

SWEDEN

Items	Regulations in force on 1 January 2019
<p>1: Notification procedures in the case of individual dismissal of a worker with a regular contract</p>	<p>Personal grounds (circumstances related to the employee personally)</p> <p>Termination (uppsägning): Written notification to the employee personally (section 8 and 10 Employment Protection Act, EPA hereafter). The employer shall if requested state the reasons for termination in writing (section 9 EPA). If the employee is a member of a union the employer shall at the same time inform the local union the employee belongs to. The employee and the trade union are entitled to consultations if requested (Section 30 EPA).</p> <p>Dismissal (avsked): Written notification to the employee personally (section 19 and 20 EPA). The employee and the trade union are entitled to consultations if requested (section 30 EPA). The employer shall if requested state the reasons for the termination in writing (section 19 EPA).</p> <p>Redundancy (circumstances not related to the employee personally)</p> <p>Written notification to the employee personally (section 8 and 10 EPA). The employer is obligated to initiate negotiations with the trade union with collective agreement before making the final decision to terminate a contract of employment due to redundancy (section 29 EPA and section 11 Co-determination act) The employer shall provide the trade union with detailed information (section 15 Co-determination act).</p> <p>If a dispute arises concerning the validity of a notice of termination, the employment shall not terminate as a consequence of the notice prior to the final adjudication of the dispute. Nor may the employee be suspended from work as a consequence of the circumstances that caused the notice to be given, in the absence of special reasons for such. The employee shall be entitled to pay and other benefits under Sections 12 - 14 for the duration of the employment. Pending final adjudication of the dispute, a court may rule that employment will terminate at the expiration of the period of notice, or at a later time determined by the court, or that a current suspension shall be discontinued (section 34 EPA).</p> <p>As of a certain number of dismissals (see Item 18): see item 19.</p>
<p>2: Delay involved before notice can start</p>	<p>Personal grounds (circumstances related to the employee personally, except gross misconduct)</p> <p>Notification of the termination must be given at least 14 days before the notice is meant to start. The employee and the trade union are entitled to consultations if requested. If consultations are requested the employer may not execute the termination before the consultations are finished (section 30 EPA).</p> <p>Gross misconduct</p> <p>Summary dismissal (see Item 5): Notification of the termination must be given at least seven days before the notice is meant to start. The employee and the trade union are entitled to consultations if requested. If consultations are requested the employer may not execute the dismissal before the consultations are finished (section 30 EPA).</p> <p>Redundancy (circumstances not related to the employee personally)</p> <p>Redundancy: The employer is obligated to initiate negotiations with the relevant trade union before notice can be served. And notification cannot be served before negotiations are finished (Section 29 EPA and section 11 Co-determination act).</p> <p>Notice of termination shall be deemed effective when received by the employee. Where the employee cannot be reached and notice of termination has been dispatched by letter, notice of termination shall be deemed effective 10 days after the letter was submitted to the post office for delivery (section 10 EPA).</p> <p>Note: It is in both cases difficult to exactly estimate the time used for negotiations. Estimated at 7 days on average.</p> <p>Calculation (for EPL indicators): average of terminations on personal grounds $((1+10)/2$ for letter + $7/2$ days for consultation if requested + 14 days waiting period=23) and redundancy $(1+10)/2+7$ days for negotiation = 12.5 days)</p> <p>As of a certain number of dismissals (see Item 18): 45.5 days (=10 days consultation + $(1+10)/2$ notification + 4 months mean waiting period – 3 months mean notice (item 3), see Item 20)</p>

3: Length of notice period at different tenure durations (a)	<p>Termination</p> <p>According to section 11 EPA.</p> <p>1m<2y; 2m<4y; 3m<6y; 4m<8y; 5m<10y; 6m>10y.</p> <p>Deviation is possible by collective agreement. Major private sector collective agreements for white collars grant about 12 months of notice period for workers aged 55 or more</p> <p>Dismissal due to gross misconduct: No notice period.</p>
4: Severance pay at different tenure durations (a)	<p>No legal entitlement, but often included in collective agreements, although in the form of fee-based insurance schemes, with employers' contributions payable as a percentage of payroll.</p>
5: Definition of unfair dismissal (b)	<p>Termination of contract of employment:</p> <p>A termination is unfair if it lacks "objective reasons". The objective reasons are either circumstances related to the employee personally ("personal reasons") or shortage of work (redundancy) (section 7 EPA). The personal reasons may include lack of competence, misconduct, co-operation problems, harassment, refusal to work, criminal offences etc. Sickness or reduced working capacity due to old age is not considered as an objective reason unless there is a "permanent reduction, which is so considerable that the employee can no more be expected to perform work of any significance for the employer." In the case of lesser capability because of (e.g.) age, disease, etc., the employer has to try to adjust the workplace, rehabilitate the employee or transfer the employee to other suitable work. The termination based on circumstances related to the employee personally may not be based solely on circumstances that were known to the employer more than two months before.</p> <p>Redundancy as an objective reason includes restructuring etc. The employer decides on which workforce is needed and does not have to prove that the dismissal was essential, or other operational needs. Employees shall have rights of priority for re-employment in the business in which they were previously employed. The right to priority, however, shall be contingent upon the employee having been employed by the employer for a total of more than twelve months during the last three years, provided the employee is sufficiently qualified for the new employment. The right to priority shall apply from time of the notice of termination, and thereafter until nine months from the date that the employment ceased (section 25 EPA). The employer should select the employees to be dismissed based on tenure ("Last-in-First-out" rule) (section 22 EPA), but most sectoral collective agreements provide exemptions to this rule.</p> <p>A termination of a contract of employment is also unfair if it is reasonable to require that the employee provides other work for the employer (section 7 (2) EPA).</p> <p>Summary dismissal:</p> <p>The employer is entitled to dismiss the employee if he has grossly neglected his or her obligations against the employer. If not, the dismissal is unfair. Dismissal may not be based solely on circumstances that were known to the employer more than two months before (Section 18 EPA).</p>
6: Length of trial period (c)	<p>A probationary period up to six months is allowed (section 6) and which the employer and the employee may terminate the contract without providing any specific reasons. After six months the probationary employment contract is transformed into a regular contract of indefinite duration (section 6 EPA). The employer shall notify the employee and, if applicable, the relevant trade union two weeks in advance if he/she wishes to terminate the contract prior to six months (section 31 EPA).</p>
7: Compensation following unfair dismissal (d)	<p>An employee who is victim of an unfair dismissal/termination is entitled to economic and punitive damages (section 38) EPA. The economic damages shall cover economic losses suffered by the employee (normally wage losses), and cannot exceed the amount mentioned in the next paragraph. The punitive damages are a form of sanction for the breach of the employment protection act. There is a lack of reliable statistics on the average amount of punitive damages awarded to the employees for an unfair dismissal or termination. The amount awarded to the employee is dependent on the factual circumstances of the individual case.</p> <p>If the employer after a court procedure refuses comply with a court order that termination or dismissal is invalid the employer shall pay damages to the employee: 16 months' pay for less than five years of employment; 24 months' pay for at least five years but less than ten years of employment; 32 months' pay for ten or more years of employment (Sec 39 EPA).</p>

<p>8: Reinstatement option for the employee following unfair dismissal (b)</p>	<p>The employee may apply for an invalidation of a termination /dismissal. If the court grants such an application, the employee may be reinstated (sections 34 and 35 EPA). An employee wishing to make an application for invalidation needs to notify the employer within two weeks or, under specific circumstances, one month after the employment contract was terminated (section 40 EPA).</p> <p>If the employer refuses to comply with a court order that termination or dismissal is invalid the employer shall pay damages to the employee: 16 months' pay for less than five years of employment; 24 months' pay for at least five years but less than ten years of employment; 32 months' pay for ten or more years of employment.</p>
<p>9: Maximum time period after dismissal up to which an unfair dismissal claim can be made (e)</p>	<p>2 weeks if the employee wants to have the dismissal ruled invalid. If only damages are claimed, the time limit is 4 months (Sections 40 and 41, EPA).</p> <p>Calculation (for EPL indicators): 4 months</p>
<p>10: Valid cases for use of standard fixed term contracts</p>	<p>FTC permitted in the following cases (section 5, EPA)</p> <ol style="list-style-type: none"> (1) for general fixed-term employment (ALVA) (2) for temporary replacement of absent employees;(vikariat) (3) seasonal work; (säsonganställning) (4) personnel above 67 years of age. (efter pension) (5) probationary employment contract (maximum six months) (provanställning). <p>In addition, it is possible to have other rules on FTC in collective agreements.</p> <p>If an employee during a period of five years has been employed with the employer on either a general fixed term contract for in aggregate more than two years, or as a substitute for in aggregate more than two years, the employment is transformed into indefinite-term employment. A probationary contract is transformed into a regular contract of employment after a period of six months.</p>
<p>11: Maximum number of successive standard FTCs (initial contract plus renewals and/or prolongations)</p>	<p>No limit</p>
<p>12: Maximum cumulated duration of successive standard FTCs</p>	<p>If an employee during a period of five years has been employed with the employer on either a general fixed term contract for in aggregate more than two years, or as a substitute for in aggregate more than two years, the employment is transformed into indefinite-term employment. It is possible combine different forms of FTCs, mentioned in item 10, and there is at the moment no fixed maximum limit to time period for the duration of successive FTCs of different type / for different reason. However an abusive use of FTC may be considered as not compatible with the Employment Protection Act.</p>
<p>13: Types of work for which temporary work agency (TWA) employment is legal</p>	<p>TWA employment is generally allowed in all sectors of the labor market.</p> <p>The user undertaking has an obligation to consult the relevant trade unions before the use of a TWA employment. The trade union with collective agreement has the opportunity to veto the use of TWA employment if there is a threat that laws and collective agreements may be violated. (section 38-39 Co-determination act).</p>
<p>14: Are there restrictions on the number of renewals and/or prolongations of TWA assignments? (f)</p>	<p>No for assignments</p> <p>Yes for contracts, as stipulated by collective agreements</p>
<p>15: Maximum cumulated duration of TWA assignments (f)</p>	<p>No limit for assignments</p> <p>No specific rules for TWA contracts. Contracts are often open-ended. If an agency worker is employed with an FTC, the same rules as mentioned above are applied.</p> <p>The collective agreement for blue-collar workers limits duration of fixed-term contracts between the agency and the worker to 12 months.</p>
<p>16: Does the set-up of a TWA require authorisation or reporting obligations?</p>	<p>There is a voluntary authorisation system which is administered by the social partners. Sweden's peculiar institutional and market-specific setting makes authorisation a nearly indispensable feature of TWA operations. The voluntary authorisation process involves both authorisation and periodic reporting to the authorisation board.</p>

<p>17: Do regulations ensure equal treatment of regular workers and agency workers at the user firm?</p>	<p>The law on Agency Work implements the European Directive 2008/104/ on temporary agency work and is applicable to workers with a contract of employment or employment relationship with a temporary-work agency who are assigned to user undertakings to work temporarily under their supervision and direction. The law states, for instance, that the basic working and employment conditions of temporary agency workers shall be, for the duration of their assignment at a user undertaking, at least those that would apply if they had been recruited directly by that undertaking to occupy the same job. The norms that the comparison shall have reference to are conditions that are general and binding, such as norms in collective agreements. Exception from the principle of equal treatment can be made through collective agreements as long as the basic protection in the EU directive on temporary work is respected. Exception from the principle of equal treatment when it comes to salary can also be made for temporary agency workers who have an open ended work contract and who receive pay between the assignments.</p>
<p>18: Definition of collective dismissal (b)</p>	<p>There is no specific definition of collective dismissals. It is one type of termination of employment contracts due to "shortage of work" (redundancy/arbetsbrist). There are however specific obligations that apply for the simultaneous dismissal of 5 workers or dismissal of twenty workers within 90 days (Act on Certain Employment Promoting Measures – Lag om vissa anställningsfrämjande åtgärder – SFS 1974:13 – Art. 1). Regardless of the number employees made redundant there is an obligation to inform and consult trade unions for firms covered by collective agreements (11-15 §§ Co-determination act).</p>
<p>19: Additional notification requirements in cases of collective dismissal (g)</p>	<p>Notification of employee representatives: Duty to inform and consult with competent trade union. Notification of public authorities: Notification of Employment Agency. As for individual dismissals, if a dispute arises concerning the validity of a notice of termination, the employment shall not terminate as a consequence of the notice prior to the final adjudication of the dispute or an interim ruling by the court (section 34 EPA).</p>
<p>20: Additional delays involved in cases of collective dismissal (h)</p>	<p>Waiting periods after notification of Employment service are from 2 months (when 5-24 workers involved) to 6 months (when 100+ workers involved). These periods run concurrently with the notice periods issued to the employees. In addition, an employer who cannot foresee the need for a reduction of business, and therefore cannot leave notice at least 2, 4 or 6 months ahead, must notify the Employment Service as soon as possible, but at least one month before the reduction occurs. Calculation (for EPL indicators): 10 days for consultation + (1+10)/2 for notification + 4 months for mean waiting period – 3 months for mean notice - 12.5 days for delay before individual dismissal</p>
<p>21: Other special costs to employers in case of collective dismissals (i)</p>	<p>Type of negotiation required: Consultation on alternatives to redundancy, selection standards and ways to mitigate the effects; notice may not take effect before negotiation with trade union. According to the co-determination act (1976:580) sec 14 if the negotiations locally does not end in unity, the employer must negotiate also centrally, if asked for. Selection criteria: Usually based on seniority within a job category, but deviations by collective agreement are possible. Severance pay: No special regulations for collective dismissal.</p>
<p>22: The worker alone has the burden of proof when filing a complaint for unfair dismissal</p>	<p>No</p>
<p>23: Ex-ante validation of the dismissal limiting the scope of unfair dismissal complaints</p>	<p>If a dispute arises concerning the validity of a notice of termination, the employment shall not terminate as a consequence of the notice prior to the final adjudication of the dispute. Nor may the employee be suspended from work as a consequence of the circumstances that caused the notice to be given, in the absence of special reasons for such. The employee shall be entitled to pay and other benefits under Sections 12 - 14 for the duration of the employment. Pending final adjudication of the dispute, a court may rule that employment will terminate at the expiration of the period of notice, or at a later time determined by the court, or that a current suspension shall be discontinued (section 34 EPA).</p>
<p>24: Pre-termination resolution mechanisms granting unemployment benefits</p>	<p>Resignation or termination by mutual consent grant unemployment benefits, but if the reason is considered unacceptable, access to unemployment benefits could be suspended for up to 45 days. If the reason is considered acceptable, there would be no such suspension. Acceptable reasons could be e.g. health reasons, harassment/discrimination, non-payment of agreed salary.</p>

Legend: d: days; w: weeks; m: months; y: years. For example "1m < 3y" means "1 month of notice (or severance) pay is required when length of service is below 3 years".

Notes:

a) Three tenure durations (9 months, 4 years, 20 years). Case of a regular employee with tenure beyond any trial period, dismissed on personal grounds or economic redundancy, but without fault (where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years

old at the start of employment). Averages are taken where different situations apply – e.g. blue collar and white collar; dismissals for personal reasons and for redundancy.

b) Based also on case law, if court practice tends to be more (or less) restrictive than what specified in legislation.

c) Initial period within which regular contracts are not fully covered by employment protection provisions and unfair dismissal claims cannot usually be made.

d) Typical compensation at 20 years of tenure, including back pay and other compensation (e.g. for future lost earnings in lieu of reinstatement or psychological injury), but excluding ordinary severance pay and pay in lieu of notice. Where relevant, calculations of scores to compute OECD EPL indicators assume that the worker was 35 years old at the start of employment and that a court case takes 6 months on average. Description based also on case law.

e) Maximum time period after dismissal up to which an unfair dismissal claim can be made.

f) Description based on both regulations on number and duration of the contract(s) between the temporary work agency and the employee and regulations on the number and duration of the assignment(s) with the same user firm.

g) Notification requirements to works councils (or employee representatives), and to government authorities such as public employment offices. Only requirements on top of those requirements applying to individual redundancy dismissal count for the OECD EPL indicators Versions 1 to 3 (cf. Item 1).

h) Additional delays and notice periods in the case of collective dismissal (only delays on top of those required for individual dismissals – as reported in Items 2 and 3 – count for the OECD EPL indicators).

i) This refers to whether there are additional severance pay requirements and whether social compensation plans (detailing measures of reemployment, retraining, outplacement, etc.) are obligatory or common practice.