



**Avtal  
2023**

# **Best possible level.**

A brochure about your salary and  
what we call Märket (the Mark)

A man with long dark hair and a beard, wearing a purple shirt, stands behind a woman with short blonde hair and glasses, wearing a blue top and orange striped pants. Both have multiple arms, with the woman's arms in the foreground and the man's arms behind hers. Each arm points to a blue callout box containing a number and a stage name. The background is a solid green color.

1. Collection

2. Formulation

3. Negotiation

4. Implementation

**The first thing that happens in a collective bargaining process is that Unionen members give their opinions in various ways and say what they want us to pursue and prioritise in the negotiations.**

The results are clear – one of the most important demands concerns our salaries and, above all, what collective salary increase level Unionen should demand.

It can be easy to think that it is always too low, but the truth is that we have had an increase in real salaries of around 55% between 1997, when the salary determination model we have introduced, and 2021.\* A key explanation for this excellent performance is that we end up at the right level – what is usually called *Märket*.

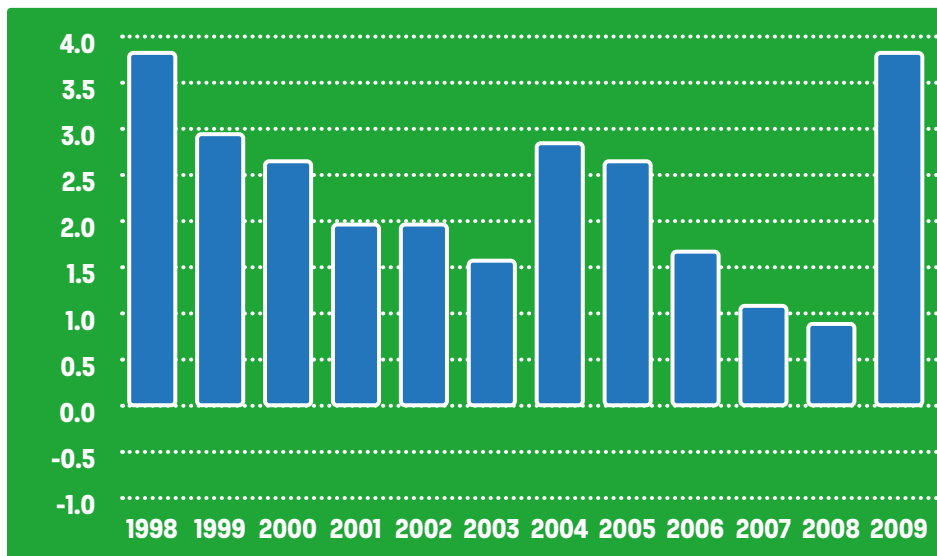
It is important that we achieve the best possible level of salary development so that it helps ensure stable salary development in the long term. Unionen's task is clear: to take responsibility for ensuring that we achieve salary increases that are sustainable in the long term and put more money in our wallets. To succeed in this, we need to identify the best possible salary increase level, which we do by looking at how companies are doing and how Sweden compares to other countries in terms of productivity and competitiveness. Employees contribute to the business or organisation and should naturally also benefit from the value created, including through salary growth.

### **Why do we have Märket?**

During the 1970s and 1980s, there was no norm or benchmark for pay structure in the Swedish labour market. Different groups of employees each negotiated individually. Everyone was competing with everyone else to get a higher percentage than the rest. This

\* Source: Medlingsinstitutet (Swedish National Mediation Office)

## Real salary increases 1998–2021

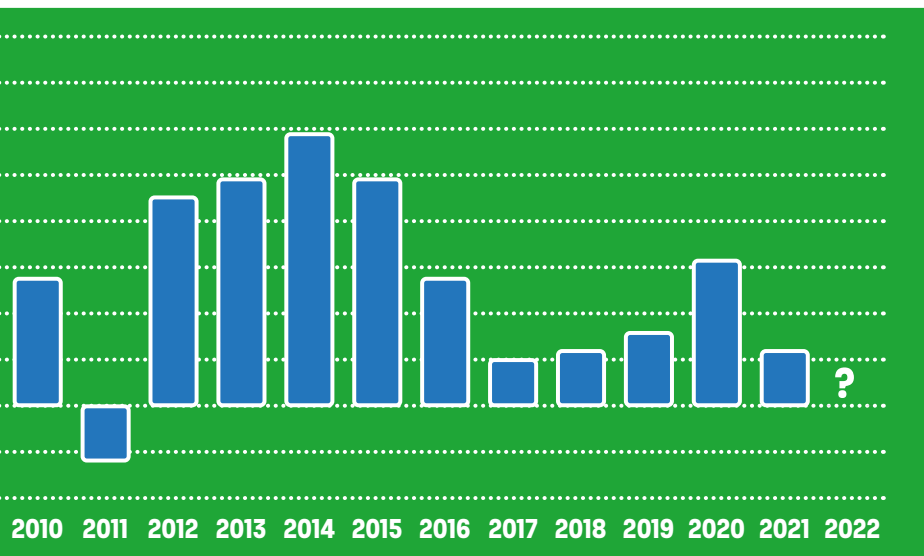


Source: Medlingsinstitutet (Swedish National Mediation Office)

resulted in rising costs for companies, thus creating a salary and price spiral in which inflation rose sharply and simply ate up the large salary increases. This was bad for the employees, companies and society as a whole. This is why trade unions and employer organisations sat down at the negotiating table in 1997. The result was the Industry Agreement, and the idea that we need to have a level that normalises the rate of salary increases – Märket – was born.

### What parameters affect Märket?

What level of salary increases should we have? Why doesn't Unionen always demand much more? Well, it's all about achieving a reasonable level. Economic assessments are carried out prior to the collective bargaining process and form the basis for decisions on the level of salary increases we should demand. This level should ensure real increases in salaries over time and



take into account companies' competitiveness. This means that it is more long-term factors than the current economic situation that we particularly need to take into account. These concern productivity, inflation targets, cost development compared to other countries and international competitiveness. It's important that we don't go too high or too low, but instead achieve the best possible level, because we want to ensure stable salary development and to continue to have competitive strength in the international sphere.

### **Who is Märket good for?**

Actually everyone, because we know that Märket means that employees in all industries and sectors get steady and stable real salary development while the competitiveness of companies is taken into account. Real salaries in Sweden have increased by more than two percent a year up until now, while nominal salary increases have been halved compared to the 20-year period prior

to Märket/the Industry Agreement. This is significantly higher than in most comparable countries. Since Märket is also normative and thus has an effect on the entire labour market, salary increases are guaranteed for employees in all industries, not just for those who have a strong position in the market or who work for companies that are doing well at present. In this way, Märket is good for employees in the entire Swedish labour market and for society at large.

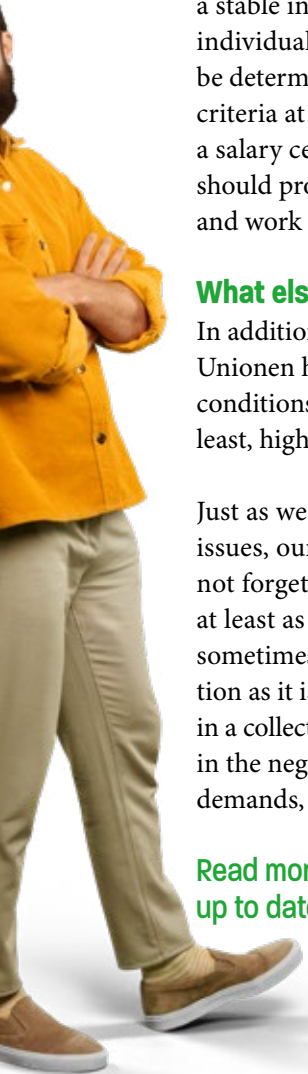
### **What does an uncertain economic situation mean for salary demands and Märket?**

In a situation with high inflation and an uncertain world, it is easy to think that we should make salary demands that compensate for increased prices. But we know what happens if we chase inflation – we risk ending up in a salary and price spiral in which salaries effectively stand still over time. That is why we need to stand firm and be secure in the principles of salary determination and the Industry Agreement, which means that we start out from the inflation target, look at how Swedish companies are doing and include factors such as competitiveness and productivity when seeking to find the best possible salary increase level.

### **Why should the industry sector set Märket?**

The idea of letting the most internationally competitive sector go first and take responsibility for the salary increase level is based on the fact that it is also the sector that will take the first and biggest blow if the level is set incorrectly. Sweden is a small country dependent on exports, and industry is currently the sector in Sweden most exposed to international competition. That's why the industry sector should set Märket.





Of course, the sectors that can be considered to be the most exposed to competition internationally and that should therefore be involved in setting Märket may change over time.

### **Does Märket make it more difficult to get a high salary increase as an individual?**

Märket is a benchmark, a standard at collective level to ensure a stable increase in real salaries over time. What you as an individual should have in terms of a salary increase should be determined by your performance in relation to the salary criteria at your workplace. Märket should never constitute a salary ceiling for you as an individual, and an employer should provide individual salary increases that reflect effort and work performed.

### **What else is important?**

In addition to salary increases and higher minimum salaries, Unionen has additional demands linked to things such as conditions for recuperation, rules for teleworking and, not least, higher pension premiums for flexi-pension.

Just as we prepare, coordinate and firmly establish important issues, our counterparts naturally do the same, and we must not forget that the employer organisations' list of demands is at least as long as our own! A collective bargaining process is sometimes just as much about resisting proposals for deterioration as it is about developing and improving conditions. Success in a collective bargaining process is based on the pressure we create in the negotiations, and that in turn depends on how relevant our demands, arguments, commitment and collective strength are.

**Read more about the collective bargaining process and stay up to date at [www.unionen.se/avtal2023](http://www.unionen.se/avtal2023) (in Swedish).**



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