

Minimum Wage & Collective Bargaining in Sweden 2026

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Anna Fransson, Swedish National Mediation Office

Anders Kjellberg, Lund University



Sweden

Statutory Minimum Wage



• Gender pay gap

11.20%

88.00%

• Collective bargaining coverage

• Process of transposition:

Assessment of current situation completed by the Government: no further legislative actions required. Transposed!

→ Compare with other countries



Minimum wage regime in Sweden

Unlike many other countries, Sweden does not have statutory minimum wages or any possibility of declaring collective agreements universally valid. The Swedish labour market model is characterised by limited government intervention in wage formation.

Wage regulation is found only in collective agreements and in individual employment contracts. Some legislation can be said to concern wage conditions indirectly. For example, there is protection against wage discrimination. However, there is no legislation at all on how wages should be set in Sweden. The closest equivalent to minimum wages in Sweden are the provisions on the lowest wages (lägstalöner), starting wages or guaranteed wages in collective agreements. To these can also be added lowest wage levels in collective agreements with pay scales. In some cases, the lowest wages in agreements are called ‘minimum wages’, but as an overall term, these kinds of provisions are usually labelled ‘the lowest wages’. To simplify things for the reader, however, we shall use the term ‘minimum wages’.

The minimum wage protection provided by Sweden’s labour market model, however, is not limited to specific minimum wages in collective agreements. The Swedish wage formation model is essentially collective in nature and it can be said that the overall objective of the European Minimum Wage Directive is achieved by means of the Swedish Model for wage formation and the outcomes resulting from that model ([SOU 2023: 36](#)).

In the Swedish wage bargaining system, there is a strict division between blue-collar (arbetare) and white-collar (tjänstemän) occupations, with different agreements for blue-collar and white-collar workers. With some exceptions, such as call-centre workers, who are classed as white-collar, minimum wages in collective agreements in practice are used almost entirely to blue-collar workers. Out of the 620 sectoral collective agreements in Sweden, approximately 300 contain specific minimum wage levels. The agreements without these provisions are for employees with a higher education and other agreements for salaried employees.

A prerequisite for the model is a high rate of collective bargaining coverage (88% in 2024). In addition to the fact that most workers are covered by collective agreements, the wage levels in such agreements seem also to be used quite often in workplaces that are not covered ([Medlingsinstitutet 2020](#)). According to law, third-country labour migrants may not be paid under the minimum wage or the normal wage in the sector in which they are employed. Since 2023, in order to obtain a work permit, labour migrants (excepting EU citizens and seasonal workers) have to show that they will have a ‘good livelihood’. This is defined as a monthly wage equivalent to 80% of the median wage. For some groups of workers this ‘wage floor’ (lönegolv) may be higher than the minimum wage in the collective agreement, which has caused criticism. Many people fear that this problem will worsen when the wage floor is raised to 90% of the median wage from 1 June 2026. Some shortage occupations will be exempted from the new wage floor, among them nursing assistants (undersköterskor). In berry-picking, forest planting, construction and some other sectors, however, it sometimes occurs that employers pay workers staying temporarily in Sweden below the minimum wage. This generally constitutes a labour law violation and is often related to other forms of work-related crime ([Kjellberg 2023](#)).

Minimum wage levels play an important role in certain areas, in which trade unions have prioritised them in negotiations. In these cases, the minimum wage may be relevant for a fairly large part of the employees. This applies, for example, to retail and hospitality. For other occupational groups, such as manufacturing, the minimum wage is not particularly important and is rarely used, even among new entrants to the labour market.

Statutory Minimum Wage

Yes

Real Growth rate of wages

1.10%

% of workers covered by minimum wage

3.50%

Nominal Growth rate of Wages

3.50%



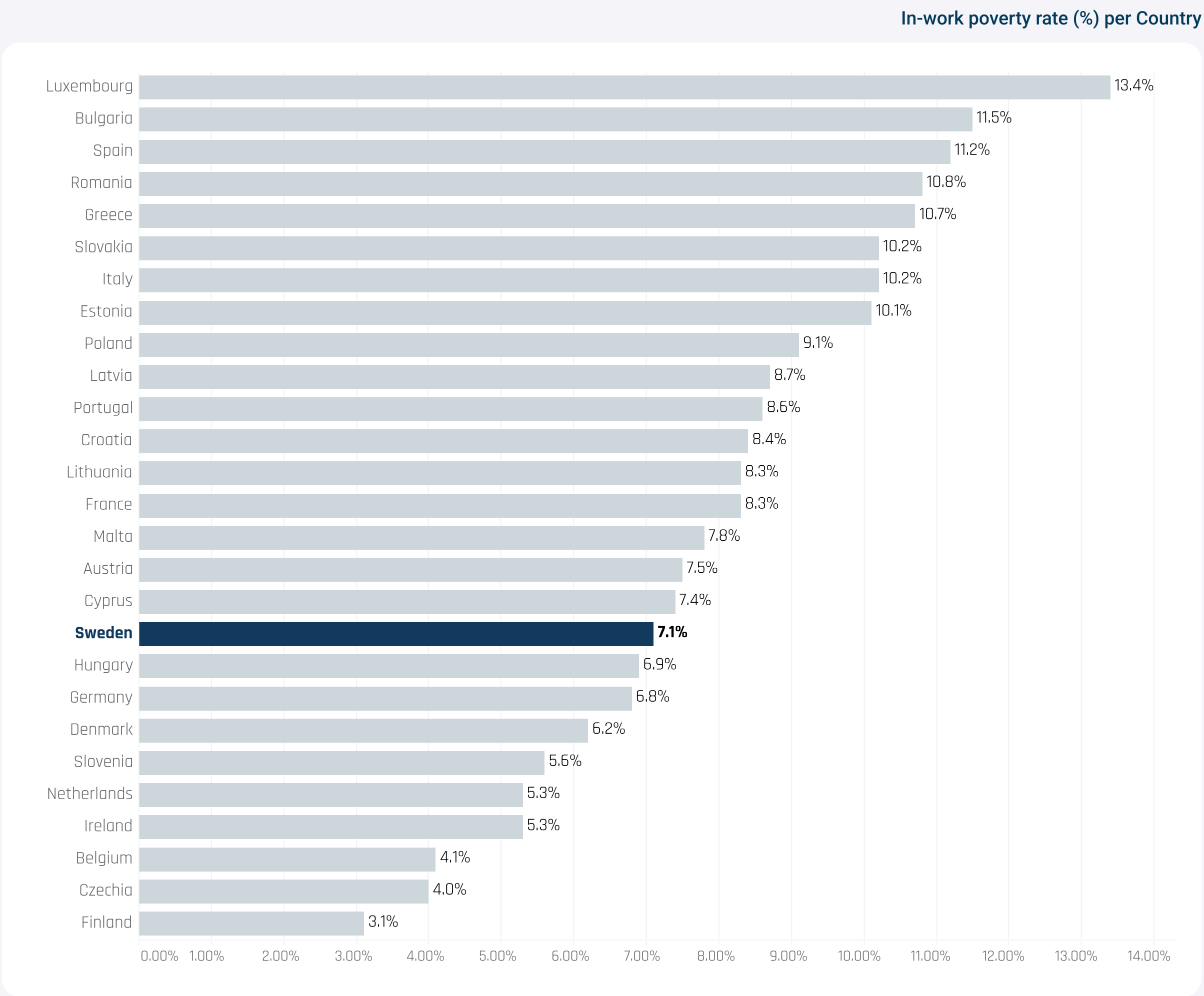
Minimum wage regime in Sweden

There is a great deal of variation in how wage clauses in collective agreements are designed. Generally speaking, traditional pay scales without connection to individual performance are quite uncommon. Where minimum wages are included in agreements, they are often separate from the wage clauses that apply to the majority of employees. What characterises minimum wages in Swedish collective agreements is their application to specific groups, such as newly recruited or young employees.

In white-collar agreements, the minimum wage is usually determined by age and sometimes by length of employment. Blue-collar agreements have greater design variation; positions or occupational groups are used as additional criteria on top of age and length of employment. Different minimum wages for employees with or without completed vocational training also occur [\(Medlingsinstitutet 2025\)](#).

As far as we know, there have been no disputes over the introduction of a minimum level in agreements that previously lacked one. Minimum wages thus appear to be present in the agreements where there is a need for them [\(Eurofound\)](#).

There is no official registry that covers all minimum wage levels, but the Swedish National Mediation Office publishes a sample of lowest levels in approximately 50 collective agreements. In 2024, all levels in the sample except one (covering 18 year-olds in hospitality) were above 50% of the average full-time equivalent basic wage. Six of the collective agreements in the sample (all of them covering white-collar workers) included lowest levels for 20 year-olds or recently employed that were below 60% of the median basic wage threshold, while all the others were above the threshold [\(Medlingsinstitutet 2024\)](#).





Collective Bargaining system in Sweden

The Swedish collective bargaining system is based on self-regulation by the labour market parties themselves ([Kjellberg 2017](#)). Trade unions and employers' associations are responsible for wage formation and also have a key role in establishing other employment conditions, including occupational pensions, insurances and transition. There is no Labour Inspectorate and no government authority that is responsible for monitoring compliance with collective agreements. Monitoring and supervision are, with some minor exceptions, entirely a matter for the trade unions.

Sweden has very few restrictions on the right to take industrial action. This right is guaranteed in the [Swedish constitution](#). In principle, all employees have the right to undertake industrial action. The right can be limited by law or collective agreement. Since 1928 there has been a statutory peace obligation during the period in which a collective agreement is in force. Sympathy actions, however, are allowed also during the contract period and, like other industrial actions, not restricted by any proportionality rule. The Swedish alternative to an extension mechanism is the permissibility of strikes (including sympathy strikes) against non-organised employers who refuse to conclude a collective agreement. Political strikes by a trade union bound by a collective agreement are permitted only if they are of short duration and have only marginal effects on the employer's business or activities. With regard to the government sector there are a few further limitations stipulated by law, besides the above-mentioned statutory peace obligation, for example with regard to sympathy action and political strikes. Furthermore, the social partners in this sector have agreed that civil servants in charge of certain functions and at certain agencies cannot take part in industrial action. After a collective agreement has expired there is no peace obligation, but industrial action requires seven working days' notice to the Swedish National Mediation Office. While the parties are negotiating a new collective agreement the terms of the old agreement with regard to the employment conditions shall continue to apply until a new agreement is signed. In theory, if negotiations end without an agreement, a state of total non-agreement occurs.

However, this is not something that happens in practice among the established labour market parties.

The Swedish National Mediation Office is a government agency under the Ministry of Employment tasked with promoting an efficient wage formation process and mediating in labour disputes. The agency appoints mediators if there is a risk of industrial action on the labour market or if social partners request this. The authority may, if necessary, take certain coercive measures, such as appoint mediators without the consent of the parties or decide that a party must postpone notified industrial action by up to 14 days. However, these strong instruments are rarely used and the parties decide for themselves whether they will accept any settlement that the mediators propose. The parties can, if they wish, sign separate negotiation procedure agreements, which means that they can arrange for mediation on their own. Manufacturing industry has had this kind of agreement since 1997, but apart from that, the number of such agreements is quite small nowadays, namely 70 out of 620 central agreements in 2025 comprising 28% of the employees covered by collective agreements ([Medlingsinstitutet 2026](#)).

Trade unions are not registered by the state. Nor is there any state regulation of their internal affairs, such as decision-making procedures (balloting and so on), for example on approving or rejecting the results of collective bargaining or taking industrial action. Many labour law provisions can be replaced by collective agreements, which makes regulation flexible and adaptable to each industry and to local circumstances.

The right and obligation to negotiate

The legal framework for collective bargaining is found in the [Codetermination Act](#) ([Medbestämmandelagen, MBL](#)). Since the 1936 Act on Rights of Association and Negotiation ([Lagen om förenings- och förhandlingsrätt](#)), today incorporated in the Codetermination Act (MBL), trade unions are entitled by law to negotiate collective agreements. On the employers' side both individual employers and employers' organisations have bargaining rights. The right to negotiate corresponds to an obligation on the other party to participate in the negotiations. However, the right and obligation to negotiate exist only if the negotiation issue concerns one or several employees, who are or have been employed by the employer and who are members of a trade union ([SOU 2023: 36](#)). Because blue-collar workers already had this right through collective agreements, the 1936 law was aimed primarily at private sector white-collar workers as in the early 1930s they had still not entered into negotiations with employers in manufacturing, commerce and banking ([Kjellberg 2017: 365–366](#)). Employers are obliged to negotiate but not to compromise or conclude an agreement. Before any important changes are made in the operations of a company or public agency the employer must initiate codetermination negotiations. On completion, the employer retains the right to decide unilaterally. According to the Employment Protection Act ([Anställningsskyddslagen, Las](#)) in case of redundancies the employer has a duty to negotiate before deciding to dismiss workers by this reason.



Collective Bargaining system in Sweden

Trade union's right to information

According to §19 of the Codetermination Act (MBL), the employer must continuously keep trade unions with whom they have signed collective agreements informed about the development of the enterprise. Employers who are not bound by a collective agreement must provide the corresponding information to all trade unions that have members in the workplace. There is a strong link between the right to information and the right to negotiate. Employers often initiate decision-making processes that later lead to negotiations with the union by providing information in accordance with §19 of the Codetermination Act (Larsson in Wennemo and Fransson 2024). In the 2025 bargaining round white-collar workers in the tech sector, besides lower wage increases, had to accept limited information rights in exchange for reduced working hours, called ‘MBL light’ (Fransson and Kjellberg 2026).

Coverage of collective agreements

Collective bargaining coverage has remained almost unchanged for many decades at about 88–90% of all employees registered as resident in Sweden. Posted workers and seasonal labour migrants are thus not included (Ljunglöf 2025). In 2024 the coverage rate among employees aged 18–66 was 88% (92% of blue-collar workers, 84% of white-collar workers). In the private sector, 82% were covered, but in the public sector the coverage rate was 100%. About 560,000 private sector employees (of whom 215,000 were women and 345,000 men) are not covered by a collective agreement. The coverage rate among blue-collar workers in the private sector was 89% and among white-collar workers 75%. There are major differences in coverage depending on firm size. In companies with 1–9 employees, 44% were covered (57% of blue-collar workers, 28% of white-collar workers). Already in companies with 10–19 employees 70% were covered (84% of blue-collar workers, 54% of white-collar workers). In companies with 500 employees or more almost 100% were covered. In the private sector the lowest coverage is found in agricultural occupations and among employees with a long academic education.

In 2024 the coverage rate in manufacturing was 95%, in construction 87%, in transport 90%, in trade (retail and warehouses) 82% and in care 97% (Ljunglöf 2025). These rates include both private and public sector employees. The lowest coverage was found in industries dominated by white-collar workers, with information and communication at the bottom (55%) and professional, scientific and technical activities at 59%. The professional category includes lawyers and economists. Together these two sectors comprise 53% of all white-collar workers without collective agreements.

A study of collective agreements in the private sector in 2021 that distinguishes between regular agreements (companies affiliated to employers’ associations) and substitute agreements (hängavtal) between national unions and unorganised employers found that 71% of the employees were covered by regular agreements, while 6.3% had a substitute agreement (Kjellberg 2023). All 2021 data refer to the private sector, but excluding companies owned by central and local government. The 2021 study also contains information on the share of employers covered by collective agreements. About 30% of all private-owned companies with employees had a collective agreement. It should be noted that most companies are very small. About 87% of all employees (83% of private sector employees) in 2021 worked in enterprises or public authorities affiliated to an employers’ association.

Each year about 8,000–10,000 unorganised enterprises obtain collective agreements by joining employers’ associations and another 2,000–4,000 by signing substitute agreements with national trade unions, which means that the central agreement in the sector is applied (Kjellberg 2025b, table H:7). Very few new collective agreements come about through industrial action, ranging from 2 to 10 per year. Apart from the Tesla strike (started in October 2023), in 2025 there were only two short strikes, aiming to force employers in the food industry to sign collective agreements. The 2025 collective bargaining round was very extensive, but only one strike broke out. The small, independent Port Workers’ Union wanted their own collective agreement, but the outcome of the strike was that the union got a copy of the agreement signed by the Transport Workers’ Union.

Collective Bargaining Coverage

31.00%

Trade Union Density

36.50%

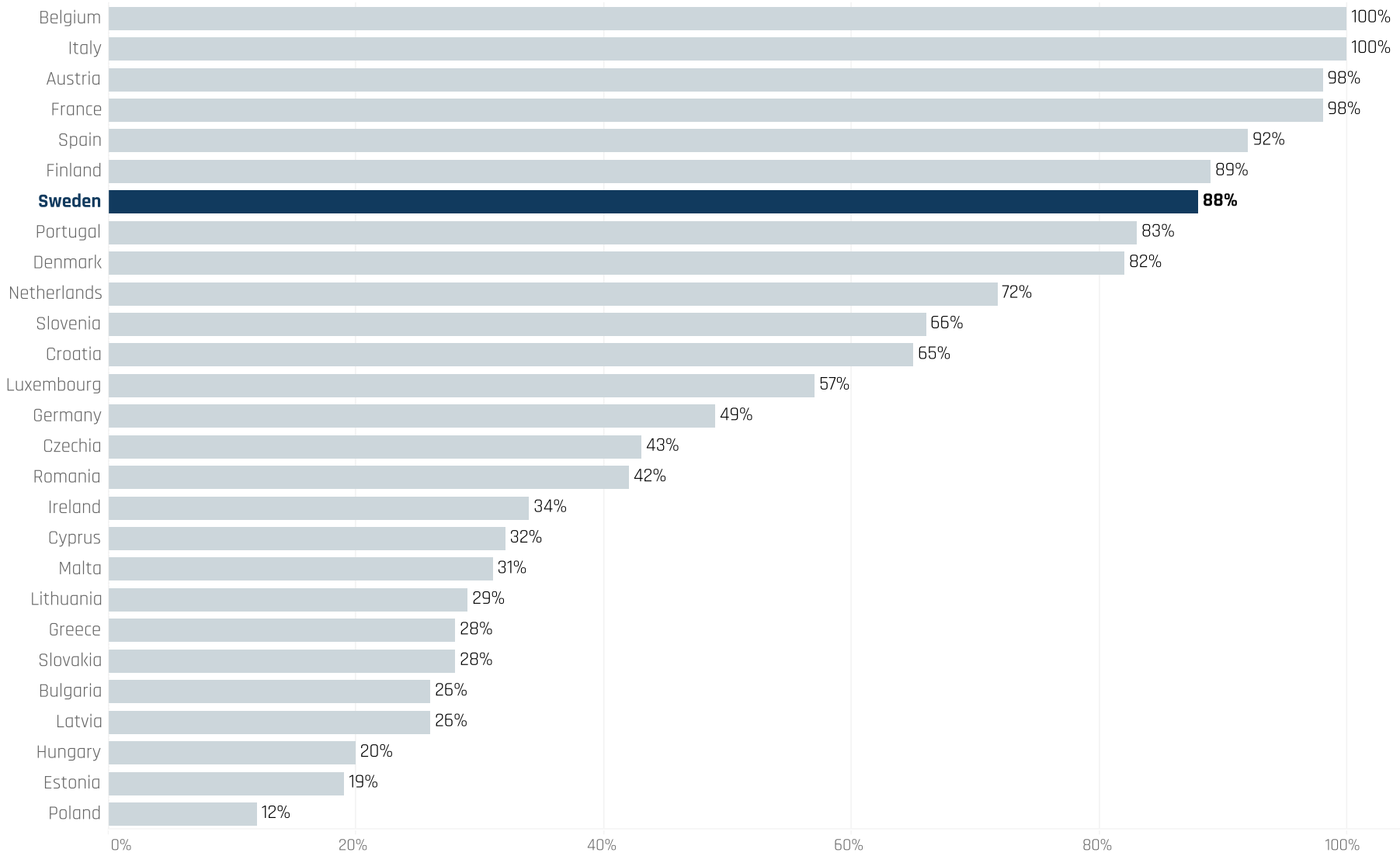
Financial incentives for union members

No

Valididy of Collective Agreements after expirations?

Yes

Collective Bargaining Coverage per Country (%)





Collective Bargaining system in Sweden

The continuing very high density of employers’ associations is the main explanation of the high bargaining coverage over time. Union density is high also from an international perspective (69% in 2024), but it is considerably lower among blue-collar workers (58%) than among white-collar workers (74%). In 2006 union density was 77% for both categories of workers.

Trade union access to workplaces

According to the [Act on Trade Union Representatives’ Status at the Workplace](#) (Lag om facklig förtroendemans ställning på arbetsplatsen), a trade union is entitled to appoint a workplace-level union representative to represent the employees vis-à-vis an employer with whom the trade union has a collective agreement. An ‘ombudsman’ employed by the trade union can also be a union representative within the meaning of the law. There is no formal requirement that the union must have any members at the workplace. The purpose of the rules is to enable the representative to engage in union activities such as negotiations, information and representation. Purely internal union matters such as recruitment, however, are not ‘union activities’ within the meaning of the law.

Employers must provide union representatives with the same pay and other conditions for the time necessary for the performance of their duties as they would have received if they were working with their regular duties. This of course applies only to union representatives employed by the employers. There is also enhanced employment protection for trade union representatives. Among other things, they can in some cases be exempt from work redundancy dismissals. Employers are not allowed to offer union representatives less favourable working conditions or terms of employment because of their role. In addition to this, employers must also facilitate trade union activities by, for example, providing premises.

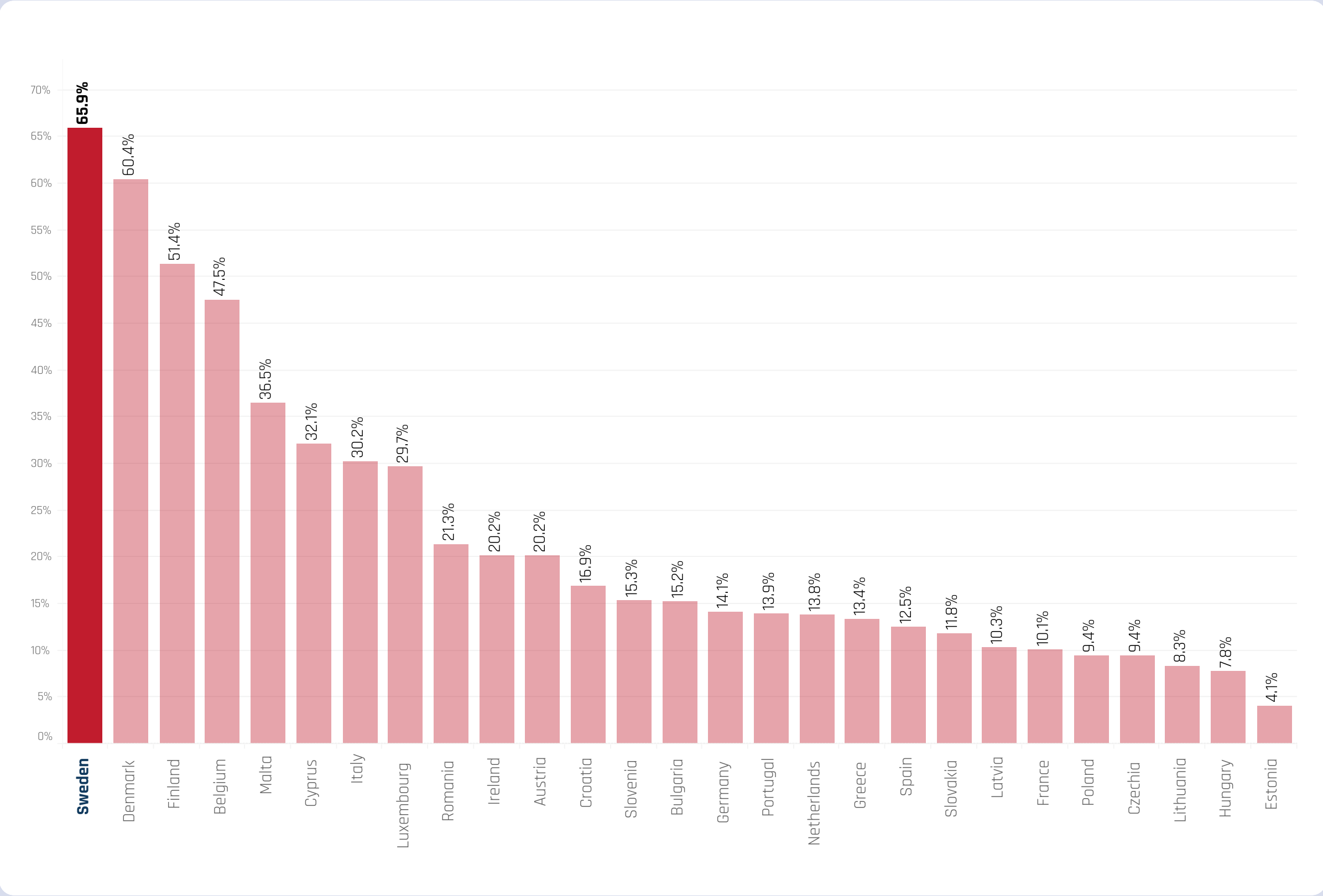
Declining union presence at workplaces – a growing challenge for local collective bargaining

A basic feature of the Swedish collective bargaining model is the combination of centralisation and decentralisation. Collective agreements at sectoral (industry) level are implemented through workplace negotiations aimed at adapting the central agreements to local conditions. Flexibility by local agreements applies to some legislation, too, for example the [Working Hours Act](#). That is why the further weakening of union representation at workplace level attracted growing attention in 2025 and 2026 ([Fransson and Kjellberg 2026](#)). In almost all unions, the share of members covered by workplace union representatives has been declining for many years ([Kjellberg 2025a: 84–117](#)).

Requirements on public procurements

Since 2017 the [Public Procurement Act \(LOU\)](#) states that companies that win procurements must ‘if necessary’ offer wages, working hours and holidays that do not fall below the minimum levels of the collective agreement ([Kjellberg 2023](#)). The aim is to avoid social dumping and unfair competition, but it is not possible to demand that there must be a collective agreement or that the employees must be covered by occupational pension or insurance. According to a [report from the Swedish National Audit Office](#) (Riksrevisionen) in September 2025, the law has not been implemented in practice (Fransson and Kjellberg 2026).

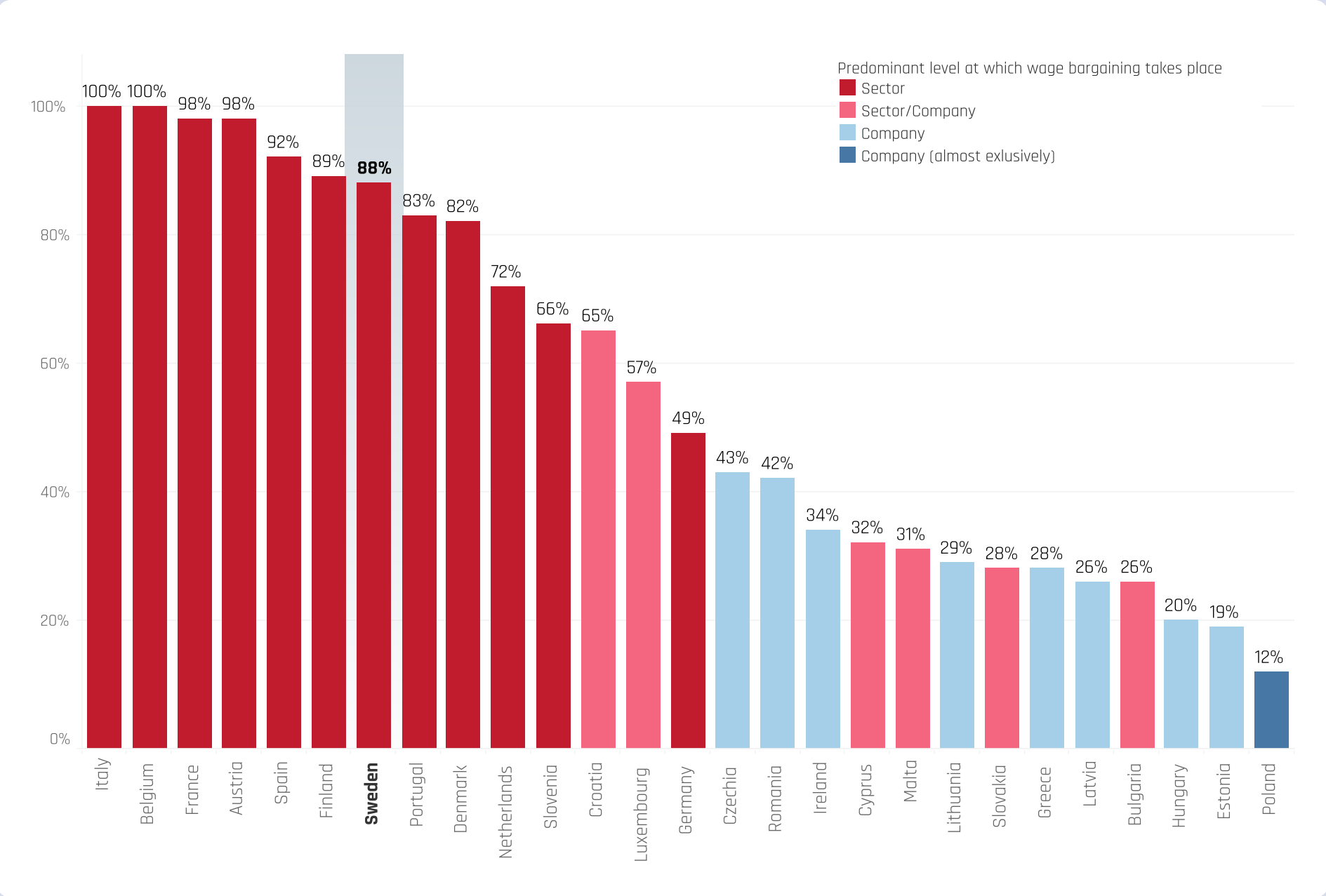
CB Trade Union Density (%) for each Country



Collective Bargaining system in Sweden

Smaller procurement tenders fall outside the scope of the law; in practice this accounts for two-thirds of all public procurements. For the remaining one-third of public procurements, the law’s requirements may be imposed when it is considered necessary to avoid unfair working conditions and unfair competition. The risk of unfair working conditions is considered particularly high in occupations with low educational and qualification requirements, and where there are often foreign workers, low coverage of collective agreements and long subcontracting chains. There are no consequences for authorities that accept bids that are clearly unsustainable.

CB Predominant level at which wage bargaining takes place per Country



Transposition of the European Directive on Adequate Minimum Wages in the EU

The European Minimum Wage Directive was transposed on 15 November 2024, when the Swedish National Mediation Office was tasked with reporting data in accordance with Article 10 of the Minimum Wage Directive. This was announced by the government through an amendment to the ordinance concerning instructions for the Mediation Office 5 a §. No other legal changes have been made.



European Trade Union Confederation
Confédération Européenne des Syndicats
Boulevard du Jardin Botanique, 20
1000 Brussels

Tel: +32 (0) 475 60 15 01
www.etuc.org

IN COOPERATION WITH



Friedrich - Ebert - Stiftung
www.fes.de/en/



European Trade Union Institute
www.etui.org



WAGE-UP is the ETUC Monitoring Tool presenting information on Minimum Wage setting procedures and Collective Bargaining systems in all EU countries, as well as the progress in EU countries toward the transposition and the implementation of all the provisions of the Directive on adequate minimum wages in the EU (2022/2041).

www.wage-up.etuc.org/



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