



## Salary revisions for collective agreement period 1 November 2020-31 March 2022

The new collective agreement between the Swedish Food Federation and the Swedish Food Workers' Union (Livs) stipulates that companies are to implement salary adjustments on 1 November 2020 or, if a local agreement is reached, no later than 1 April 2021.

The agreements with the white collar unions Unionen and Sveriges Ingenjörer state that the local parties may agree on the date for salary adjustments. If no agreement is reached, salaries are to be adjusted on 1 November 2020.

In the salary agreement with Ledarna, salaries are to be adjusted at least once per year. The date of the salary revision may vary from employee to employee.

New central collective agreements with the Hotel and Restaurant Workers' Union (HRF) and The Swedish Commercial Employees' Union (Handels) are still under negotiation. We expect these agreements to be finalised in December and will notify you of the content of these agreements when they have been signed. We are therefore not yet able to confirm the dates of the salary reviews in these agreements.

Please read the following information carefully before beginning the salary review process. If you have any questions or problems, you are welcome to contact the Swedish Food Federation for advice.

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### Salary revision under the agreements with the Swedish Food Workers' Union (Livs)

The rules governing salary reviews can be found in Appendix J of the food agreement and the tobacco agreement, and in Appendix I of the agreements for coffee roasters, spice manufacturers and the wines and spirits sector.

### Total salary pot

As of 1 November 2020, (or no later than 1 April 2021 if agreed by the local parties), a salary pot equivalent to 448 öre per hour and employee and/or SEK 779 per month for full-time employees is to be created.

The salary pot is to be distributed in accordance with the salary principles contained in Section 4.1 of the food sector agreement and, where applicable, according to locally agreed salary systems and salary forms. The distribution of the salary pot is to be determined through negotiation between the local parties. If the local parties are unable to reach agreement, the local trade union may escalate the issue to a central negotiation. If agreement cannot be reached through a central negotiation, the matter can be solved by a salary committee. If agreement is not reached locally and the matter has not been escalated to a central negotiation, the employer's proposal is to be implemented, providing it fulfils the following conditions.

### **Minimum salary increase**

The new agreement introduces a rule that guarantees all employees in the agreement area a salary increase in connection with the salary review. The minimum increase corresponds to 30 per cent of the salary pot and means that every food worker who is covered by the salary review at the time of the review is to receive a minimum increase of 134 öre per hour and employee and/or SEK 233 per month for full-time employees as of 1 November 2020, (or a later salary adjustment date agreed by the local parties, but no later than 1 April 2021).

### **Allocation of the remaining pot**

The remaining 70 per cent of the salary pot is to be distributed through negotiations between the local parties in accordance with the salary principles in Section 4.1 and Appendix J of the food sector agreement. This means that 314 öre per hour and employee and/or SEK 546 per month for full-time employees is to be distributed in the salary review.

If the local parties are not able to reach agreement regarding the distribution of the remainder of the pot, each food worker is to be guaranteed, in addition to the guaranteed minimum increase, 40 per cent of the amount, which is equivalent to 125 öre per hour and employee and/or SEK 218 per month for full-time employees as of 1 November 2020, (or a later salary adjustment date agreed by the local parties, but no later than 1 April 2021).

### **Summary**

This provision means that if there is no local agreement on the allocation of the salary pot, the employer has the exclusive right to allocate 189 öre per hour and employee and/or SEK 328 per month for full-time employees as of 1 November 2020, or a later salary adjustment date agreed by the local parties, but no later than 1 April 2021. This is equivalent to around 42 per cent of the salary pot. The remaining 259 öre per hour and employee or SEK 451 per month for full-time employees is a general increase, (the same for all).

As usual, companies must always ensure that no employee is paid less than the agreement level salary (minimum salary) stipulated in the supplementary agreement for each sector. We recommend that you check which employees are due to reach one or two years' employment soon after the salary review and will therefore soon qualify for the one and two year salary levels included in the agreements. It is often a good idea to use the pot for this year's salary review to increase the salaries of these employees to the new minimum level, even if it is too early, as a later increase must be taken from a separate amount instead of from the salary review pot.

### **Differentiated pay and information about salaries**

The local parties are to negotiate the allocation of the salary pot in accordance with agreed salary principles and any locally agreed salary systems and salary forms. The salary principles state that salary is to be differentiated, meaning that there is no support in the agreement for any demand that all employees be given the same salary increase.

Many companies have routines for salary reviews and a well-functioning collaboration with the local representatives of Livs. The pay negotiations usually begin with the company submitting a

a proposal for new salaries to the local union representatives. Sometimes there are questions concerning which employees Livs negotiates for and what information the parties need to share with each other before a salary review. The Swedish Labour Court has made it very clear that the trade union negotiates for its members and has the right to information about its members' salaries. In addition, Livs can of course be given written authorisation by other employees to be given information about their salaries.

After the conclusion of the negotiation, minutes of the negotiation are to be written. The employer should be responsible for writing these minutes.

### **Salary reviews with the white collar unions**

The agreements with Unionen and Sveriges Ingenjörer allow the local parties to agree on a date for salary adjustments, but if they are not able to reach agreement then salary adjustments are to take place on 1 November 2020. The agreement with Ledarna states that salaries are to be agreed at least once per year and that the date of the salary revision may vary from employee to employee.

The salary review process is described in the different salary agreements. The agreements assume that salary setting occurs locally at company level against the background of the company's financial situation, productivity development and the extent to which employees have reached agreed goals.

### **Unionen and Sveriges Ingenjörer**

New salary levels are to be determined through negotiations between the local parties. For Unionen and Sveriges Ingenjörer, however, if the local parties are unable to reach agreement, there is a safety net that gives a total salary increase of 2.8 per cent per member group as of 1 November 2020.

If the local parties do not reach an agreement for Unionen's members, the agreement contains an individual guarantee of an increase of at least SEK 485 per month. The minimum salary in the Unionen agreement is SEK 20 134 per month for full-time employees. For a member of Unionen with no work experience, a lower minimum salary can be paid for a maximum of twelve months. A lower minimum salary may also be applicable for reasons other than lack of work experience if a local agreement is reached.

### **Ledarna**

The agreement with Ledarna is a rolling agreement with no agreed salary increase levels. Salaries are to be set through direct individual dialogue with the salary-setting manager.



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