investigate whether the fiat of law should be given to the existing order of things with regard to rights that had grown up with the passage of time through the association, negotiation and agreement of employers with employees. Further matters for consideration were the determination of the right of association and negotiation by law, in which attention ought to be paid to such groups of employees as had not yet won recognition of the right of collective negotiation. Various methods of blockade and boycott were to be taken up and also the possibility of introducing an arbitration institute in various spheres of work for disputes OTHER than rights disputes.

Prior to the appointment of this delegation motions had been submitted in both houses urging the necessity of measures for the promotion of labour peace. Particular emphasis was placed on submitting proposals in parliament in 1927 and on proposals that would provide for compulsory arbitration in spheres of the labour market that were of particular social importance, and especially state and local authority undertakings. The second law committee proposed that, as soon as the government thought that the necessary material existed for judging the question of legal measures for preserving labour peace, the government should present proposals to parliament without delay. Although the social democratic members of this committee thought this was unnecessary, parliament, after debating the matter, asked the government for legislation.

1) See directive to the labour peace delegation from the social department 29.1.1926.
2) In the debate on the King's speech in 1926 Möller said he thought the time was now ripe for compulsory arbitration in disputes as to rights. He had, as we shall see, changed his mind by 1928 when the social democrats were in opposition. See Westerstähl, op. cit., p. 365.
3) See motions No, 89 and 192 in the upper and motion 283 in the lower house.
4) Statement no. 18, 1926.
designed to promote labour peace. In its request\textsuperscript{1} it said that the government should not be guided simply by the view of the employers' and workers' representatives in the labour peace delegation. Regard ought also to be paid to the interests of society as a whole. It expressed the expectation therefore that the enquiry going on would be completed as soon as possible so that legislative proposals might be put forward quickly.

Considerable urgency was thus being introduced into the enquiry, and the emphasis was shifted from an objective enquiry to one which had legislation definitely in view as the end product. The subsequent events because extremely important for alienating the labour movement and at the risk of being tedious it is worthwhile setting them out.\textsuperscript{2} On 12th July, 1926, the minister of social affairs in the new liberal government, Pettersson, asked the chairman of the labour peace delegation to let him know whether the delegation could, before concluding its whole task, present the necessary material by the autumn for forming a judgement about certain of the legislative measures proposed and, if they replied in the negative, to let him know when the investigation as a whole would be completed. Two days later the chairman replied that the delegation hoped to have most of the work that dealt with the views of the different groups finished by the end of 1926.

On the 12th July Pettersson also asked the social board how far they had progressed with the enquiry they had begun in 1924 into the problems of preserving labour peace, whereupon the social board replied (16th July) that it had considered it was absolved from the task after the labour peace delegation was appointed. In view of these answers, and the urgency parliament had suggested, Pettersson thereupon began to consider whether some part of the subject might not conveniently be extracted and made the object of special legislative treatment. And clearly the first question to take up was that of compulsory arbitration or a court for settling disputes.

1) Skrivelse no. 167, 30th April, 1926
2) See proposition no. 39, 1928, for the chronological details.
about the interpretation and application of collective agreements. In September therefore he asked the chairman of the labour peace delegation whether the delegation could give him a report in the very near future about the attitude of the parties to compulsory legal process in such disputes. The chairman replied on 21st September that the LO representatives had said they could not give a final answer as to their position until the representative council had met, which could not be before December. As we shall see shortly, this attitude of LO savoured greatly of stalling, for it had ALREADY aired its views on this matter at the 1926 LO congress.

Pettersson did not think he could wait until December if a proposal was to be submitted in the 1927 session of parliament. So he set going an enquiry within the social department on the subject of legal settlement of rights disputes over collective agreements, the department making use of the material from 1910, 1911 and 1916 on this matter. A preliminary draft was then worked out for legislation on collective agreements and labour courts (note the plural). On 22nd December the chairman of the delegation reported that it was not possible to produce the report Pettersson had wanted before the end of December, since the views of some employer and worker organisations had not yet been received and several of the nine men were engaged on other urgent business. He hoped to report in March, 1927. Again faced with delay on the one hand and urgency to get legislation on the other, Pettersson decided on 30th December to push ahead with legislation on rights disputes, arguing that it seemed necessary and that opposition from the interested parties did not seem to be very strong in principle. He therefore asked two of the government appointed members of the delegation, together with the chairman of the central board of arbitration, Arthur Lindhagen, to help in further discussion of the preliminary draft for legislation produced within the social department.
This decision led to the dissolution of the labour peace delegation for the haste being shown and the apparent bypassing of the labour peace delegation led to the LO representatives saying on 13th January, 1927, that they could not take any further part in the work of the delegation. According to Pettersson, the secretary of LO also stated at this time that it saw no practical reason for further legislation in this sphere although it would be prepared to give its views on any proposals.

LO's view at this time does seem to have been that there was no need for further legislation. Already the central board of arbitration set up by the act of 1920 for settling disputes about collective agreements was entitled to take up and settle questions about the correct meaning and application of collective agreements, PROVIDED, in accordance with a provision in the agreement or otherwise through agreement between the parties to it, such a question was REFERRED to the board. The assumption therefore was that BOTH the parties were agreeable to this voluntary arbitration on rights disputes. When LO gave its views on the proposed revision of the arbitration act of 1887 on 16th January, 1926, it took the view that it seemed correct to maintain this provision in future legislation about the settlement of interpretational disputes over the content of collective agreements between employers and workers or their respective organisations. This view was shared by its member federations. LO thus approved voluntary but opposed compulsory arbitration in rights disputes.

At its 1926 congress (29th August - 5th September) LO had a long discussion about compulsory arbitration in labour disputes arising out of a motion from the local authority workers' federation (no, 128) which drew attention to the fact that, whether the labour peace delegation found legislation to be advisable or not, parliament had, through its request of 30th April, to the government, asked for

1) At the December, 1926 meeting of the representative council of LO it was seen that LO was very negatively disposed to many of the questions the delegation was discussing. See Westerstål, op. cit, p. 367
2) Statement to Kommers Kollegium, 16th January, 1926.
Legislative proposals on the matter when the committee had finished its work. This federation was obviously interested in such legislation, since the motions in parliament in 1926 had emphasised socially important spheres of work, and the need to provide for compulsory arbitration there and for prohibiting stoppages of work. This would accordingly have led to legislation on both rights AND interest disputes.

The local authority workers' federation opposed compulsory arbitration in labour disputes, since this would mean that the conditions of work of members would now and probably for some time to come be at the mercy of liberal and free thinking politicians. Likewise many local authorities were still conservative in political colour. Again, the local authority workers had only recently obtained de facto recognition of the right to associate. A further practical argument was that local authorities has shown a tendency to evade arbitration decisions in interpretation disputes if the decisions were not satisfactory to them. The federation feared also that if legislation were passed on state and local authority workers, the rest of the labour market would be subjected to similar legislation as convenient. It therefore asked congress to declare its opposition to the intended legislation on compulsory arbitration in labour disputes, and asked LO to agitate against it and give support to any federation that came to be affected by such a law.

In response the secretary of LO made a statement that set out very clearly what its views were on compulsory arbitration in interest disputes. "A law on compulsory arbitration in interest disputes must mean that the state takes upon itself the obligation to guarantee through its organs that the workers will enjoy the highest standard of living that the economic situation will allow at any one time and that the employers obtain guarantees that wages will not be set higher than the general economic conditions prevailing will allow. The state cannot, however, give

1) Statement no. 31, LO congress report, 1926, pp. 329, et seq. The report of LO's fifteen men, Fackföreningarnas och nätverkslivets, p. 159, considered that this statement still (in 1944) expressed the general views of the trade union movement. When it submitted its views on methods of determining minimum wages to the delegation for internation co-operation on social policy on 26.10.1927, LO opposed legislation for determining minimum wages via wage boards. It considered it was not desirable to introduce such legislation into Sweden.
such a guarantee since economic science can not yet serve as a satisfactory guide in judging these questions. Practical statistics are also too incomplete to form the basis for a general judgement of these questions. Nor can the state give the workers a guarantee that employers will be willing to carry on their activity at the wage determined by arbitration, any more than it can guarantee the employers that workers can be obtained at the wage determined. Thus the state seems to lack the prerequisites both for being able to estimate what wages should be set at any point in time and to guarantee that the enterprises continue their activity at the wages fixed or that the workers work for those wages. The employers' and workers' organisations are also in agreement in opposing vigorously legislation for compulsory arbitration in interest disputes. As far as private enterprise is concerned, therefore, SAF and LO are in complete agreement that compulsory arbitration in interest disputes is neither desirable nor appropriate. LO then went on to discuss the public sector of the economy, in which the local authority workers' federation was primarily concerned. While SAF was not immediately involved in the settlement of wages in the public sector, nevertheless SAF members derived advantages from the wages of civil servants and municipal employees being kept at a low level, both because this gave them a comparison for using in negotiations in the private sector and also because taxes might be less if the wages and salaries of public employees were less. Since SAF argued strongly against wages being determined by compulsory arbitration in the private sector, but did not seem anxious about it in the public sector, LO took the reason for this to be that SAF hoped an arbitration institute limited to the public sector would contribute to holding down the wages level. From the workers' side, however, there was no reason why they should accept the risk of a worsening in the wages position through accepting compulsory arbitration. Nor did there seem to be any really valid reason for putting workers in the public sector in a special position. Moreover, these workers and their organisations would certainly not take part in or co-operate in a board of arbitration for the compulsory settlement of wages and working conditions and would not feel themselves
bound by the decision of such a board. If attempts were made to enforce the board's decisions by sanctions, then this would be indeed be the road to serfdom. The trade unions and whole working class movement stood united against anything like that, and any possible legislation in such a direction would be considered as provocative class legislation that had to be resisted.

LO therefore proposed the following declaration: that congress, which can find no justification for legislation on compulsory arbitration in interest disputes, either for private industry or public work, and which cannot accept that certain workers should be forced by legislation to work on conditions of employment that have not been approved by their organisations, decides that LO and the affiliated federations shall take any steps necessary to prevent such legislation from coming to pass. Congress accepted this; although Robert Samuelsson (of the railwaymen) pointed out that the secretariat statement contained no mention of compulsory arbitration in RIGHTS Disputes, but only of interest disputes. He thought it should be just as strongly emphasised that there must be no legislation on rights disputes.

LO submitted this statement to the government on 25th November, 1926, and again emphasised that the workers and the unions were absolutely opposed to legislation on compulsory arbitration in interest disputes and would oppose it. Any measures for the promotion of labour peace that could with advantage be taken must be based on the trust of the parties affected by it and on their recognition of the suitability and justice of the measures.

In the new year of 1927 LO had an opportunity to air its views on legislation for settling RIGHTS disputes, for on 21st January the three experts whom Pettersson had appointed to help in preparing the draft proposal of the social board for legislation (which had led the LO members of the labour peace delegation to leave) submitted a draft for laws on collective agreements and on labour courts. As things turned out proposals for a law on these topics were not put before parliament in 1927 despite
the haste of the liberal government because certain amendments were made in the light of criticisms and adjustments put forward when the proposal was remitted to interested bodies for their views. The government stated on 18th March, 1927, that it would not present a proposition that year but the following year the government (the Kimman) did submit a proposition (no. 39) calling for legislation on collective agreements and a labour court.

LO discussed the original proposals at great length\(^1\). Both employers and workers were, it said, interested in settling disputes peaceably, since disputes caused economic loss to both sides. Stoppages were therefore not due to lack of goodwill but to the fact that the conflicting interests were so great or of such a kind that a peaceful agreement was not possible. Obviously, therefore, labour peace could not be promoted by placing restrictions on the right of free negotiation or by forcing agreement by arbitration. Legislation dealt only with effects, and not with the root causes of conflicting interests. It was therefore of more importance for the state to devote itself to changing the economic and social conditions from which the opposition of interest on the labour market stemmed. Since the proposals put forward took no account of this they would serve no useful purpose in promoting labour peace. The unions did not want such legislation and considered it would make it more difficult to draw up collective agreements.

On a more concrete level, were present conditions such as to make intervention through legislation necessary? LO gave figures to support its negative answer to this question.

<table>
<thead>
<tr>
<th>Total number of Stoppages 1903-1925 (excluding 1909)</th>
<th>Interpretation Disputes as % of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stoppages</td>
<td>Workers affected</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------------</td>
</tr>
<tr>
<td>1,877</td>
<td>268,055</td>
</tr>
<tr>
<td>4,095</td>
<td>771,851</td>
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</tbody>
</table>

1) See LO annual report, 1927, pp 93 et seq.
There were thus fewer interpretational disputes and fewer workers affected by them between 1913 and 1925 than in the period 1903-1912. Less than 1% of the total number of stoppages were due to interpretational disputes. It seemed to LO that the collective agreements were accordingly pretty well respected. Why legislate on them therefore?

LO praised the conciliation system, which was valued by both sides and was an expression of the parties' responsibility and good judgement. The only way to obtain this was through each side accepting responsibility for its decisions and their consequences. "Every attempt to intervene via legislation in the free will of the parties with a view to regulating labour market conditions is therefore undoubtedly doomed to failure in advance".

Admittedly, the variety and detail of collective agreements often led to rather unsatisfactory formal expression but this was not always due to the inability of the parties to express themselves. Sometimes lack of clarity was deliberate to the extent that the parties relied on negotiations on each particular dispute to get them out of difficulties of interpretation. The collective agreement was not so uniform an object that it could without further ado be brought under process of civil law. It was not yet well enough developed to allow of a special law on its contents.

Further, the parties themselves had in many cases tried to arrive at agreement on the procedure to be followed for settling disputes that arose during the period of validity of an agreement. The advantage of the provision agreed upon by SAF and LO as far back as 1908 was that it forced the parties to make serious attempts to solve disputes by agreement either directly through negotiation or through agreeing

1) SAF disputed the validity of these statistics. It was misleading to say that only 1-2% of labour conflicts that broke out were based on interpretational or application disputes. The statistics were based on information supplied by the parties and covered only disputes where a conflict did break out, not where a dispute existed. Nor did they show the number of disputes that did not arise simply because one party felt that even though in the right, it was too weak to press the issue.
to submit to arbitration, after they had tried to solve a dispute by negotiation. In this connection LO thought the provision made in the law of 1920, by which the central board of arbitration was set up, was quite satisfactory. The trade union movement was not opposed to voluntary and terminable agreements on arbitration over rights disputes, and indeed such disputes existed in the spheres of activity of most of its federations. As long as the arbitration procedure rested only on moral factors, which consisted in the free agreement of the parties to use it because they thought the procedure was convenient, there was a corrective against possible abuse in the fact that the parties could refuse an arbitration clause in a new agreement. Of course the other side might endeavour to force a party to agree to an arbitration clause, by a strike or lockout, but that tended to bring the arbitration procedure into disrepute as a legal institution and it could not regain its position of acceptability to the parties until the parties guaranteed that they would use it loyally. If then this proposed legislation on compulsory arbitration was to pass into law, the negotiations that preceded the reference of a dispute to a board of arbitration would be purely formal in character. The party that did not have its views met in negotiation would simply go to arbitration. It was then that the labour court would have to try to have its judgements obeyed by the means at its disposal. Loyal use of arbitration could not be guaranteed by law.

The weaker party (which LO thought was usually the workers) would also hesitate to enter into new collective agreements if he feared arbitration might be used to his disadvantage. A further rather weak argument LO put was that, since SAF had a large staff of lawyers who usually acted as negotiation chairmen or secretaries, their formulations of agreement provisions might be tendentious and the very stuff of arbitration.
Seventeen of LO's member federations made accompanying submissions in opposition to the proposals, the main line taken being that legislation was unnecessary, unjust, and likely to be biassed. There would be delays in treatment, when what was needed were local and flexible procedures on a voluntary basis. Legislation would make the parties unwilling to continue the construction of a comprehensive system of collective agreements. Again, it would be the thin end of the wedge, leading to complete legislative control of agreements. Conditions varied too much from industry to industry for a Labour court to understand the complexity of issues. Legislation would undermine the confidence of trade unionists in their leaders, who might become little better than advocates. The transport workers' federation considered it could employ a court itself in view of the large number of local agreements it had and the fact that many agreements were run through good sense and negotiation rather than by paying attention to the strict letter of agreements. There was a very great variety of agreements, all with peculiar rights and interest disputes.

The representative council of LO issued a statement on the proposed legislation after its April meeting in 1928. It regretted that the government had persisted in spite of the strong objections of the workers. The interests of the workers, industry and trade had been pushed aside in the interests of party politics and political interests. One strong argument LO advanced (the clause in question was revised) was about the amount of damages that could be assessed on the individual organised worker. The council thought the proposals should be fought against.

In general, the employers approved the proposals made in 1927 and 1928. SAF definitely recommended the introduction of legal provisions that disputes on the interpretation and application of collective agreements must not give rise to strikes, lockouts or comparable direct action, but should be settled by a court.
It had always taken the view that such disputes should be decided by a court and not by the will of the strong. It was necessary, however, to have a permanent special court in order to obtain the best competence and specialised knowledge and necessary also for it to be given the powers necessary for maintaining respect for its judgments. Von Sydow agreed wholeheartedly with the idea expressed in the government proposition no. 39 in 1928. It was a gap in the legal system that arrangements for settling disputes about the contents of collective agreements were practically non-existent in Sweden (a view challenged by LO as we have seen) but that their settlement was dependent on the subjective factor of the strength of the parties. He only had some minor alterations to propose¹).

The second law committee said in its views on the proposition²) that decisive importance ought not to be attached to the fact that the workers opposed it, for their opposition was probably based to some extent on a misunderstanding of the meaning of the proposals and on their unjustified fears of the effects they would have on their ability to safeguard their economic interests. It should not be forgotten that the proposed legislation was important not only for conflicting parties but for society. It was a decided defect that there was no practicable form for deciding on interpretation and application disputes about collective agreements in a court. Such disputes were very seldom taken before the public courts. One other reason for having special legislation was that the rules applied in the general courts for assessing damages for breaches of contract could hit workers in particular very hard indeed. Something more flexible was needed in the form of special provisions for damages that were adapted to the particular needs of collective agreements.

¹) See motion 280, upper house, 1928
²) Statement no. 36, 18th May, 1928.
The committee therefore proposed to make less stringent the provisions in the proposition for a) damages against workers, by providing for them a maximum fine of 200 crowns for any offence punished under the act and b) damages against associations of employers and workers for breach of the law or of collective agreements. In the proposition an association was to be liable for the damages done by its members, but the law committee thought that it would often be difficult for an association, particularly of workers, to get its members to pay. It might therefore have to carry the whole burden of damages itself and this led the committee to propose modifications. It also proposed a change such that fines imposed for failing to carry out labour court judgements could not be converted into imprisonment. It hoped these changes would remove some of the strongest objections from the workers' side, but this did not prevent Sigfrid Hansson and the remaining social democrats in the committee from asking that the proposition be rejected.

The parliamentary debate on 25th May, 1928, was illuminating. In the upper house Arvid Thorberg (LO) suggested that the employers were lukewarm towards the legislation. This Von Sydow denied, and said he had consistently advocated such legislation since he began dealing with these questions in 1907 both for legal reasons and because of the prevailing conditions. Gustav Möller said that when he, as social minister, had been concerned with the appointment of the labour peace delegation he had considered the time was ripe for the settlement of rights disputes by compulsory arbitration (he did not then say that this must necessarily take place via law) but his assumption always had been that it would be with the co-operation of the parties concerned.

1) Von Sydow asserted that procedure for the settlement of rights disputes was lacking. This Arvid Thorberg and others denied, quoting (in motion no. 282) the figures set out in chapter XI on procedures for settling such disputes.
The labour peace delegation had been enjoined to collect material, not to work out proposals on the matter, to try to form a basis for what the state might do at the same time as the parties would be given a chance to crystallise their points of view.

He now raised the problem LO had harped on, that of unsolved interest disputes in collective agreements. Who was going to solve them? He thought an attempt should have been made to draw a boundary between rights and interest disputes. If the unions became alarmed at the prospect of unsolved interest disputes going before the labour court there would pretty soon be big conflicts brewing, for these would all have to be settled before agreements were entered into. Møller thought a spirit of co-operation on the labour market had been growing, a view also advanced by Sigfrid Hansson who wanted to know why a government that expressed such interest in labour peace had done nothing about industrial democracy.

In the lower house Pettersson, the head of the social department, said that the whole argument in favour of the proposition was that it was an application of the general rule that it was society, and not the parties themselves, that must make laws (skapa rätt) and devise means of enforcing the law. Per Albin Hansson said he was not worried about the possible effects of the legislation on the trade union movement - it would survive - but on society, because promising developments in the direction of more co-operation on the labour market would probably be disrupted. There was a noticeable tendency for strikes to decline in scope, and increasing respect was being shown by each side for the other, along with an increased willingness to co-operate. There was no opposition in principle from the workers' side to the settlement of rights disputes by arbitration. Edvard Johansson had argued that the workers were not opposed to the settlement of interpretation disputes by law but that opposition to the proposed legislation was based on a) the difficulty of deciding whether a dispute
was a rights or an interest one and b) the fact that workers and employers naturally had different views about what was a rights and what was an interest dispute. The workers did not oppose arbitration in rights disputes but it must be VOLUNTARY. In fact it was much used. Per Albin Hansson concluded that there might well come a day when it was advisable and wise to codify in law the rights developed on the labour market. In the meantime legislation would be injurious and confusing, it would not be backed by the trust of the parties and finally it was unnecessary.

The LO and social democratic leaders were thus strong in their opposition to the proposition. In spite of the modifications introduced by the second law committee to make the sanctions against workers for breach of agreement less harsh, LO and the party combined to stage a protest stoppage of work and demonstration throughout the country on the afternoon of 22nd May. "By reason of the statement of the second law committee labour demonstrations were arranged throughout the whole country against the proposals being passed into law". As usual the manifesto by which LO and the party urged the workers to stage a demonstration stoppage was responsible in tone. It exempted from the stoppage workers whose collective agreements forbade strikes or lockouts, workers whose work was of a necessary protective kind and workers on whose attention human beings and animals depend. "Since it is not the stoppage of work but the demonstration that is the main thing in this expression of opinion, work should not be stopped any longer after 2 p.m. than is necessary for the demonstration". Work on shifts that began in the evening was to begin in the usual way. The workers were urged to preserve discipline". Må Sveriges arbetare handle lungt, kallt och värdigt!"

The existence of the collective agreement was at stake. The demonstration was a big one and LO estimated that about 365,000 workers took part.

1) LO annual report, 1928, p. 172.
Its very success was however not without its effects, for Herr Strindlund of the farmers' party argued in the parliamentary debate that, although he did not like the laws on collective agreements and a labour court still less did he like such extra parliamentary demonstrations. Herr Rydén argued against this view that the workers could do nothing else. If they did nothing people would say the workers were not opposed to the proposals, while if they arranged a completely peaceful demonstration people like Strindlund voted for the law, although they did not like it.

In the event, the upper house approved the proposition by 82 votes to 53, and the lower house by 117 to 106 votes. The laws were approved on 22nd June and came into force on 1st January, 1929. The content of the two acts is discussed in the next chapter XIII.

Thus at long last provision was made in law for procedures relating to collective agreements and disputes as to rights arising out of these agreements. The collective bargaining act was not simply a codification of existing practice however. Admittedly, most collective agreements already contained provisions for the settlement of rights disputes either through negotiations between the organisations concerned or through arbitration, which since 1920 had had state backing in the central board of arbitration (which now ceased to exist) and in the provisions made for a private system of arbitration (which remained in force after 1928). But this was essentially VOLUNTARY arbitration. What the act of 1928 provided was, through a court of final instance, COMPULSORY arbitration of such disputes if none of the voluntary machinery could lead to a settlement. It was this final compulsion that alienated the trade union movement.

While Lindquist had been prepared to accept the idea of such a labour court in 1910 there had been a shift in trade union opinion in the interval. Apart from the fact that experience of voluntary arrangements since 1910 seemed adequate to the unions, there was also a somewhat neurotic
attitude to legislation in 1928, a fear that something resembling the ordinary law courts would be to their disadvantage and lead to further legislation. The Labour Court was a new institution, a tribunal set up for specific purposes, and fears as to its possible field of jurisdiction were perhaps justifiable.

The change in the attitude of the trade union movement to the collective bargaining act and the labour court, which we now proceed to analyse, is in itself a tribute to the success the legislation has had in practice. There has been no hampering of the growth of the trade union movement or in the number of collective agreements in force. The 1928 acts have not proved to be the thin end of the wedge.

When the representative council of LO met in August 1928 to decide what its position should be in relation to the acts a "sabotage line" suggesting that it should not appoint members to the Labour Court was rejected and a suggestion for bypassing the court by having private arbitration clauses written into collective agreements was damped down. The meeting was almost unanimous that the collective form of agreement should be retained and a statement was made public that reminded the trade unions that the new legislation required careful consideration and that federations should see to it that the text of new collective agreements was made clear and unambiguous. LO named its members of the Court at an extra meeting of the council in November, 1928.

1) SAF's view in 1928 was that the representatives of the employers who had taken part in the discussion since 1907 of legislation on collective agreements had argued all the time that it was a gap in the legislative apparatus that there was practically no possibility of having disputes about the interpretation and application of collective agreements examined by a state court. Such disputes had had to be settled by the right that strength and force gave. The employers therefore approved this legislation although they realised it did not automatically mean that an era of peace and goodwill had dawned. See SAF report for 1928, p.61.

2) See Westerståhl, op. cit., pp 375/6 and Casparsson op. cit. vol II pp 132/13
The matter did not end there. At various times throughout the 1930s parliamentary motions (mainly communist\(^1\)) asked for the repeal of the two acts of 1928 and the question recurred at LO congresses. In 1929 the social democrats asked that the laws should be repealed. The Bkman liberal government had by then been replaced by a conservative government that had taken the initiative in endeavouring to bring about greater voluntary co-operation between the labour market parties, and the workers took this as a sign that the government did not want labour peace to be obtained at the expense of force. Why not then repeal the acts?

Motions 162/164 in the LO congress of 1931 asked that the trade union movement should boycott the Labour court and work for the repeal of the two acts. Congress approved a statement by the secretary\(^2\) that no action should be taken on the motions. The secretary stated that since the representative council considered that their attempts to prevent the passage of the acts had failed, they could not spurn the opportunity for the workers to be represented in the Labour court and thus have an influence on its activity. If the workers had boycotted the Court this would merely have meant that all the members of the Labour Court would have been appointed from other groups. Most of the cases submitted to the Court had in fact come from the workers' side. Nils Linde argued that it was not a sufficient justification to adduce figures for the frequency with which the workers took disputes to the Labour Court. It was not necessarily proof that they trusted it (the secretary did not say specifically that they did) but simply that the workers had no other way

1) E.g., in 1930. See second legal committee statement no. 7, 1930. Sigfrid Hansson said that, while he thought a good case could be made out against the 1928 acts, he could not approve the communist motion since it did not supplement its plea for repeal by suggesting a revival of the Central arbitration board of 1920, of which Hansson approved.

2) LO congress report, 1931, secretary statement no. 23.
out. They were prevented by the acts from resorting to direct action with the employers violated agreements. N.O. Persson pointed out that attempts might be made to bypass the Labour Court by trying to write private arbitration clauses into agreements, which of course required the consent of the employers, but without such a procedure cases could not be prevented from going before the Labour Court. Einar Olsson proposed that the central board of arbitration should be reconstituted but this view was rejected.

Fifteen motions (nos. 135-149) in the LO congress of 1936 raised problems associated with and criticised the labour market legislation. The secretary was very empirical in its approach. Figures of private arrangements for settling rights disputes prior to 1928 could, it was said, lend support to the view that the legislation of that year was unnecessary. But in its view the law only registered arrangements developed prior to its passage. (This is quite a different tone from the 1928 opposition). But since it was the case that a number of Labour Court judgements had weakened the position of the workers' organisations, it stressed how important it was to ensure that provisions in collective agreements were CLEAR AND UNAMBIGUOUS and gave no grounds for doubt as to the content and real meaning of agreements. The Labour Court could only make its judgements in the light of the actual content or in the light of the meaning the parties wished to express through the provisions. The secretary did not think circumstances justified special measures to raise the matter of repeal of the acts, although it should follow developments carefully and take steps at a suitable time to have this legislation modified on points that seemed to require revision from the labour point of view.

1) Only one motion came from the board of a federation (the Transport Workers
2) See 1936 LO congress statement no. 3. It recommended no action on the motions.
The social democratic party was in fact as good as in control of the lower house, after a big victory at the polls in 1936, and the acts could have been repealed. Charles Lindley favoured repeal both for strategic reasons and because of the peculiarities of the work covered by his federation, the transport workers'. If the unions took no action now to repeal the acts, he said, it amounted to tacit acceptance of them. As for his federation, he did not think it was easy to follow the LO recommendation to get clearer provisions in agreements in order to make rights disputes less likely, because of the mass of small employers and changing nature of the work. August Lindberg did not think it would do any good for LO to try to begin an attack against the acts, simply because of the change in the political situation. It was better to attempt to formulate agreements more clearly and to concentrate on attacking the employers' Paragraph 23. On his suggestion, the points raised in relation to collective agreements were remitted to the congress drafting committee, which emphasised that rights disputes were "hardly the kind of disputes for which direct action was recommended." Since, however, it felt that the parties were not equally strong on the collective agreements front and the laws had been applied against the workers in certain respects it emphasised that it was necessary to have the class legislation repealed or thoroughly revised. It saw a possibility for revising the acts in the progress being made by the working class in society, and thought measures should be taken to alter the legislation now in force in such a way that the legal position of the workers was strengthened so that they obtained that equality that formed the basis for all legislation.

1) Paragraph 23 is discussed in chapter XVII. It was one of the points on which the unions felt that Labour Court judgements had been in favour of the employers and against the workers. Lindley considered for instance that in questions of principle such as paragraph 23 and dismissals the Labour court had shown an employer mentality although in wages questions it had in most cases adjudged in favour of the workers.

2) LO 1936 congress, p. 559. The version approved by congress was changed to read that rights disputes "do not belong to the type of dispute for whose solution direct action is to be recommended."
However, the version approved by congress omitted the demand for repeal or for modification of the legislation, although Albert Forslund said that the views of this committee should not be considered to conflict with those expressed by the secretariat when it suggested that LO should watch developments carefully.

In 1939 the secretariat of LO expressed opposition\(^1\) to motions in parliament that asked for the repeal of the acts of 1928 (and also the act of 1935 on giving of notice) since the motions wanted only repeal and suggested no replacement. In view of its congress decision in 1936 that real rights disputes ought not to be made the subject of direct action, the question was one of the forms for examining these disputes and the rules to be followed. Referring to the choice allowed by the collective bargaining act between the Labour Court and arbitration, the secretariat thought it was better to have the Labour Court for interpreting the general provisions of collective agreements in order to give uniformity. Arbitration boards would be suitable for specialised disputes (e.g., on piecework price lists). But the real problem was still it felt the weaker position of the worker. This could be only solved by extending the system of agreements through provisions that guaranteed the workers greater influence over conditions of work and correctives against the abuse of power by the employers. Inequality lay particularly in the free right of the employer to give notice and the difficulty the workers had in proving that the right to terminate employment was being used in breach of agreement.

1) Statement to second law committee on 3rd April, 1939.
LO was thus placing emphasis on VOLUNTARY attempts to strengthen the position of the worker against the rights the employer might exercise under Paragraph 23. The fruit of these voluntary efforts in the form of the Basic (and later) agreements is discussed in chapter XVII.

No complaints against the statement by the secretary in 1939 were raised at the LO congress of 1941, and in 1946 a motion (no. 142) asking for the repeal of the collective agreements act found no support. Parliament also rejected a motion in 1946 which asked for repeal of the 1928 acts on the grounds that they were an obstacle in the way of the workers' attempts to obtain a security of employment and to improve their conditions of work. The second law committee rejected the motion unanimously, saying that the view expressed in the motion would probably be shared by no party on the labour market. In any case, the CONTENT of collective agreements was regulated by free agreement between the parties, not by law. Motion no. 141 (from a branch of the transport workers' federation) in the LO congress of 1951 which asked for a repeal of the "anti-trade union legislation" (by which was meant the legislation of 1928 and the warning or notice act of 1935) was unanimously rejected.

When the Labour Court celebrated its silver jubilee in 1955 tributes to its impartiality and important contribution to the promotion of labour peace were paid by both employers and workers. E.D. Kärrfeldt, the treasurer of the building workers' federation, was one of those who demonstrated in 1928 against the proposed legislation but in 1953, as a member of the Labour Court, he said that "the Labour Court has been accepted and gained a surprising amount of goodwill if one recalls the opposition then. It has worked perfectly from the start and no voice is raised now in favour of its abolition. Its judgements are respected although the losing party naturally grumbles".1)

1) Morgontidningen, 24th June, 1953.
Although the Labour Court was not accepted at first by the workers as being an objective and independent body, the attitude of the trade union movement was gradually modified. Acceptance of the principle that rights disputes should in the last resort be settled by compulsory arbitration led to a shift in emphasis, away from thought of repeal to the principle that dominated the trade union movement so much throughout the 1930s, that any grievances should be solved by voluntary agreement between the parties and not by legislation. The outcome of disputes over rights might ultimately be dependent on the fact that their content was based on strength, but just for that reason the aim should be to work for a stronger position for the worker through agreement with the employer. This represents a different and perhaps more moderate use of the growing strength of the trade union movement than would demands for repeal of the 1928 legislation, which the labour movement could have gained if it had not felt that it had derived benefit from the Labour Court.

The benefit derived is shown by the fact that the legislation of 1928 has prevented neither the growth of the trade union movement nor that of the collective agreement system. Further, the vast majority of the cases that have been brought before the Labour Court have been raised by the workers' side. The main reason for this state of affairs is that in the short run the employer decides in what way the collective agreement is to be interpreted and applied in his workplace, just because he is the employer. This accordingly gives rise to disputes, the ultimate source of redress for which is the Labour Court. Employer submissions to the Labour Court have dealt mainly with the scope of the obligation to work and illegal direct action.
Of the 3,586 cases taken before the Labour Court between 1929 and 1953, 3,354 (or 88%) were brought by the workers, and only 493 (slightly more than 11%) by the employers. 19 cases were raised by both parties together. Up to 1952, 2,807 cases had been judged (the remainder being recalled or solved by conciliation or negotiation) and most judgements had dealt with the interpretation of collective agreements. 152 cases (or 5%) had covered cases of illegal direct action, and 163 (or 6%) dealt with infringement of the right of association. Most judgements have been unanimous. In the period 1929-1934 65% of judgements were unanimous and in the period 1948-1952 85% were unanimous. The average of unanimity over the first 25 years of the Court's activity is 73%.

The fact that the Labour Court has dealt with an average of 150 cases a year (although the trend now is for the average to be falling below 100 over a short period) suggests that it is an overworked body. But this is not the view taken by the present chairman of the Labour Court, Gunnar Dahl, or by other authorities. Their view is that the Court has had to deal with very few cases, at least in relation to the number of cases that were originally anticipated. The answer given to the question of why there have been (in their view) so few cases is that the organisations are strong and willing to negotiate. But another aspect can be noted when one asks why it has cases to deal with on any scale at all. The first chairman of the Labour Court, Arthur Lindhagen, is once reputed to have said that he would like a chance to show people how a collective agreement should be expressed in order to avoid the interpretational disputes with which the court deals. The answer he received from one of the non-independent members was that there would then be no collective agreements! Thus the parties do not always want agreements to be crystal clear, particularly if a disputed clause is in their favour.

CHAPTER XIII

THE ACTS OF 1928

(a) The Collective Agreements Act

The basic thread governing the provisions of this act is that a dispute as to the way in which an agreement is to be interpreted is not to be settled by direct action, but in the last resort by a specially created judicial tribunal, the Labour Court.

The collective agreements act, a civil act, establishes certain norms, a framework, and makes provision for the collective agreement to serve as a peace treaty. The act does not specify what the contents of collective agreements are to be, i.e. it provides no criteria about what provisions agreements are to contain. What it does do is to provide a framework of rights and obligations which the parties bring upon themselves when they enter into agreements with one another.

The collective agreement is not defined directly, but only by means of a clause (§1), setting out the manner in which such agreements are to be drawn up. "Agreements between employers or associations of employers and trade unions or other similar associations of workers about the conditions that are to be observed in employing workers, or otherwise dealing with the relations between employers and workers, shall be drawn up in writing." The provisions that apply to associations of employers and workers also apply to federations of several such associations, and in cases of such amalgamations the provisions of the act regarding members of an association apply also to the affiliated associations and their members (by act of 27th April, 1945). This covers, for example, trade union and employer federations that enter (say) into national agreements, a

1) The phrase "otherwise dealing ..." can cover a number of problems on which provisions are usually made in collective agreements, e.g. the period of validity.
common occurrence in Sweden. This clause therefore binds federations and their unions and members.

It will be noted from clause 1 that while an individual employer can conclude a collective agreement with an association of workers, an individual worker, or group of unorganised workers, cannot conclude a collective agreement with the other side.¹ The individual worker is normally covered by an employment agreement (arbetsavtal)² into which he enters — frequently verbally — with an employer when he takes a job, but the individual employment agreement is generally related to and based on a collective agreement, in that the main function of a collective agreement is to provide standards, a framework, in the light of which the individual employment agreement is regulated. The collective agreement establishes contractual relations for unions and their members. In other words, throughout its historical development the collective agreement has, from the side of the workers, been a device for overcoming the inferiority in bargaining power of each individual worker in isolation. The collective agreement

1) Included in the definition of a worker under the act are persons who, while not in a position of employment, carry out work for someone else and accordingly are in a position of dependence on this other person of essentially the same kind as that of a worker to an employer. The person for whom the work is carried out is looked on as the employer by law.

2) For individual employment agreement Schmidt uses the term tjänste (service) avtal. This was criticised by Bergström as suggesting "specific", or "qualified", or service for a definite period of time. Bergström therefore suggests anställningsavtal (employment agreement), which Schmidt in turn thinks is clumsy and places emphasis on the procedure of actually entering into an agreement. The actual phraseology used is not really fundamental, provided one grasps what the term covers. The important point is that individual terms of employment are usually regulated in the light of collective agreements, although deviations can be allowed from the collective terms for individual workers, e.g. in the form of special benefits. There is a more personal element in individual agreements covering points that fall outside the collective agreement or, in the case of state employees, the service regulations.
accordingly provides at least minimum (although sometimes normal) conditions for the employer to observe, although he is not always debarred from being more generous than the terms of a collective agreement prescribe. The collective agreement provides these norms at four levels, national, district, local, or factory. Provision is made under §3 of the act that individual employment agreements may not depart beyond certain limits from it, for if "agreement has been reached between employers and workers who are bound by the same collective agreement on conditions that involve a departure from the collective agreement, then such agreement is not valid beyond the limits of deviation from the collective agreement that it allows". Only the parties, acting together, can change the collective agreements, not individual members.

A collective agreement does not bind a specific worker personally, but collective agreements arrived at by an association for a trade group or an area are also binding on the members of that association, whether they join the association before or after the agreement is concluded, although they are not bound by the agreement the association may have if they are already bound by another collective agreement. Nor do members cease to be bound by a collective agreement merely through leaving the association. The act does not say when they cease to be bound. Many different cases could conceivably arise, e.g. when a worker terminates his individual employment agreement, so the Labour Court is left to deal with such cases as they arise and according to the circumstances.

What is the position under the act of unorganised workers with whom an employer bound by a collective agreement concludes an individual labour agreement that perhaps deviates from the collective agreement? This is an important

1) Only an association can give notice of termination of the agreement from the workers' side, however: at the other extreme, the individual's liability for breach of agreement is limited.
question, if for instance the employer could get cheaper labour by employing unorganised workers. In 1932 the Labour Court set out the position.\(^1\) The general principle it advanced was that it was natural to assume that employers bound by a collective agreement should not apply worse conditions than those set out in the agreement to workers who stood outside the workers' organisation but who were employed on work referred to in the agreement. It was not necessary that express provision should be made to this effect. It was quite sufficient that this should be the parties' intention. This general principle would apply unless the parties made some other provision in the agreement. They could provide explicitly or by implication that the employer would observe the provisions of the collective agreement in respect of unorganised workers, in which case they were confirming this general principle endorsed by the Labour Court.\(^2\)

**The collective agreement as a peace treaty.** This is the heart of the matter. There is no general prohibition of sanctions during the period of validity of collective agreements, but there are far-reaching limitations under four headings. \(^4\) provides that during the period of validity employers or workers bound by the collective agreement may not resort to stoppages of work (lockouts or strikes - which are not defined), blockades, boycotts or other comparable direct action in the following four cases:

1) on the grounds of a dispute about the validity, existence or correct meaning of an agreement, or on the grounds of a dispute as to whether a particular action violates the agreement or the provisions of this act. Thus the parties cannot resort to direct action merely because they dispute provisions

1) Judgement No. 95, 1932.

2) Certain exceptions should be noted. The state wage regulation provisions (SAAR) apply to all who take up employment. Some agreements also provide in the sample form for the individual employment agreement that the worker is engaged under the terms of the collective agreement. As long as a worker is unorganised, however, he has no claim on the employer on account of the collective agreement.
set out in the agreement.

2) in order to bring about changes in the terms of an agreement.

3) in order to enforce provisions aimed at coming into effect after the agreement has expired.

4) in order to assist others in cases where they are not entitled to resort to direct action. This prohibits giving help to someone who has himself repudiated his obligations. Otherwise, action can be taken to help them, that is to say that purely sympathetic action is allowed, e.g. the purely sympathetic strike and lockout.

The right to resort to sympathetic direct action is not limited to certain kinds of primary conflict, nor to certain kinds of sympathetic measures. The only requirement is that the side being supported is itself entitled to resort to direct action. This means in practice that it is usually over "interest" disputes that sympathetic action arises, for in most cases it is when a party is not bound by a collective agreement that it is freed from the peace obligation of the act. As we have seen, SAF was very keen to assert the right to sympathetic measures soon after it began its activities, and persuaded LO to agree in 1908 to a clause in agreements allowing this. The subsequent debate concerned the problem of the end to which such sympathetic action could be aimed, whether to enforce new provisions in collective agreements, drive through matters of principle, have additions made to collective agreements in force, or be restricted to an expression of pure sympathy. Provided no further peace obligations are provided by agreement, the act of 1928 settles for this last formulation. It is a right still valued by both sides, for it is not only a safety valve but frequently the final means of bringing about settlement in awkward wages negotiations. If negotiating parties are in a state of nature, and other groups on their respective sides can
sympathise with them, even though bound by agreements themselves, this is frequently a great incentive to reach agreement. It is on such strategy that SAF can base its lockout threats "all along the line", and try to force trade union federations to agree on the provisions of new collective agreements. (This is closely related to the vexed question of neutral third parties who may suffer as a result of such sympathetic action. This is discussed in the next chapter.)

The fact that the act sets out cases where direct action is prohibited means that direct action can be resorted to in matters not declared illegal, such as sympathetic action, or direct action in respect of something that is not regulated in the collective agreement, either by accident or design. Likewise, the parties can agree on more far-reaching peace obligations than those prescribed by the act (see below).

Strong pressure is put on associations to avoid the use of the illegal direct action prescribed here. On illegal direct action the act provides that if an association or member is bound by a collective (not necessarily the same) agreement the association may not arrange or otherwise give rise to direct action that is prohibited, nor may it help, through lending support or otherwise, in illegal direct action to which a member has resorted. An association bound by a collective agreement (e.g. SAF, LO, as well as their member federations) is likewise obliged to endeavour to prevent its members from resorting to illegal direct action or, if this has already taken place, is obliged to endeavour to prevail upon them to desist. There is thus both a positive and negative peace obligation that reaches far beyond the immediate collective agreement relationship, for associations are bound to take preventive and corrective measures against illegal direct action. This, it will be seen, is an extremely powerful

1) By Labour Court practice, for example, blockades are allowed for the purpose of forcing an employer to pay wages due, provided there is no dispute about the interpretation of the agreement.
deterrent to unlawful stoppages, wildcat strikes and other undisciplined action. As was analysed in Part I, SAF and LO byelaws provide safeguards that make this duty easier, but the act nevertheless imposes a strong obligation upon them.

The peace obligations are mandatory, and apply even if a collective agreement contains provisions that conflict with them, i.e. the act takes precedence over any attempts by agreement provisions to sanction greater use of direct action. However, on the other side, collective agreements may prescribe more onerous obligations to keep the peace than those the act sets out, in which case they are to be observed. The act thus sets a minimum of conditions for a state of peace, and the parties are free to make the peace treaty more secure if they wish. This is in fact done in certain cases, by forbidding all forms of direct action during the period of validity of a collective agreement (and sometimes longer), e.g. the peace agreement in the newspaper industry.

The peace is enforced by provision in the act for sanctions. The sanction for breach of the provisions of the act is civil damages (§3), but special provisions are made for collective labour agreements, in order to exclude the general rules of civil damages applied in the civil law courts from this sphere of activity. Employers, workers, or associations that do not fulfil their obligations in accordance with their collective agreements or this act are liable for any damage to which this may give rise. In judging the extent to which damage has occurred the Labour Court takes into consideration the importance of maintaining the agreement as well as other circumstances besides the purely economic.¹

¹) This could be fairly hypothetical, and covers a wide range. In many cases of breach of collective agreement, especially of the employer violating non-wage provisions through, e.g. employing more apprentices than the agreement allows, or employing unorganised workers in violation of the agreement, such action does not necessarily give rise to direct economic injury. Even economic damages may be difficult to assess, and otherwise the damage may be difficult to assess in terms of money, depending on the nature of the obligation violated. In such cases "exemplary damages" can be awarded, e.g. if the employer fails to keep the agreement, to the workers' organisation. Such damages can also be paid in addition to economic damages. See Undén, Från Arbestdomstolens praxis, p. 33.
The amount of the damages may be reduced if, in view of the slight guilt of the party causing the damage, the position of the party injured in relation to the origin of the dispute, the size of the damage, or to other circumstances, this is found to be reasonable. This allows it considerable discretion, but the Court may not grant complete absolution from the obligation to pay damages. Following the alterations proposed by the second law committee the act provides that the damages assessed on an individual workman (employee) may in no case exceed the sum of two hundred crowns. If several persons are responsible for the damage caused, the damages will be spread among them in accordance with the amount of the damage for which each has been proved responsible. There is no limit to the amount of damages that may be awarded against an organisation, whether of employers or workers, or against an individual employer. Nor is there any conversion of civil sanctions to criminal punishment, such as imprisonment. Although it could be argued that trade unions were here exposed to the possibility of having to pay heavy civil damages, there was a limitation on the amount any individual workman need pay, and the modifications that could be taken into consideration as "extenuating circumstances" in awarding damage were probably more likely to give favourable treatment to organisations than would process of law for damages in the civil courts.

A disputed issue has frequently been that of whether the two hundred crowns rule is permissive. Can it, for example, be modified by a clause in a collective agreement which prescribes higher damages for breach of agreement? Does the two hundred crowns rule apply to salaried employees? These issues were dealt with in a case before the Labour Court in 1953, where a salaried employee

1) E.g. several workers' organisations, a federation and its branches, individual employers and their organisations.

2) See Labour Court Judgement No. 23, 1953.
left his employment at only one month's notice, although the collective agreement in question provided that two months' notice should be given. The Court in its judgement did not think there was any reason to think the act meant anything other than that the parties to a collective agreement could agree, explicitly or by implication, that damages exceeding two hundred crowns could be imposed on an individual employee for breach of agreement. But the Court did not consider that it was self-evident that the question of interpreting whether an individual employee could be assessed damages greater than two hundred crowns was to be judged in a uniform way for all breaches of agreement, which can of course take many forms. It therefore hesitated to make any general ruling on the issue, but limited itself to this particular dispute of breach of agreement through violation of the notice of termination of employment provisions. It concluded that the two hundred crowns rule was permissive for this particular type of breach of agreement. That was not to say that the same rule would apply to all kinds of breaches of agreement. In this case, as on earlier occasions, the Labour Court was therefore following its cautious line of limiting its judgement to the dispute in question, leaving open the issue of whether closely related cases would be judged in a similar way.

Since no alternative of criminal law punishment is provided as a sanction under the act, a second sanction, but one very little used in practice, is that the Labour Court may terminate an agreement through the default of one side. If an employer, worker or association bound by a collective agreement has been guilty of procedure that clearly violates the agreement or the provisions of the act, and if it is found to be of fundamental importance for the agreement as a whole the Labour Court may, on the application of the other side, declare the agreement to be no longer valid. (§7, para. 1) If the agreement is concluded between
several parties on one or both sides and if, in a dispute between only some of the parties to it, it has been declared that the agreement no longer applies to them, other parties on the side from which the complaint was raised are entitled to terminate the agreement as it affects them, within three weeks of the judgement being given.

If a complaint has been lodged, and certain procedure has been declared to violate the collective agreement or the act, but corrections are not made, the Labour Court may, even though the situation of §7, para. 1 does not exist, declare on application that employers, workers or associations on the other side are to be released from any obligations in accordance with the act or the agreement whose fulfilment cannot reasonably be required in view of the procedure that is not permitted. This applies as long as the offending party does not make amends.

This sanction could of course be a powerful one, for it is equivalent to putting the parties in a state of nature again. However, this has disadvantages for both sides and is seldom used.

Apart from this exceptional form of terminating agreements, "ordinary" termination is also provided for in the act. Here the parties agree to terminate by giving notice. If a collective agreement for the termination of which notice is required is concluded by several persons on the one side or both, a party to the agreement is allowed to give notice to one or to several of the other side. If the agreement has thus been the subject of notice of termination for a certain time between some of the parties only, and if other parties on the side from which the notice has been given or parties on the other side wish at the same time to terminate the agreement either in whole or part, notice of such termination may be given within three weeks after the last day on which notice could otherwise have been given or, if the period of notice is less than six weeks, within half this period.
Just as it is provided in §1 that collective agreements shall be drawn up in writing (which also covers acceptance by letter or acceptance of the proceedings in approved minutes), so must notice of termination be given in writing or by telegram. Provision is made for the eventuality of letters or wires going astray. In actual practice the procedure is usually much less formal. But the law must provide some recognised procedure for the possible case where the parties are not prepared to act informally and in good faith.

Under an act of 1935 there is an obligation to give seven days' notice of stoppages of work, strikes or lockouts (but not for blockades or boycotts, or because of partial refusals to work, or if the employer has refused to pay wages due).

(b) The Labour Court Act

The Labour Court was set up by act of parliament at the same time as and in close connection with the collective agreements act of 1928. In fact it was an appendage to that act, in that effective enforcement of the provisions of the act on collective agreements is entrusted to this court that was specially created for the purpose.¹

The Labour Court is a judicial body, concerned with declaring what the rights and obligations of parties are in respect of a collective agreement when disputes about it arise. Popularly, it can be called a court of arbitration, but that does not indicate its essential function. It is not at all concerned to

¹ The original intention was to have two instances, local courts and a central court to which appeals from the local courts could be brought. Both LO and SAF were very doubtful about the wisdom of this. The argument for local courts was that they would possess specialised local knowledge. LO considered, however, that if courts with specialised knowledge were wanted it would be more suitable to have industrial courts. SAF recommended only one instance for the whole country.
split differences, adjust balances, and condone certain actions, but simply to adjudicate on what collective agreements mean in the light of the act when disputes arise about them. The Court does not have complete jurisdiction over justiciable disputes, since the parties are free to arrive at alternative peaceful methods of settling disputes about collective agreements. But it is a final court of judgement and no appeals can be made against its decisions.

The Court is an expert one and similar in composition to the central board of arbitration which it replaced. In fact, it represents the instance par excellence of Swedish ability to entrust government to private interest groups, for the majority of its members are representative of labour market interest groups. But the primary criterion of its composition is that it is a court of experts, where swift settlement of disputes can be obtained from this panel of experts in labour relations. The Court consists of a chairman and six (now seven) members. Three of the members, the chairman (who has since 1931 been a full time official), vice-chairman and one other are independent members appointed by the government from among persons who cannot be considered to represent the interests either of employers or workers. The chairman and vice-chairman must be trained in law, and have a knowledge of the duties of a judge, while the third independent member must have experience of and knowledge of labour conditions and related questions concerning labour agreements. These independent members are appointed for a specific period, and the other members for two years at a time. Two of these other members are appointed on the recommendation of LO, and two on the recommendation of the consultative council of SAF. By an act of 21st March, 1947, one further member, "the special member", is now appointed by TCO, and he participates, in the place of one of the LO members, in the deliberations of the Court in cases involving a salaried employee's association or a member of such an association, provided of course the association is not affiliated to LO. All five members
appointed through the interest groups are required to have experience of and
knowledge of labour conditions, but they are in no sense representatives of their
sides in disputes. The intention has been to bring together a representative
group of persons competent to contribute expert knowledge on the various aspects
of the collective agreement relationship.

The Labour Court has its seat in Stockholm, and its main task is to pass
judgement in, i.e. to take up and settle, questions and cases of the following
kind (relating to collective agreements):
1) the validity, existence or correct meaning of an agreement (e.g. is the
agreement valid, was it arrived at in the correct way; does an agreement still
exist, or has it been terminated or prolonged; what does an agreement mean, how
is it to be interpreted?)
2) whether certain procedures conflict with collective agreements or the
collective agreements act
3) with questions relating to the consequences of such procedures, e.g.,
whether direct action taken was illegal or violated agreements, whether demands
for damages are justified.

Any decision the Court gives is final and cannot be appealed against.

Since the individual employment agreement is between employer and worker
and is usually based on a collective agreement, the competence of the Court covers
cases relating to individual employment agreements that are covered by provisions
in collective agreements. The competence of the Court is wider, however, than
the collective agreement concluded between employers and associations of workers,
for the court can take up cases where a dispute arises between an employer and
individual worker and this dispute is of importance for others, e.g. overtime pay.
Here the Court can be asked to state opinions on test cases, e.g. on whether a
method of calculating piece rates is in accordance with a collective agreement.\textsuperscript{1} In general, however, cases relating to individual employment agreements can only be referred to the Court if they are regulated by collective agreement. This enables slight grievances to be sifted beforehand.

A further general rule (§12) is that an individual member (or former member) of an association bound by a collective agreement cannot plead before the Court unless he has first shown that the association has refused to take up his case. This places the emphasis on channelling cases through the labour market organisations, so that mere trifles can be settled by them through negotiation. Only cases where the presumption is that some collective interest is involved should go before the Court. If anyone wishes to raise a case in the Court against a member or former member of an association that has concluded a collective agreement, the association must also be summoned, and the association may appear on behalf of the member if he himself does not plead. This applies also to federations and other top organisations.

As a general rule collective agreements provide that if disputes arise about them there shall first be negotiations between the parties and or their superior organisations. Only thereafter can the Labour Court take up a dispute for consideration. This is recognised by §14 of the Labour Court Act, which provides that parties to a collective agreement may bypass the Court by agreeing to submit any differences to private arbitration,\textsuperscript{2} or by providing that


2) In fact a certain element in the trade union movement favoured the boycotting of the Court by such provisions for some time after the act was passed.
negotiations between them must take place before a case may be submitted to the Court. If there is negotiation procedure, it should be used before the Court is called in. Again, this helps to reduce the burden of work on the Court to cases where a really knotty dispute exists, and which the parties have not themselves been able to resolve.

Cases as to whether a collective agreement is no longer valid, because of default on the part of one side, must however be taken before the Court. At the other extreme, certain problems cannot be brought before the Court. If, for example, an "ordinary" question arose about whether wages had in fact been paid in accordance with the provisions of a collective agreement this would be a matter for the civil courts, not the Labour Court. If, however, the debtor denies the charge and his denial is based on a collective agreement, and the case has been sent for trial, it is to be handed over to the Labour Court if the dispute is found to be of such a nature that it should be dealt with by the Labour Court. There is as usual no appeal against the Court's decision.

Interest disputes can not of course be referred to the Court, even if the parties are agreed to do so. It is not a court that is concerned with giving awards and settling non-justiciable disputes, but simply with interpreting what the position of two or more parties is in relation to a collective agreement that exists between them. It deals with existing agreements and the problems that arise out of them. As the history of the debate on this problem shows, it is an adjudicating tribunal in disputes about "rights".

Since the Labour Court was intended to be an expert court and one that reached decisions quickly, its procedure is worthy of study. Here, and particularly prior to 1948 (when Swedish legal procedure was reformed), there has been a remarkable contrast with the normal slow and tedious proceedings of the law courts.

1) See Act of 10th July, 1947 (No. 638).
This is not at all accidental, for the reasons mentioned. Two main principles underlie the work of the Court (a) its procedure should be informal and oral, and (b) it should arrive at decisions quickly. The Court meets on the summons of the chairman, a quorum being the chairman plus four members. The "non-independent" members must be equally represented, and "the special member" must be present if the case requires it, i.e. deals with salaried employees. The Court can meet outside Stockholm if it wishes, and the chairman and two members (one from each side) may visit factories in order to get the "feel" of a case. The chairman may also detail an official of the court experienced in law to investigate details of the case that he wishes to know, provided this does not involve the rejection of a case.

There are two stages in the treatment of a case, a preparatory stage, and the hearing.

A party wishing to bring a case before the Labour Court must first submit a written application for a summons against the other side, the application containing the circumstances on which the plaintiff bases his case and his demands, together with any written proof he has. When the summons has been issued and the defendant has replied, the preparation of the case takes place, usually in writing. The views and answers of each side can be passed back and forward for comment and further answers. This preparatory stage can also be conducted in the form of a meeting before the Labour Court, and this has frequently been the case in recent years.

When the preliminaries are over the parties are called to the main hearing before the Court. The Court procedure is a rapid and highly informal one, and every endeavour is made to dispose of a case at one sitting. A case can of course be adjourned. The judgement of the Court is sent by post to the parties as soon as is possible after a case has been heard (usually from one to two months.
elapses). The judgements are usually quite short but very fully explained. The Court also deals with cases with the minimum of delay. It can impose fines (but there is no alternative of imprisonment).

The Labour Court can refuse to hear a case, if a plea raised does not include the plea that the other side is to be enjoined to do or desist from doing something, and if it is found that the matter is not one of such considerable importance to the plaintiff that such injunction should be heard. In other words, the Court can reject trivialities.

The Labour Court has acquired additional functions since it was set up and began operations in 1929. It now has jurisdiction over the enforcement of the act of 1936 on the right of association and negotiation, irrespective of whether a collective agreement exists, since the right is a statutory though functional one. It also has powers in relation to the conciliation act, in respect of a party’s obligation to answer the conciliator’s call to negotiate, at the risk of being reported to and fined by the Labour Court. Under the Holidays Act the Court deals also with cases relating to the application of the act that refer to employees whose employment agreements are regulated by collective agreement, even if there is no regulation of the right to holidays in the collective agreement. It deals also with dismissals on grounds of military service, marriage, pregnancy (all of which are regulated by law), and with the workers’ protection act.

However, the trend is not entirely towards making the Labour Court a convenient peg on which to hang new duties and functions as new developments take place on the labour market. Under chapter IV of the Basic Agreement, which is discussed in the next chapter, LO and SAF created a special tribunal, the Labour Market Board, for settling interpretational disputes about the meaning of the provisions of the chapter. This Board is a board of arbitration, which may be
reinforced by a permanently appointed independent chairman in order to ensure that it does arrive at decisions. Under chapter III of the Basic Agreement, problems about dismissals, layoffs and re-engagement of workers are intended, unless they raise actions about the violation of the right of association or are otherwise contrary to Swedish law or a collective agreement, to be taken if necessary before the Labour Market Board, which acts as a conciliatory body trying to bring about a common view.

Thus the idea of settling rights disputes privately has returned to the Swedish labour market, but at a much more sophisticated level than was the case prior to the passage of the acts of 1928. Indeed, it has gone beyond rights disputes for, as we shall see when we discuss the Basic Agreement in chapter XVI, LO and SAF pledge themselves to try to prevent stoppages where any conflict situation threatens functions that are essential to society.

Collective agreements still provide the main field of interest for the Labour Court. Through the cases that have been brought before it and the judgments it has made in respect of interpretation and application of the provisions of the collective agreements act and of collective agreements, the Labour Court has established a whole body of case law. The law of precedent is not recognised in Swedish jurisprudence to the same extent as in England, but the decisions of the Labour Court are noted by the parties, and similar problems need not be referred to it, since the parties usually shape their agreements to take note of the judgments of the court when they are negotiating new agreements. In this way, the wording, meaning and significance of collective agreements becomes ever more clearly expressed through the precedents the Court has built up.

Nor has it turned out to be the case, as the workers' side at first feared, that they would be persecuted in a "class court". The Labour Court has not built
on compromise in its decisions, it has not been concerned "to split the difference". What it has done, in spite of the absence of legal rules in the sphere of labour law, is to try to follow clear and definite legal principles in a judicial approach to the problems falling under its jurisdiction. Some of its decisions have created precedents, e.g. on the right of association and on the employer's right to manage his affairs in his own way.

Many of the simple problems that the Court had to tackle in its early days are now settled by negotiation, and the Court is more concerned with complex problems that usually involve matters of principle and precedent. Apart from cases by or against employers bound by agreements who do not belong to an employers' organisation, the most likely sphere of activity for the Court in the future is that formed by the rapid growth in the number of collective agreements for salaried employees in private employment. Assuming that the trend to collective agreements for "responsible officials", outlined in chapter X, continues, it is unlikely however that the Court will be considered competent to deal with this special problem, for another special court, a tjänste domstol, has been envisaged for the purpose.

1) Arbestdomstolen, 1929-1953, pp. 13-14, where this is discussed by the present chairman of the Labour Court, Gunnar Dahlman.

2) An indication of this was the appointment of the "special member" in 1947.

3) In SOU 1951:54.
CHAPTER XIV

DIRECT ACTION AND NEUTRAL THIRD PARTIES.

By the legislation of 1928 disputes about "rights" were taken care of by law. But there remained the vexed question of interest disputes, on which the parties had taken the firm stand that there must be no state intervention that savoured of compulsory arbitration. They were prepared to go only so far as to accept, use and praise the facilities the state provided for conciliation. The argument in favour of compulsory settlement of justiciable disputes is fairly obvious, since in essence a system of control, by agreement or by legislation, simply requires both sides to live up to their agreements, at the risk of incurring the liability of (modified) civil damages. For non-justiciable disputes it is likewise clear that compulsory intervention here would rob the parties of their freedom of action and of their right of free negotiation and self-determination. In fact, in Sweden the argument has been that only by voluntary acceptance of agreements freely arrived at can peace be guaranteed.

Since strikes, lockouts, blockades and boycotts, and purely sympathetic action are considered to be allowable in Sweden in the absence of restrictions upon the use of such methods of coercive pressure such as the legislation of 1928 provides, and since a party is free, in pursuing his interests, to exercise pressure when negotiating a new agreement in order to bring the other party to accept his demands, it is clear that some problems may follow. What is to be done if such direct action disrupts essential social functions, or leads to parties standing outside the immediate sphere of dispute being involved in losses? Should any particular kinds of direct action be prohibited? This is the third aspect of labour peace set out at the beginning of this Part.

Such questions were not given any solution by the acts of 1928,
so far as interest disputes were concerned, and they therefore came to play a very prominent role in the various demands made during the 1930s for legislative control of direct sanctions in labour conflicts. The outcome in effect was that the labour market parties were able, though not entirely without the shadow of possible legislation hanging over them, to arrive at a Basic Agreement which dealt with certain problems relating to neutral third parties in labour disputes, limitations on direct action, and vital social functions. We shall look at the problem of limitations on direct action and neutrality of third parties in this chapter.

Attempts by the labour market parties to co-operate in the settlement of outstanding questions were in fact the distinctive feature of the 1930s, although the achievement of some sort of order was not brought about entirely without some legislative proposals that acted as a guide, a warning and an incentive. We have already seen in part I how the trade union movement went a long way to removing constitutional defects that had allowed minority groups to sway the decisions of individual federations, and how this was urged on by the report of the Nothin committee.

The solution of the problem of what a neutral party in a dispute was, and what protection he should be given to preserve his neutrality in labour conflicts, followed the familiar pattern, of demands for legislation in parliamentary motions, enquiries, further enquiries, legislative proposals that failed to pass through parliament - but then, and this is the explicit achievement of the 1930s, the parties themselves deliberately sat down and tried to solve the problem by agreement between them. We look now to this pattern of events and its material content.

1) Protection of vital social functions is discussed in Chapter XVI, on the Basic Agreement.
During a discussion of the Åkarps act in 1925 a demand was made for legislation to protect the right of third parties to neutrality in labour conflicts, but no action was taken. In 1929 a conservative motion asked for an enquiry into legislation for the protection of third parties. It was claimed, for example, that pressure was being put on business men during labour conflicts to persuade them not to buy or sell the products of a boycotted firm. The second legal committee rejected the idea of an enquiry but towards the end of 1929 the conservative government appointed an expert - Professor Bergendal of the chair of criminal law in Lund - to look into the question of measures for protecting the rights of neutral third parties during labour disputes. The Social Minister said in his directive that to date the discussion on these matters had been too vague, and so the aim was to find out the nature and the extent of the evils complained of. Only then could an idea be formed as to the measures that ought to be taken. He thus left the question of legislation an open one, and also seemed to consider the possibility that the parties on the labour market could themselves do something to settle this question by negotiation. 1)

Further conservative motions (they were by then an opposition party) were submitted in 1931, asking for legislation to protect third parties and on the subject of the methods used by the organisations in their conflicts. These and similar motions in 1932 were rejected, with the injunction that the outcome of Professor Bergendal's enquiry should be awaited. LO considered in 1931 that these motions were clearly one element in the campaign of illwill against the trade unions that the conservatives had begun in 1930, and it set out replies to the charges made against the unions. 2)

1) This government did in fact appear to favour voluntary measures for promoting labour peace, for in 1928 it called a "labour peace conference" in Stockholm. This will be discussed in Chapter XVIII, on Industrial democracy.
2) See motion 129, upper house, and 186, lower house, 1931, and LO's statement to the second legal committee on 19th February, 1931.
Thereafter it becomes possible to distinguish several stages in the debate and discussion on this problem: 1) a debate on Bergendal's proposals in 1934 which led to 2) the appointment of a commission of thirteen persons to go into the question again. Their report led to stage 3), a proposition in parliament in 1935. This was rejected, but 4) the report of the Nothin committee in late 1935 with its suggestion that the labour market organisations themselves should try, with assistance, to solve some of the outstanding issues led 5) to agreement in 1938 between LO and SAP. Before the detailed proposals are discussed it is as well to mark out the general background leading up to the rejection of the government proposition in 1935.

Professor Bergendal reported at the end of November, 1933, and submitted a preliminary draft for legislation. At the same time he emphasised that the enquiry was of a very preliminary nature, and he seemed to envisage further investigations before legislation was passed. The scope of his enquiry had been much wider than was originally intended, since he thought that legislation restricted to labour conflicts alone could be called class legislation. He proposed that third parties should be protected not only in labour conflicts but also in other disputes of an economic kind (e.g., in agriculture, between tenants and house owners). Bergendal did not have much empirical evidence about the extent to which economic action or threats of economic action had occurred against third parties, and there had been no cases of a trade union federation approving a decision to blockade anyone who could be considered to be a neutral third party. Moreover, it was probably only in exceptional cases that such action had been decided upon by a branch.

LO agreed that further investigation was required, and it made detailed criticisms both on general and specific points when it
submitted its views to the government. 1) Here we shall consider its general objections, and deal with the specific objections later in the light of changes subsequently made in the proposals. The secretariat of LO said the trade union movement could not oppose in principle legal regulation within its own sphere of activity, in view of its political attitude and parliamentary methods. From its earliest days it had demanded social legislation and the organisation of economic life on a social basis. However, it thought regulation of its sphere of activity would be more appropriate in relation to a general organisation of economic life that made it possible for this economic life to be carried on in a planned way in the service of society. In view of the criticisms it had to make of these proposals, the trade union movement could accordingly oppose the right of third parties to neutrality in labour conflicts being protected by legislation at that time.

It must be confessed that this is extremely vague. LO seems to have had in mind some kind of long term Utopia, where third parties would be taken care of by ceasing to exist, simply by reason of everyone being brothers and working for the general social good. This is much less empirical argument than one is accustomed to hear from LO. Some light on the vagueness may be thrown by the discussion at the meeting of the representative council in February, and a later meeting in July (to discuss stage 2 - the report of the 13 men), both of which were attended by Gustav Möller. 2)

There was still a strong negative attitude in certain sections to state intervention, but August Lindberg, for example, said that one could hardly argue that there was any such thing as a third party in labour conflicts. Knut Larsson put forward a new approach when he argued

1) The representative council of LO discussed them at a meeting from 2nd - 4th February, and the LO reply was given on 20th February, 1934, on the basis of the discussion at the representative council meeting.

2) See Westerståhl, op. cit., p. 386 et seq.
that sooner or later the trade union movement must be brought into
(inlemmas) the life of society if control was to be gained over the
wages and price fixing problems of industrial life. Without this
influence "we would not get much further than we were". But a condition
of this development being acceptable to the unions on a voluntary basis
was that if society were to demand loyalty from the unions then society
must also listen to the wishes and just demands of the trade union
movement.

Möller was present at both these meetings of the Council and argued
that the trade union movement was weakening its authority in legislation
questions - people were no longer prepared to listen to its point of
view so much - because of its purely negative attitude to the law on
collective agreements, particularly when this was compared with the
experience that had resulted from referring to the Labour Court in
labour disputes. 1)

A negative line on the part of the movement might, he said,
prejudice the position of the social democratic government in any
debates on legislation on third men (the social democrats were still
at this time a minority government). A positive line would give
time for a further enquiry to be made, and would delay the other parties
forcing the issue.

At the July Meeting, by which time the government had already
declared publicly that it thought legislation on third parties was
desirable, Möller said this decision was not only a political one, but
also a moral one. It ought not to be denied that there had been misuse
of power. Social democracy claimed to represent a higher social morality
than capitalism - but if this were the case it must mean that society

1) Westerstahl suggests (Ibid) that the social democratic
newspapers were not entirely hostile to the idea of legislation,
although there was very definite criticism about the form of the
proposals in certain respects.
had the right to react through the passage of legislation against attacks, whatever the quarter from which they might come. (This type of declaration and attitude becomes of fundamental importance in determining the climate of opinion on the labour market when the social democrats were a majority government and responsible for steering the ship of state.)

On its more customary plane of empiricism LQ raised practical objections to the proposals by Bergendal, on the grounds of which it rejected them as a basis for legislation.

1) The proposed legislation was specially directed against the trade union movement, rather than against its abuses. Such legislation would be more appropriate in connection with general regulation, not confined to the field of labour relations.

2) There was no need for legislation. This was a sound argument, for Bergendal’s enquiry was meant to be factual, and, as has been noted, he agreed it was simply tentative and that he had not much evidence of direct action against third parties outside the sphere of trade. LQ did not deny such direct action had occurred in labour disputes, or that this was sometimes unjustified. No did it underestimate how difficult it really was to obtain reliable information about the prevalence of such action against third parties. But it thought political agitation and public opinion had exaggerated the scope and nature of such action against third parties.

3) The employers were in a stronger position than the workers, and this inequality would react unfavourably on the workers. While direct action from the workers’ side was always open, this was not the case for employers, with the exception of lockouts. It was difficult to obtain proof about their other weapons of action, such as black
lists against workers, and cutting off credit facilities to disloyal employers. This sort of thing was out with public control. Again, paragraph 23 must weaken the effectiveness of the proposed legislation against direct action by the employers.

4) While appreciating the reason which had led Bergendal to extend the scope of his enquiry beyond labour conflicts, LO thought it would have been easier to define third parties if it had been restricted. His definitions were not precise enough on e.g., economic disputes, and it seemed that it was to be left to the courts to define the exact sphere of application of the proposed law protecting third parties.

Motions were submitted in parliament by the conservative and farmers' groups in 1934 asking (among other things) that Bergendal's proposals should in the main be passed into law. But, after it had obtained the views of interested parties on the Bergendal proposals, the government appointed on 9th March, 1934, a commission of thirteen men (including Bergendal) to make a new investigation into the question of third party neutrality. Pressure was put on this committee to report quickly, and it did so early in May, submitting proposals for legislation on "certain economic conflict measures". This led the conservative members who had submitted motions on Bergendal's proposals to ask that the proposals of the 13 men should instead be passed into law as quickly as possible, and it was proposed to hold an autumn session for this purpose. But the social democratic government decided in the autumn not to hold an extra session, for by that time it had not obtained the views of all interested parties on the proposals. (LO submitted its view on 17th September.)
LO criticised the proposals of the 13 men in a very long statement. Although it agreed that the changes made from the Bergendal proposals were a justification of LO's criticism of Bergendal's suggestions and did take into account many of LO's views, e.g. to some extent on strikebreakers, sympathetic action, and neutrality of foremen, nevertheless the new proposals still did not give equality of employers and workers before the law, and LO therefore objected to them and rejected them.

Again it stressed that it was not opposed in principle to legislative protection being given to third parties. But the need in practice for such legislation was doubtful, and the short period of time at the disposal of the 13 men was a very unsatisfactory feature of their suggestions.

The government presented a proposition (No. 31) in 1935 on certain economic conflict measures which although it was based on the thirteen men's report, had nevertheless been revised in the Social Department in the light of criticisms made in various quarters. The objections of LO were, for example, met on every important point.

The minister of Social Affairs, Gustav Möller, said he favoured regulation by law in these matters when he appointed the thirteen men to work over Bergendal's proposals. There was no longer justification, he said, in the arguments from the labour side that legislation here would be unsuitable and unnecessary. The workers had gained from changes in the political field and through the development of social welfare measures. The class stigma to labour legislation was now an out of date concept. He pointed out that the trend was for large organisations to be able to carry on their conflicts without resorting to such indirect means of pressure (as attacks on neutral third parties). It was only in special circumstances, e.g. at the local level, that such means of pressure were used to any great extent.

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1) The representative council examined the 13 men's report at a meeting on 5th-6th July, 1934, which Lindhagen as well as Möller attended. A statement was approved at a meeting on 10th-11th September, and LO submitted its views to the government on 17th September, 1934.
extent. So the proposal for legislation that the social democratic government was putting forward was following definite trends and tendencies that were appearing. The legislation would endorse a point of view that had found expression in practice. At the same time cases of abuse of power had occurred on both sides.

The assumption behind the proposition that conflicts ought to be fought out between the disputing parties themselves and that people standing outside them should be allowed to maintain a neutral standpoint in relation to both the conflicting parties. The main object of the law was therefore to protect third parties. Möller said it was fundamental that the proposals were not restricted to direct action against third parties in connection with conflicts on the labour market, although labour disputes formed the main focus. Like the proposals of Bergendal and the 13 men, the view taken was that third party rights should also be protected in conflicts in agriculture, between landlord and tenant, between business competitors and internally among employers.

The changes made at the three stages of the discussion of neutrality of third parties are worth noting in some detail, for they throw some light on the complexity of the problem and show how modifications were made in many cases to suit the views of the trade union movement. At the same time they point towards the regulation of these matters that ultimately took place in 1938 in Chapter IV of the Basic Agreement between LO and SAF.

**Direct action.** The 13 men widened the scope of the proposed legislation to include not only provisions about direct action against third parties, but also regulations of direct action against a party. Proposition 31 also took account of these two categories. The 13 men suggested mass measures (strikes, lockouts, blockades, boycotts)
should be exclusively in the hands of associations, which LO
considered was simply a codification of its federations' byelaws.
One exception to the channelling of direct action through the
associations was spontaneous measures, such as a stoppage of work
where a worker could be entitled to stop work, irrespective of
organisation provisions. LO also wanted exception made for cases
where an employer could be blockaded without notification in order
to force him to pay wages due. This exception was included in
proposition 31.
The 13 men wanted certain direct action prohibited, e.g.,
against witnesses, for political or religious reasons, against
family businesses. This also went into proposition 31. There were
to be no extortion (blackmail) blockades in the 13 men's proposals,
and this also was taken up in the proposition. No revengeful
measures were to be allowed by the 13 men DURING or AFTER a conflict,
but LO agreed only to prohibition AFTER a conflict was over, and
this last view triumphed in the proposition.

Sympathetic action. Bergendal allowed sympathetic action in all
conflicts, but proposed that the form should be limited (which was a
narrower approach than that of the 1928 acts). The only form of
blockade to be allowed was one of work. 1) Boycotts were banned,
e.g., a baker could not refuse to make use of meal from a mill
involved in a conflict, though a strike or blockade of work was to
be allowed. The 13 men's view was both wider and narrower than
that of Bergendal. They extended sympathetic action in form to
include the refusal to handle goods intended for or emanating
from a party to the original dispute. This pleased LO although
it still thought sympathetic action was too narrow in the forms

1) Blockades can take several forms, e.g., of work,
supplies, transport, or sales.
that were to be allowed. The baker could now refuse to deal with the miller's flour. The 13 men only allowed sympathetic action in connection with a labour dispute that arose out of attempts to draw up a collective agreement.

The 13 men retained Bergendal's prohibition of blockade picketing. Bergendal had also proposed prohibition of other measures designed to persuade the public to take part in blockades or boycotts, e.g., holding speeches, issuing leaflets such as blockade notices. On this last example, he proposed a modification of the fundamental freedom of the press ordinance. This would have required a change in the constitution. IO thought that blockades were hardly so socially pernicious as to warrant this. The 13 men agreed with Bergendal that there should be some change in the freedom of the press ordinance, but did not think it was fitting for it to propose the change. Proposition 31 did not take this point up, nor did it include the 13 men's proposals about general prohibition of blockade notices and picketing.

Protection of the right of association. Bergendal provided protection for the negative right of association, i.e. with emphasis on protection against compulsion to organise, although he said that this was not designed to prevent clauses being included in agreements that provided that only organised workers were to be employed in a workplace, since in many respects such provisions were economically beneficial. Nor was direct action for the purpose of having such a clause written into a future agreement prohibited. BUT it was not to be permissible, during the period of validity of a collective agreement that did not prescribe compulsion to organise, for the workers' side to resort to direct action for the purpose of persuading the employer to agree that certain hitherto unorganised
workers should be persuaded to join, remain in or leave a union, nor should such measures be allowed that tried to PREVENT a person from joining an association. Lo was critical here of the fact that, in its view, the compulsory affiliation clause would be ineffective if the trade unions could not require an employee to REMAIN in an organisation and take action to persuade him to do so.

The 13 men made a change from Bergandal's proposals, now emphasising protection for the freedom to organise. No mass measures were to be allowed that aimed at dissuading or preventing anyone (this last was wider than Bergandal) from joining or leaving an association. It suggested protection both for the positive (right to belong) and negative (prohibition of compulsion to organise) right of association. Lo thought this formulation of the prohibition of compulsion to organise met the workers' interests in having their right of association protected better than had Bergandal, although it also thought that legal protection of the freedom to combine would be more appropriately dealt with in legislation on the right of association in general. Lo liked the prohibition of compulsion aimed at preventing anyone from joining an association, for it thought this would be a spoke in the wheel of SAF (Lo had criticised Bergandal for not tackling one aspect of employers' freedom, namely the compelling influence of liability sums on an employer to stay in his association). Still, Paragraph 23 would allow SAF to get round this right of association, thought Lo, and it therefore considered it was necessary to have a supplementary obligation on employers, that on demand they should give reasons for terminating an individual's labour agreement.

The government proposition in 1935 took up only the positive right of association (the right to belong), however, and
did not prohibit direct action that aimed at compelling people to organise. It was considered that this question of compulsion to organise was quite independent of the right of association, and had not been made the subject of sufficiently thorough investigation to warrant its inclusion in the proposition, or to be applied only to labour. The 13 men had not taken up this question for general solution, which Möller thought would be more appropriate. However, the second law committee proposed that protection should be given against compulsion to organise. (In 1936 it took the view that legislation giving protection against compulsion to organise WOULD have to be complete and comprehensive in order to avoid the criticism of class legislation. 1)

Was the proposed law to be a criminal or civil one? Bergendal took the view that it should be a criminal one, that breaches of its provisions should be punishable by fines or imprisonment for a maximum period of six months, for he did not think that civil obligation to pay damages would be a sufficient deterrent. Nor could damages always be shown to have resulted, and it was not always easy to extract damages. Lö considered that this sphere of legislation was a very delicate one, and to give it the stigma of criminality might have had psychological consequences. Direct action affecting third parties was a relatively small sphere, and the very idea of damages would have a restraining effect.

When the 13 men were appointed Möller said they should consider such a formulation of any legislation they might propose that it did not have the character of a criminal law. But the 13 men did not think it was possible to avoid completely some element of criminality if the legislation was to be effective. They did not think it was possible to follow the precedent of the 1928 collective

1) See chapter IX, on the act of 1936.
bargaining act, since the direct action covered by the 13 men was considered to be mainly situations where no agreement existed between the parties, i.e. where direct action arose over an interest, not a rights dispute. Like Bergendal, the 13 men retained the public courts as the instance, but limited the actions for which punishment under the criminal law might be imposed to cases where direct action was continued, after being prohibited by the courts.

The definition of direct action (strikes, lockouts, blockades, boycotts) the commission left to the courts to decide in each case, since it felt no satisfactory definition could be given in law.

0 opposed such an idea. The general courts were, it said, unskilled in labour questions and it was ludicrous that not even the fundamental concepts of direct action were to be defined. This would lead to difficulties of interpretation and of proof. A more detailed definition of the concepts should therefore be given.

These objections were met to some extent in the proposition of 1935, which proposed a special court and avoided the stigma of criminality as far as possible by making fines (dagsbiter) the highest sanction.

Protective work. LO agreed in principle that it should be protected against direct action. But it objected to the definition of the commission, namely work that cannot wait without there arising danger to human beings, or damage to buildings or other property, animals, ripe grain, machines, stocks of goods, etc. LO did not like the etcetera, which could have made the definition very wide indeed, and suggested, as a definition of protected work, work that was unavoidably necessary for the prevention of danger to human beings or the destruction of or considerable damage to buildings or other property, machines or other equipment, and domestic animals, all provided they were in use. LO objected to ripe grain being classed
as "protected" work, since agricultural workers would then be put in an inferior position in relation to their employers. This the commission had recognised, but considered that ripe grain should be included "to please the majority of the population". Grain was not included as protected work in the proposition, but attempts were made in motions in parliament to have it reintroduced, a change which the social democratic members opposed.

Neutral third parties. Bergendal said anyone who was not a party to a labour conflict and who had observed neutrality in it was a neutral third party. This was a pretty wide definition. Thus he proposed that protection should be given to strikebreakers in the sense that workers who REMAINED at work during a conflict, but not those who TOOK jobs as strikebreakers, i.e., who ENTERED into the conflict by strikebreaking, were to be protected as neutral third parties. This view trod somewhat on the views of the trade union movement, since exception was provided for people who STAYED at work, e.g., unorganised workers, during a conflict. He did not think this was consistent with a rational interpretation of the concept of a neutral third party, and it argued along "working class solidarity" lines that the economic right of self-determination was a fiction in modern society, especially for the working class. The economic fate of an individual worker was necessarily tied up with that of the common organised struggle of the working class for better conditions. It was not realistic to allow individuals to stay at work while their mates went on strike to obtain better (or avoid worsened) conditions, without taking account of the effect this might have on the conflict. Such workers could not be said to have no interest in the conflict, for most collective agreements covered most workers, whether they were organised or not, and it was the workers' organisations that concluded them.
Further, the Labour Court had given support to such a view. LO considered protection as neutral third parties could be given for certain consequences outside the immediate sphere of conflict, BUT NOT to workers who were in a dependent position in relation to one or other of the conflicting parties, and therefore interested, directly or indirectly, in the result. It also conceded the argument for protecting strike-breakers against reprisals of a revengeful character AFTER the conflict was over.

When the 13 men reported, LO said it was not opposed in principle to the neutrality of third parties, or the justification of the demand that a person who wishes to stand outside, and also **does stand outside** a labour conflict, ought to be allowed to do so. But this again involved a definition of what a third party was. This the commission defined, in relation to an actual conflict, as a person who stood outside a party with whom the reason for the dispute or opposition of interests ultimately rested. Such neutral third parties were to be protected, but LO objected to the commission extending Bergendal's proposals to read that an ORGANISED worker who stayed at work when his organization declared a strike was no longer to be protected as a neutral third party but an UNorganised worker who stayed at work was to be protected. LO still maintained 1) that the carrying out of blockaded work, with the exception of protected work, was not on the whole reconcilable with the demands of neutrality, and that this was therefore set aside also by unorganised workers who, in spite of the stoppage of work, and blockade of work, remained at work. A new argument advanced by LO was that there was no great social interest in restricting too much 1) LO Report for 1934, p. 180.
the possibilities of forcing through collective agreements by direct action, for collective agreements fulfilled a social function, and they were in turn dependent on the development of a sound system of organisations.

In the main the proposition dealt with the protection of neutral third parties in labour disputes. However, it also took up the regulation of certain measures, direct action, that could be directed not against third parties but against other parties in a conflict or against persons belonging to the other side in a labour dispute.

In defining a neutral third party, Møller thought it best to have a uniform law covering them all, where their neutrality was indisputable. Thus neutral third parties were "such independent tradesmen as stand completely outside the primary conflict and observe neutrality in relation to the parties to it. Direct action against such parties occurs in the form of boycotts, blockades, stoppages of supplies, and occurs on the side both of employers and of workers". As examples he cited the boycott by the workers of tradesmen who sell products from an enterprise where a conflict is in progress, by the workers of restaurants or cafes where strike breakers were served, or the cutting off of supplies by employers from an unorganised building master who begins work on a building during a building conflict.

Proposition 31 went the whole way to meeting LO's view by deleting protection as a neutral third party to ANY strikebreaker. This was one of the strongest objections raised against the proposition in the debate in parliament on 1st June, 1935, and Professor Bagge argued for the conservatives that they were not prepared to accept this provision that strikebreakers were to be excluded entirely from the group of neutral third parties. This led the social democratic government to say in turn that they too would vote for the rejection of the proposition, since they were not prepared - for one thing - to concede
that strikebreakers were neutral third parties. So the proposition fell, in both houses. The prime minister, Per Albin Hansson, said however that he thought that many of the evils that had been raised in the debate on neutral third parties could be removed by the ORGANISATIONS THEMSELVES, and he hoped that the labour market organisations would take note of the discussion and profit by it in trying to remove these evils. He pointed out that in Norway it had been possible for the organisations to arrive at a general agreement which had led to a law already decided upon being abandoned. This emphasis on the voluntary efforts of and agreement between the parties as being the most likely solution to these difficult problems was in fact already gaining ground quite rapidly and it was to become even stronger within a very short space of time. Although the three stages analysed so far had no immediate result, they did crystallise the debate and provide a basis for the discussions between LO and SAF which were begun in 1936.

The Mothia committee followed up the idea expressed by Per Albin Hansson in the debate on proposition No. 31, that the organisations themselves might very well adjust their methods of warfare in such a way as to make legislation unnecessary. It discussed whether there ought to be a prohibition of certain kinds of direct action, such as blockades, boycotts, reprisals, and pointed out that there was a fundamental difference between a stoppage of work (a strike or a lockout) and blockades or boycotts. Strikes or lockouts always involved a personal sacrifice for the persons resorting to these measures and involved them in considerable risks. Thus a strike or lockout involved an evaluation of ends and means, which exercised a restraining influence in deciding whether to resort to these measures. The cost of a strike or lockout to the association was also a restraining influence.
But those resorting to blockades or boycotts usually ran no risks themselves and the step did not as a rule involve any sacrifice for them any more than for the persons who followed the incitement to blockade or boycott. Thus in the case of blockade or boycott there was not that careful weighing of ends and means that exercised a restraining effect, nor the personal risk. Further, blockades and boycotts often drew into the dispute persons who had no connection with the dispute, or they were directed against outsiders.

For this reason society had justification for providing special protection in law against the abuse of the weapon of blockade and boycott. Such legislation should not be restricted to the labour market, but ought to cover the whole economy. Likewise, consideration should be given to the means by which to deal with reprisals that, because of the form in which they were dressed up, could not be said to constitute direct action in the sense in which this concept was usually understood but were comparable in their effects.

In relation to public regulation of blockades and boycotts, the committee thought that a question that ought to be taken up for examination was whether, before resorting to these means of conflict, notice should be given and also a statement of the reasons for resorting to this form of direct action.

The committee reminded the public how, in the parliamentary discussion in 1935 of certain economic measures, the hope had been expressed that the organisations concerned would so adjust their methods of warfare that legislation on the subject would be rendered unnecessary. A development in this direction would of course be the most desirable one, thought the committee. But even if this happened the state could not avoid deliberating about rules on the matter, which would then have special significance in those cases where the parties had not taken self-discipline upon themselves.
legislation was put through, it seemed that as far as possible agreement should be reached on the basis of discussion with the large organisations about the application of certain norms. Legislation based on such agreements would be supported in the public legal conscience in an entirely different way from what would otherwise be the case. The committee therefore proposed investigations through one or several experts trying, through negotiations with the parties concerned, to bring about agreements in accordance with the lines drawn up above. THEREAFTER the question of necessary legislation on the matter should be taken up for enquiry and reconsideration.

This broad hint was taken by LO and SAF, with the result that negotiations were taken up 1) to try to achieve a settlement by voluntary agreement of these vexed problems of the consequences of direct action for the parties themselves and for third parties.

While SAF and LO were pursuing their discussions with a view to keeping the state out of the picture if possible they were not left altogether in peace and quiet, for motions still continued to come up in parliament on the subject of neutral third parties and socially dangerous labour conflicts. 2) In 1937 the government said it did not want any legislation on this matter if it was not necessary, and said it did not intend to take any action that might prejudice the discussions between SAF and LO. In the 1938 session of parliament the minister of social affairs, Gustav Möller, said that the question of legislation 1) LO and SAF preferred to work alone, however, and no experts were appointed to help them. The background to the Basic Agreement is discussed in the next chapter in some detail. 2) The ejection act of 1936 (No. 320, of 26th June, 1936) is worthy of a brief mention. It gives protection against an abuse that was frequently practised in early labour conflicts, ejection from property on account of a labour conflict. The gist of the act is that an employee inhabiting a house let to him by his employer cannot, in the event of his being involved in a strike or lockout, be ejected until three months have elapsed from the date of stopping work. There are certain exceptions, e.g., if the worker does not pay his rent, if the labour agreement has been entered into for a specific period, or if notice to leave had been given before and quite independently of the conflict.
on the subject of third parties and their neutrality should be allowed to rest until it was known, with regard to the labour market, what voluntary agreements could be reached between LO and SAF. It was not entirely inconceivable that when the results of the discussions were known Parliament would no longer need to consider the questions that came under the concept of the rights of third parties in conflicts in quite the same way as before. Both quantitatively and qualitatively the question of the rights of third parties would be a different one if the negotiations between the parties on the labour market could lead to the discovery of forms for an agreement that would diminish the resort to direct action on the labour market. They did.

Chapter IV of the Basic Agreement signed between LO and SAF on 20th December, 1938, takes up and deals with the limitation of strikes, lockouts and other direct action in certain specified cases, mainly against third parties but also in certain cases against parties to a dispute. The provisions reflect very closely the debate and criticisms of the various proposals on this topic in the 1930s, particularly those submitted by the government in 1935 in proposition 31.

The preamble of the Basic Agreement comments on this subject that "In the activities conducted by trade organisations in the past for asserting their interests, certain methods of direct action have sometimes been employed which cannot be regarded as legitimate for trade organisations having reached the maturity and strength of the Swedish organisations. To eliminate such methods of direct action, the Committee suggests certain provisions (Chapter IV) including prohibition of such actions against a neutral third party which do not have the character of purely sympathetic measures in connection with collective wage disputes. Moreover, certain less attractive forms of direct action are prohibited against another party, such as persecution of anyone for religious,
political or similar reasons, attacks against anyone because of his appearance as a party, representative, or witness before a court or any other public authority, or against anyone for assisting a public officer or civil servant, retaliation against anyone because of his participation in a labour dispute already settled, attacks against family enterprises, attacks on a private employer in order to induce him to refrain from taking an active part in manual work done for his own account, as well as any direct action which aims at securing illegitimate advantages. The pertinent provisions are drafted MAINLY ON THE BASIS OF CORRESPONDING DRAFT PROVISIONS CONTAINED IN EARLIER LEGISLATIVE PROPOSALS GOVERNING ECONOMIC SANCTIONS.¹ (my emphasis).

For the handling of problems arising out of the provisions of this chapter of the Basic Agreement a Labour Market Board was created to act as a board of arbitration in taking up and settling disputes over the interpretation and application of the provisions of the chapter. The board can be reinforced by an independent chairman, who has a casting vote if the party members of the board cannot reach an agreed judgement. Since the aim is to avoid legislation the board must here be armed with the means to enable it to arrive at a definite decision in matters where the neutrality of third parties may be at stake. Thus the board is dealing with justiciable disputes, and as an interpreting instance of what the provisions mean. The labour market parties are given an opportunity to show the stage of social maturity at which they have arrived, since protection against the direct action covered in this chapter cannot be restricted to the parties to the Basic Agreement themselves, but must be extended to persons standing outside the immediate sphere of action of the parties, i.e. society. Indeed it was mainly in the interests of society that such

¹) Basic Agreement, p. 9.
protection was needed. § 1 therefore provides that the provisions of this chapter that prohibit direct action will be applied by the signatories of it to direct action taken against anyone who is not a member of the organisations subscribing to the Basic Agreement.

One problem discussed by Sölven is that of a very heterogeneous trade union federation which accepts the Basic Agreement for a certain sector of its activity. Sölven considers it should be allowed to apply the clauses of the Agreement affecting third parties only to the section of its activities for which it signs the Agreement. Otherwise, it is the duty of any organisation bound by the Basic Agreement to endeavour to prevent its affiliated organisations and individual members from resorting to prohibited action and, where this has begun, to seek to have it ended.

Direct action, open or veiled, is forbidden in the specific cases set out in chapter IV, and covers measures that are directed to forcing the person attacked to do something, e.g., to refrain from being a witness, pay higher wages, or to injuring him, e.g., because he took part in a conflict. It is defined as strikes, lockouts, blockades, boycotts, or any other similar action, as well as notices of termination of agreement that are undertaken for the purpose of putting pressure or inflicting injury on some party. Direct action against certain parties is then discussed for specific situations. Direct action against another party is action taken against any party to a dispute in order to bring about a settlement of the dispute, or an action otherwise taken against another party for an immediate purpose. The party need not therefore, by this last phrase, be a party to the dispute - it may be members of an organisation who are not directly concerned in the dispute. Direct action against a neutral third party (secondary action) is action which, in the course of a dispute, is

directed against anyone who is not a party to the dispute for the purpose of bringing pressure to bear on the one party for the benefit of the other party. The third man may accordingly be very far removed from immediate relations with the parties directly concerned in a dispute. But the action must be direct. There may very well be indirect consequences of all kinds and for parties very far removed, following on direct action that is directed by one party against the other, (e.g. a blockade.)

If a breach of agreement or a violation of the byelaws of associations is cited in support of legal action, this action is not to be regarded as direct action unless "otherwise prescribed below". This clause raises questions such as the following - if a person is excluded from a federation for breach of the rules or of agreement it may follow from the byelaws that he is blockaded. Is this direct action? To clarify the position certain exceptions to the permissibility of such direct action as is based on byelaws are provided, i.e. "otherwise prescribed below". For instance, direct action that is allowed under the byelaws may not be resorted to if it conflicts with the prohibitions of direct action set out in this chapter, which takes priority.

Direct action may not be taken against anyone if the objective is to persecute him on religious, political and/or similar grounds. For example, communists are protected by this provision, or an employer who dealt in (in the inter-war period) German goods. Direct action must not be taken against anyone for the purpose of preventing him from pleading before a lawcourt or any other public authority, or from giving testimony or assisting a public officer - e.g. a policeman - or civil servant, nor for the purpose of retaliation for what he may have done in this respect. (In 1935 Parliament provided protection
for witnesses under the criminal law - Ch. 11 § 8 - against compulsion or retaliation).

AFTER (which means that reprisals can be taken against a person DURING a conflict even if one has stopped being, e.g., a blackleg) a labour dispute has been settled, direct action for purposes of retaliation must not be resorted to, either against anyone who has been a party to the dispute or against anyone else because of his relation to the dispute. There is thus protection for anyone who has in any way been connected with the dispute from action by one's own and the other side, e.g., workers who have stayed at work or taken part in a conflict. This meets LO's views on strikebreakers which it had advocated throughout the 1930s debate, and also in the December Compromise of 1906, where LO declared that trade unionists were opposed to working with strikebreakers. The protection given under this chapter of the Basic Agreement is thus against retaliatory action AFTER, but not during, a dispute.

Direct action must not be resorted to, because of a dispute over conditions of work, against anyone who, without any assistance other than that of his wife, children, or parents, is engaged in trade or is undertaking work on his own account. 1) Nor may direct action be taken against anyone working on his own account if the object is to persuade him to abstain from working, in favour of someone else. "On his own account" - what of bogus companies and partnerships set up to avoid this provision? The agreement provides that if it may reasonably be assumed that the partnership was established primarily for the purpose of avoiding a formal status of employment and if therefore one of the persons must in effect be regarded as an employee these provisions do not protect him.

1) Redogöraelse för huvudavtalet.. p. 9 gives an example the building of a villa.
Direct action must not be resorted to for the purpose of seeking illegitimate favours for oneself or for someone else by inducing anyone to pay out or to forego wages or to take some similar measure. This does not prevent anyone from taking legitimate direct action in order to secure payment from someone, who, after a debt has been incurred, has acquired title to property or an enterprise to which the debt is attached, provided he was aware of or, in view of the circumstances (e.g. an incompletely building) should have been aware of the debt at the time he took over.

Protection of third parties.

Broadly, where direct action against another party is forbidden by this Basic Agreement it is also forbidden against third parties, who are entitled to at least as much protection as a party and who must not be used as a tool to "get at" the other side. Likewise, direct action does not become permissible if it is directed against a third party and not against another party.

Even where direct action against a party is allowed, such action must not be directed against a neutral third party:

1) in disputes concerning the negotiation of collective agreements, whether this involves new agreements or renewal of agreements.
2) in disputes as to negotiating or applying individual labour contracts.
3) in competitive disputes over job opportunities.
4) in order to induce a party to join or to prevent him from leaving a trade organisation.

1) This point is important in building contracts. The system of letting out contracts may in part have been responsible for the many labour conflicts in the building industry in the early 1930s, when many building firms went bankrupt. See Böver, op. cit. p. 189.
2) And also by collective agreements, and by law - e.g. the 1928 collective agreements act (§4), the law on the right of association and negotiation (§§3 and 16) and the criminal law (ch.11, retaliation against witnesses.)
There is a considerable qualification to 1) above, on collective agreements, in that direct action may be resorted to provided its object is to support a party to a dispute by extending the scope of the original dispute concerning the drawing up of a collective agreement i.e. provided it is purely sympathetic action. Such action must not cover anything other than a) strikes or lockouts or labour blockades (i.e. of workers or of a workplace), and b) the refusal to handle goods that are intended for or emanate from an enterprise carried on by a party to the original dispute. This provision therefore allows for certain sympathetic measures against neutral third parties and is quite a considerable limitation on third party protection. But the sympathy measures are also considerably limited, e.g., to collective agreements and to extending the scope of an original dispute, which must therefore already have begun. The sympathetic action must not have an independent purpose. It should be noted that the right of neutral third parties to help a party to a dispute (through sympathetic action, for example,) is not regulated by this Basic Agreement. There is complete protection for third parties in two other cases.

a) when an organised group of workers tries to coerce outsiders to join their organisations, or b) when two groups of workers or various groups compete with one another for certain jobs. The employer is in this case neutral. If, however, the workers' agreements proposals contain "organisation clauses" that require the employer to give preference to organised workers (this does not prevent them from using force to drive through the agreement) 1).

Having, with the above exceptions, provided protection for neutral third parties the Basic Agreement then goes on to define non-neutral third parties, to whom this protection is not afforded.

1) Redogörelse för huvudavtalet, p. 11.
A non neutral third party is:

a) a member of an organisation that is involved in the dispute if, except by engaging in protective work (see below) he has, to the advantage of the opposite party to the dispute, neglected obligations to his association whose fulfilment does not violate the provisions of this chapter. Here the basis is generally not that the member has abandoned his neutrality but his solidarity towards the organisation in a case where direct action is allowed, and where the lack of solidarity helps the other side.

b) anyone (i.e. all blockade breakers, whether members of associations or not) who has during a dispute carried out work (other than protective work) that is blockaded by reason of the dispute, unless the blockade violates the provisions of this chapter or the byelaws of the trade organisations concerned. This means that ALL strikebreakers can be "got at" during a dispute.

c) anyone (this refers to employers) who has, for the carrying out of work other than protective work, engaged workers during a dispute who have been blockaded by the employer side on account of the dispute, unless the blockade violates the provisions of this chapter or the byelaws of the trade associations involved.

d) anyone who during a dispute and because of it has given economic (usually money or credit facilities) support to one of the parties or has assisted him by converting or otherwise altering his own business or activity. This can apply directly or indirectly.

e) anyone who has a controlling interest in a company that is a party to the dispute or who is a partner with unlimited liability in a trading company that is a party to the dispute. This exception from neutrality is rather obvious, as is that under

f) a company in which a party to the dispute owns shares or a trading company in which the party is a partner, provided the
operations of the company or partnership must, in view of the size of the shareholding or partnership holding, together with other circumstances, in fact be considered to be carried on for the account of the party concerned. In such circumstances the fact that the company is in law a subject distinct from the party is ignored.

Protective work is, as suggested by its mention above, exempt from direct action and enjoys neutrality, no matter which side takes the initiative in a stoppage of work. Neutrality is not infringed through carrying out protective work, which is defined as

a) work of such a nature as is, on the outbreak of a conflict, required in order to discontinue production in a technically justifiable way.

b) work that is necessary to avert danger to human beings, or damage to buildings or other installations, ships, machinery, livestock, or damage to stocks of goods that are not used during the conflict for the purpose of maintaining the production of the enterprise or for disposal to an extent greater than is required in order to prevent deterioration or decay to which the goods may, because of their nature, be exposed.

Work that qualifies for the same protection as protective work is work that a person is obliged to perform by virtue of special legal or statutory provisions - e.g., the seaman's law - and work the neglect of which may lead to liability for neglect of duty (ansvar för tjänstefal). 1)

These definitions of protective work are general and, in drawing up the Agreement, the parties expressed the presumption that a more precise definition of protective work within different spheres of activity would be agreed upon by the appropriate trade federations: and that, wherever an enterprise did not carry out production during

1) This covers the "responsible officials" discussed in Chapter X.
a conflict, its ordinary workers would, where required, undertake to carry out such protective work.

This chapter of the Basic Agreement thus provides considerable modifications of the labour market practices which had grown up and which were felt, as evidenced by the agitation for legislation in the 1930s, to be inappropriate weapons for use by such mature organisations as the Swedish labour market parties had now become. It should be stressed, however, that direct action of all kinds was not by any means banned. All that these provisions are concerned to do is to set out rules for the game, Queensberry rules to keep the fighting clean. The sport continues along more open routes but with the use of more conventional weapons. Nor does the solution of unsavoury direct action by agreement necessarily mean that the state has renounced all claims to be interested in principle in the direct action used by the parties. The 15 men realise this in their report, where they point out that the solution of the question by agreement is dictated by practical and technical considerations, and in particular by reason of the fact that an agreement offers better prospects of taking account of shifting conditions in various trades and of the need for adjusting the regulations in accordance with changing conditions.

The Basic Agreement in fact goes further than regulating direct action that may be shady and that may injure third parties. It extends, as has been hinted, the idea of third parties to include the whole of society, and sets out certain procedure in chapter V for ensuring responsibility of action on the part of the labour market organisations when social interests are in danger. This is brought out in the next part, where the background and general content of the Basic Agreement are discussed and examined.

1) Pockföreningarörelsen och näringslivet, p. 164