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Opinions on unions and work

The views on setting of wage rates and wage differences

The Swedish Trade Union Confederation

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Summary of the second report

As many as 81 per cent of all employees consider the wage gaps between different professions to be too big.

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The wage gaps are too big

As many as 81 per cent of all employees consider the wage gaps between different professions to be too big. Among members of LO (blue-collar workers) and TCO (white-collar workers) 85 and 83 per cent respectively consider the wage gaps to be too big, while only 64 per cent of the SACO members (academics) share this view. The view on this issue also differs between men and women. 84 per cent of the women but only 72 per cent of the men consider the wage gaps between different professions to be too big (see diagram 1).

However, *the employee's own wage* seems to have the strongest influence on the attitude towards wage differences between different professions. The number of employees, who think the wage gaps are too big, is less the higher the employee's own wage is. Among those with the highest wages, SEK 40 000 or more/month, 54 per cent consider the wage gaps to be too big and as many as 15 per cent consider the wage gaps to be too small. Besides, differences in women's and men's opinions regarding wage gaps seem to have less importance, the higher wage they themselves have.

These are some of the conclusions of the second part of the report series "Opinions on unions and work", which is dealing with views on wages, the setting of wage rates and wage gaps. More than 5 000 employees have answered questions regarding their views on wage gaps between women and

Diagram 1 Views on wage differences between different professions
Employees. In per cent

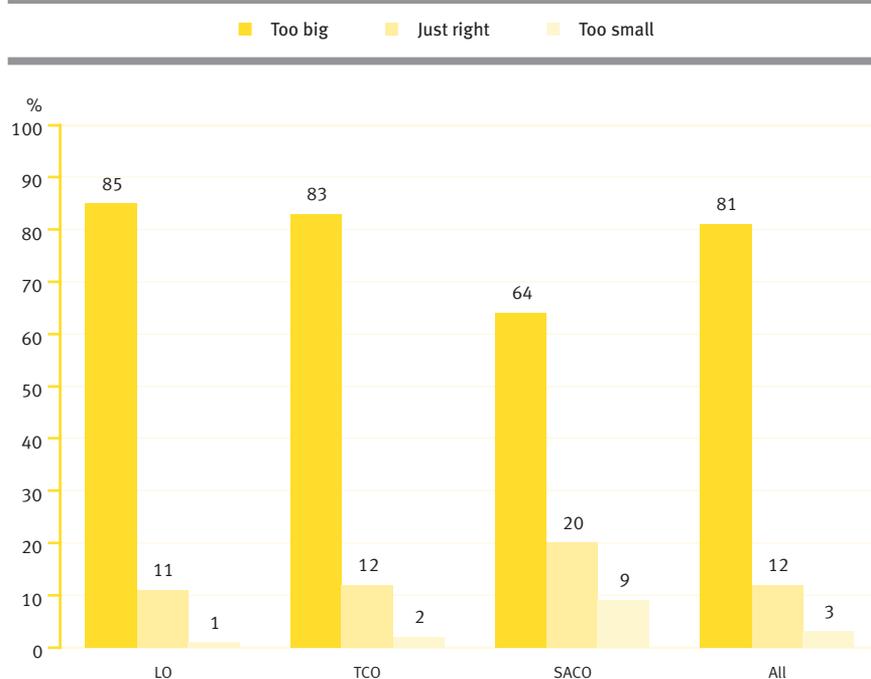
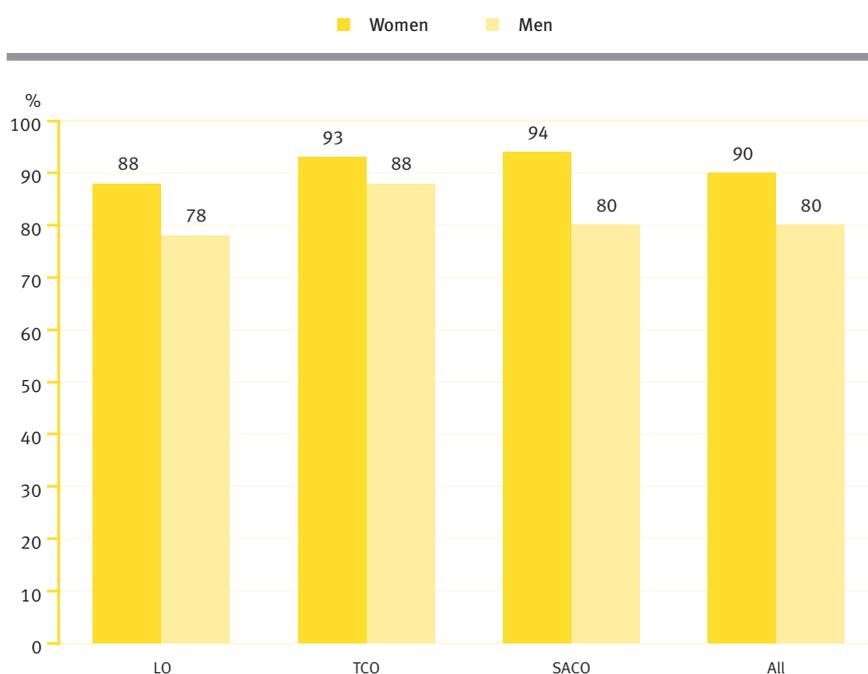


Diagram 2 Consider women's wages to be too low in comparison to men's wages
In per cent



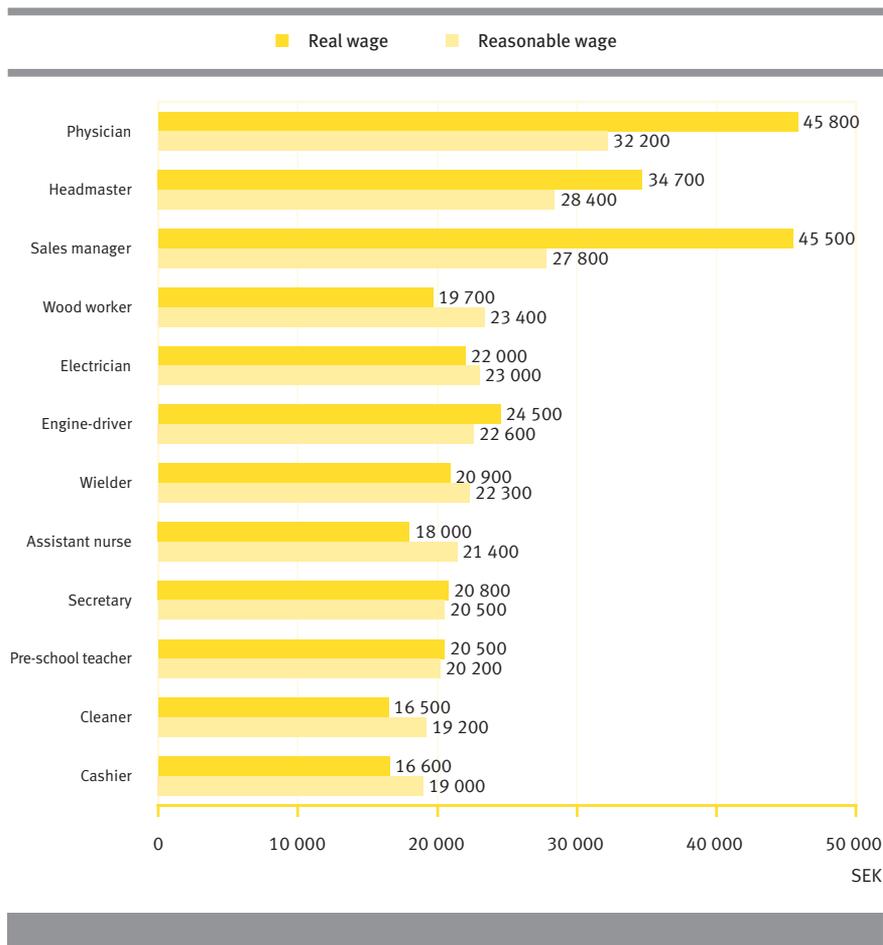
men and between different professions, reasonable wages for various professions, if well-paid employees are to shore up employees with low wages and which factors are considered to be important for the size of the wage.

Women's wages are too low

The average wage for women was SEK 21 400/month and SEK 25 900/month for men in 2005. Men's wages were thus 20 per cent higher. 86 per cent of the wage earners consider that this gap is too big and that women have too low wages compared to men. 9 per cent consider the wages, on the whole, to be just while 0 per cent considers men's wages to be too low in comparison to women's wages.

A clear majority, women as well as men, considers women's wages to be too low. However, this figure is higher among women, 90 per cent, compared to men, 80 per cent (see diagram 2). Even young people consider, to a less degree, that women have too low wages.

Diagram 3 What is the real wage and what is considered a reasonable monthly wage for different professions All employees

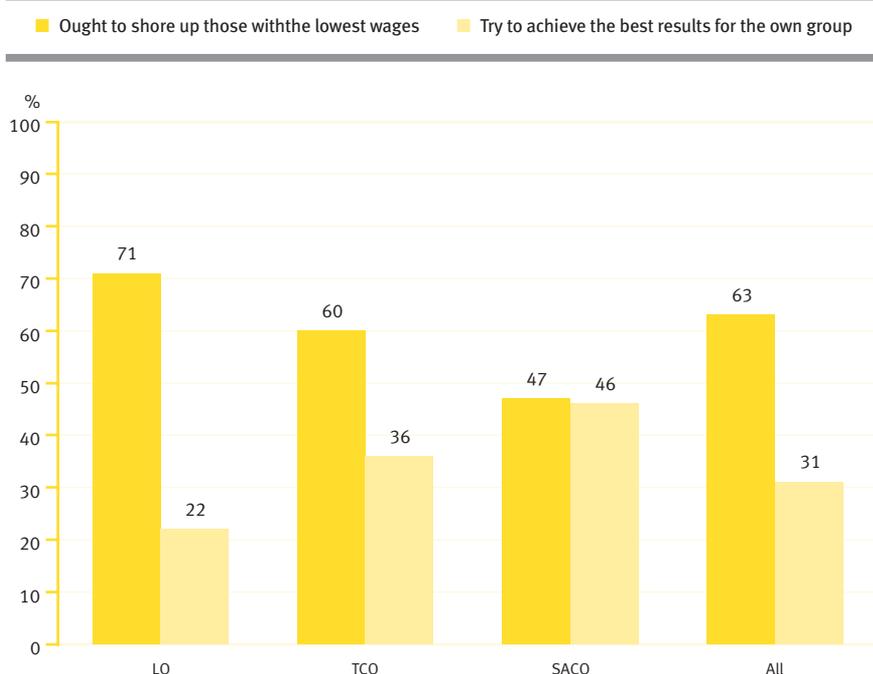


What is considered to be a reasonable wage

It is considered that physicians, sales managers and headmasters shall have the highest reasonable wages. The highest wage of SEK 32 200 is ascribed to physicians. The lowest wages, which are considered reasonable, are ascribed to cleaners and cashiers with some SEK 19 000/month (see diagram 3).

The actual wages for twelve professions singled out differ, in some cases essentially, from what the wage earners consider to be reasonable wages. Physicians and sales managers have the outstandingly highest real wages with over SEK 45 000 per month. This is 42 per cent and 64 per cent higher than what is considered as reasonable wages. Cleaners and cashiers have the lowest real wages with SEK 16 500 per month, which is noticeably less than what is considered as a reasonable wage.

Diagram 4 Shore up wage-earners with low wages or look after the own group's interests? All employees. In per cent



Shore up those with low wages or look after the own group

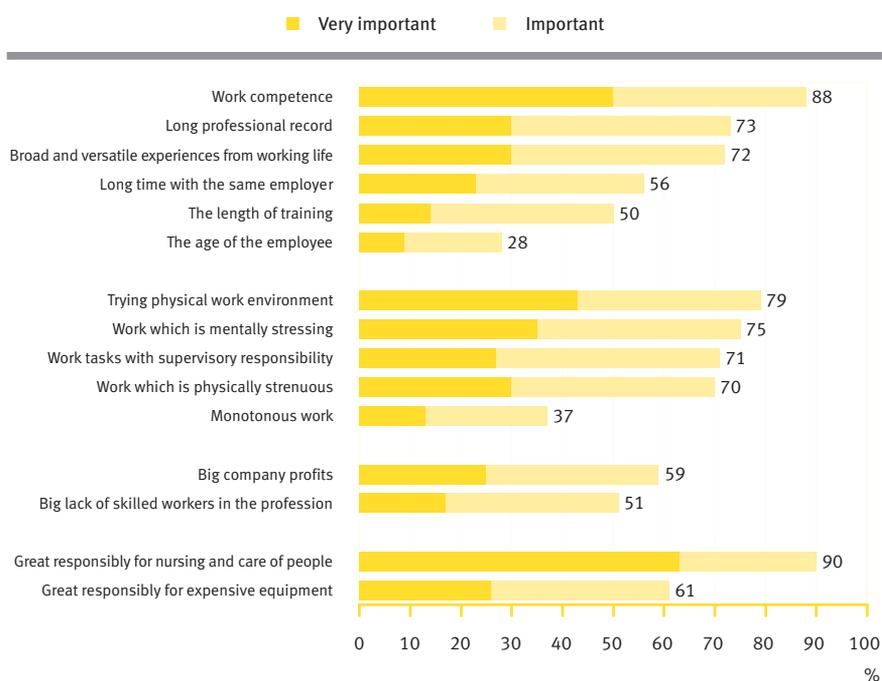
In order to ascertain the support of the LO wage policy of solidarity, the inquiry includes a question whether well-paid employees shall shore up those with low wages or each group only shall try to achieve the highest wages for the own group. The outcome is that a pronounced majority thinks that well-paid employees should shore up those with the lowest wages. 71 per cent of the LO members back up this idea. But also a majority, 60 per cent of the TCO members, as well as 47 per cent of the SACO members, are of the same opinion (see diagram 4).

However, the number of employees who consider that each group only shall try to achieve the best outcome for the own group is not negligible. Among the LO members, 22 per cent, as well as 36 per cent and 46 per cent respectively among the TCO and SACO members, are of that opinion.

The higher the own wage is, the smaller the number of employees, who consider the well-paid are to shore up those with low wages.

Diagram 5 Factors important for the wage size

LO members. In per cent



The view on the setting of wage rates – which factors are important for the wage size

The wage is set in negotiations and agreements between the union and the employer. The role of the union is to negotiate as satisfactory wages as possible for all members while employers often want to pay some employees more and others less. This inquiry examines which factors the employees themselves consider to be important for the size of the wage.

As regards personal qualities, almost all employees consider work competence to be decisive of the wage size. Over 90 per cent of the LO as well as TCO and SACO members, approve of this. Long professional record and wide work life experiences are also considered to be important by most of the inquired employees while age seems to be of less importance (see diagram 5).

As regards the degree of difficulty of the work, 80 per cent of the LO members consider strained physical working environment and work which is mentally trying to be important for the wage size. Most TCO and SACO members are of the same opinion but consider, to a greater extent, work tasks with supervisory responsibility to be important.

Almost everybody, 90 per cent, consider responsibility *for nursing and care* to be important for the wage size, while some 50 per cent consider responsibility for expensive equipment to be important.

The view on setting of wage rates and wage gaps

The second part of the series “Opinions on unions and work” deals with the views on wages, setting of wage rates and wage gaps. The report contains answers to questions such as reasonable wages for different professions, wage differences between different professions, wage gaps between women and men, if well-paid employees are to shore up employees with low wages, wage policy of solidarity and which factors are important for the wage size.

In order to improve and develop the trade union activities, it is important to know the employees’ opinions on different issues as well as the actual situation. In order to find out, the inquiry “Opinions on unions and work” was carried out during 2006. More than 8 000 employees from all over the country were interviewed. This is the fifth time this inquiry is carried out since 1988. This report is the second in a series of seven, which reflects the employees’ approaches to certain issues as well as the views on work conditions.

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