



# Opinions on Unions and Work

*Views on wages and wage differences*



## Summary of the first report

### Views on wages and wage differences

- A clear majority of all employees – 76 per cent - are of the opinion that the wage differences between different occupations are too big.
- An even larger majority – 83 per cent – are of the opinion that women’s wages are too low as compared to those of men.
- A less significant majority – 54 per cent – consider that those well-paid should shore up low-income earners. However, 37 per cent consider the own group to be of primary importance.
- 22,800 SEK / month is considered to be a reasonable salary for a cashier and 39,000 SEK / month for a medical doctor. This might seem to be quite a big difference but in reality the difference is far bigger than that. And looking at managing directors, the difference between reasonable salary and actual salary appears to be inconceivable.

These are some of the findings of the first part in the set of reports “Opinions on unions and work 2011” based on the replies provided by 4,500 employees to questions concerning their views on wages and wage differences.

#### What is considered to be a reasonable pay

The pay gap between blue-collar workers and white-collar workers has increased considerably over the recent years and the average pay is now approximately 10,000 SEK more for white-collar workers than for blue-collar workers. The question is whether this is a reasonable difference. In order to find out the answer, four questions concerning views on wages and wages differences were put in the survey. The first one concerned what can be considered to be reasonable pay for 10 different occupations – four blue-collar occupations, five white-collar ones as well as managing directors (diagramme 2.1 and table 1).

#### 50 per cent - a reasonable difference between the medical doctor and the industrial worker

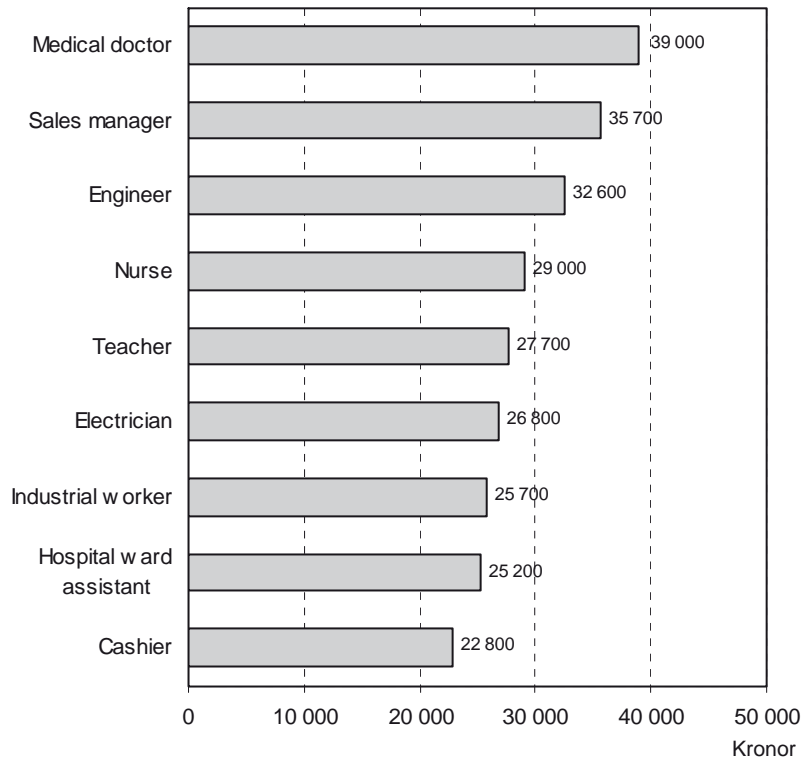
22,800 SEK a month is considered to be a reasonable salary for a cashier and 25,700 SEK for an industrial worker. Reasonable salary for a teacher is considered to be somewhat higher, 27,700 SEK and for a medical doctor - 39,000.

Consequently, what is considered to be reasonable pay for white-collar professions is higher than that for blue-collar professions. The difference in reasonable pay between for instance the medical doctor and the industrial worker is slightly over 50 per cent.

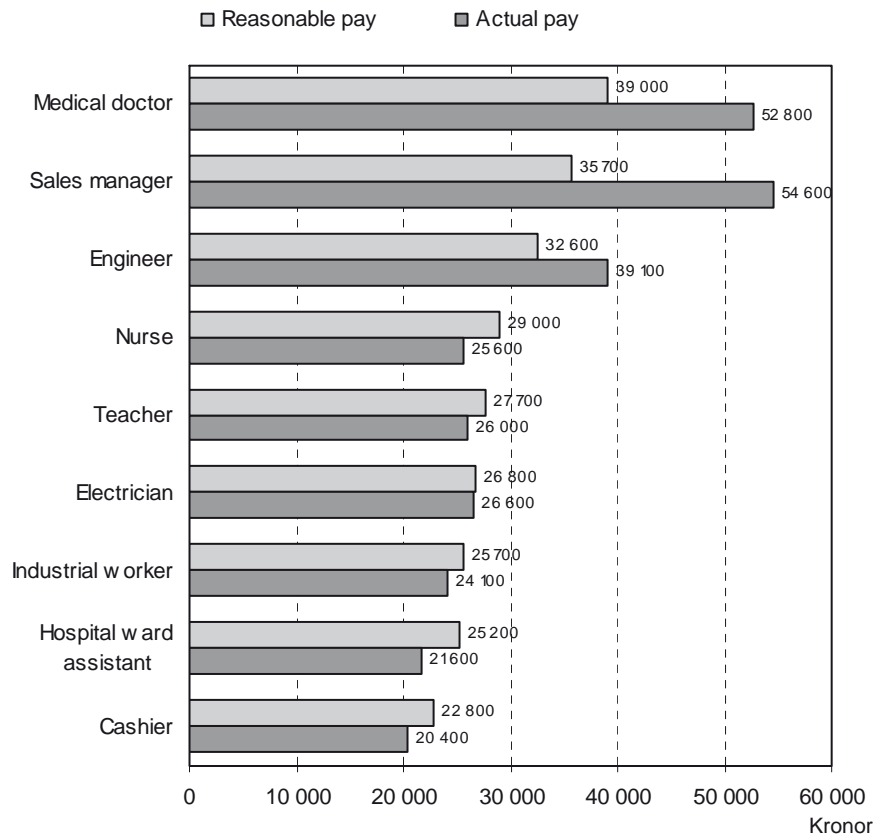
**Table 1. Reasonable pay and actual pay**  
All employees 2010

	Reasonable pay	Actual pay
Cashier	22 800	20 400
Hospital ward assistant	25 200	21 600
Industrial worker	25 700	24 100
Electrician	26 800	26 600
Teacher	27 700	26 000
Nurse	29 000	25 600
Engineer	32 600	39 100
Sales manager	35 700	54 600
Medical doctor	39 000	52 800
Director in large company	97 000	969 500

**Diagramme 2.1 Reasonable pay. All employees**



**Diagramme 2.8 Reasonable pay and actual pay. All employees**



### Actual difference - 100 per cent

The actual pay for the ten occupations shows that the pay gap is considerably higher in reality than what is considered to be reasonable. For example, the actual salary of a medical doctor is 52,800 SEK and that of an industrial worker 24,100 SEK which corresponds to a difference of more than 100 per cent to the advantage of the doctor (diagramme 2.8).

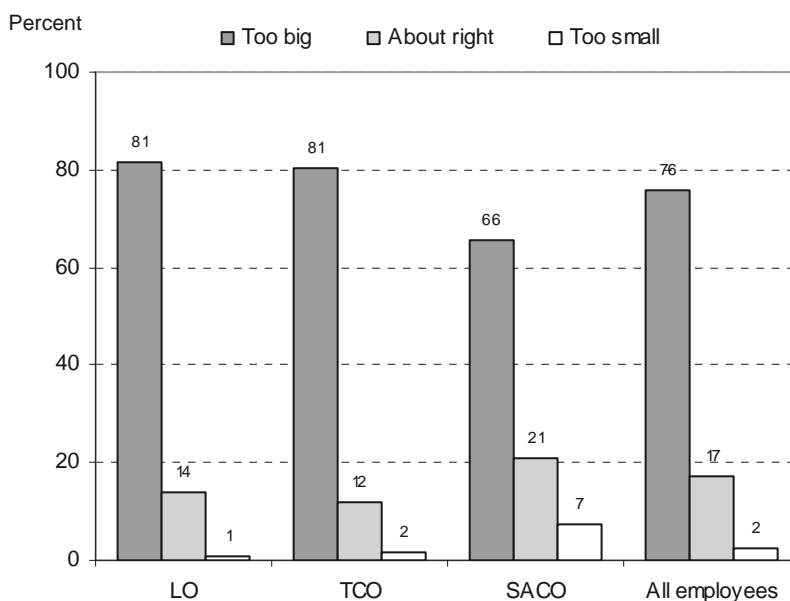
### Directors' salaries – facts exceed fiction

Wage differences between blue-collar and white-collar workers however appear minor when compared with managing directors (in large companies). It is true that employees consider that a reasonable salary for a managing director of a large company should be over 100,000 SEK, i.e. nearly four times higher than the wages of an industrial worker. But indeed facts exceed fiction – the actual salary of a managing director in a large company is nearly one million kronor – a month. This corresponds to the wages of 40 industrial workers.

### Views on wage differences between different occupational groups

Over 76 per cent of all employees consider that pay differences between different occupations are too high, 17 per cent consider that they are about right and 2 per cent consider that they are too low. Among LO and TCO members, 81 per cent consider the wage differences to be too high, whereas 66 per cent out of the members of Saco are of the same opinion. Women, to a higher extent than men, consider wage differences to be too large. 82 per cent out of all women are of that opinion, compared to 69 per cent of men (diagramme 3.1).

**Diagramme 3.1 Views on wage differences between different occupational groups**



### One's own pay level decisive

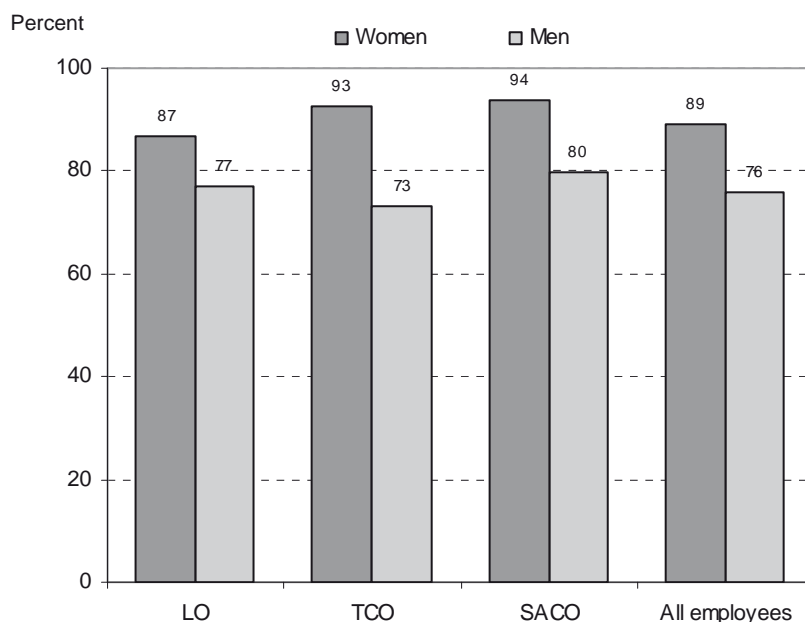
One's own pay level seems to be the most important underlying factor to determine the opinion on wage differences between different occupational groups. The higher one's own wages, the lower the number of those who consider that the wage differences are too high. Out of those with the highest wages – over 50,001 SEK – 52 per cent consider that wage differences are too high, whereas 31 per cent are of the opinion that they are about right.

### Views on the pay gap between women and men

The average monthly pay of women is nearly 5,000 SEK lower than that of men. A large majority of employees – 83 per cent – consider this to be wrong and that women's wages, compared to those of men, are too low.

Among LO members, 81 per cent consider that women's wages are too low, whereas 86 per cent of TCO members and 88 per cent of Saco members are of the same opinion. The share of LO women is the lowest, despite the fact that it is LO women who have the lowest wages. The explanation is that young people within the LO, to a lesser extent than elderly people, consider that women's wages are too low. 70 per cent out of LO members in the age group 18-24 are of this opinion, compared to 86 per cent in the age group 50-64 years.

**Diagramme 4.1 Consider that women's wages are too low as compared to those of men**



### Solidarity with low income earners or self-interest

In order to map out the support for the wage policy of solidarity pursued by LO, the survey included the following question: *Do you think that well-paid groups should support low income earners or should each group merely seek the best result for the own group?*

According to the findings, a majority considers that those with well-paid jobs should shore up those with low wages. 60 per cent out of LO members, 56 per cent of TCO members and 53 per cent of Saco members are of this opinion.

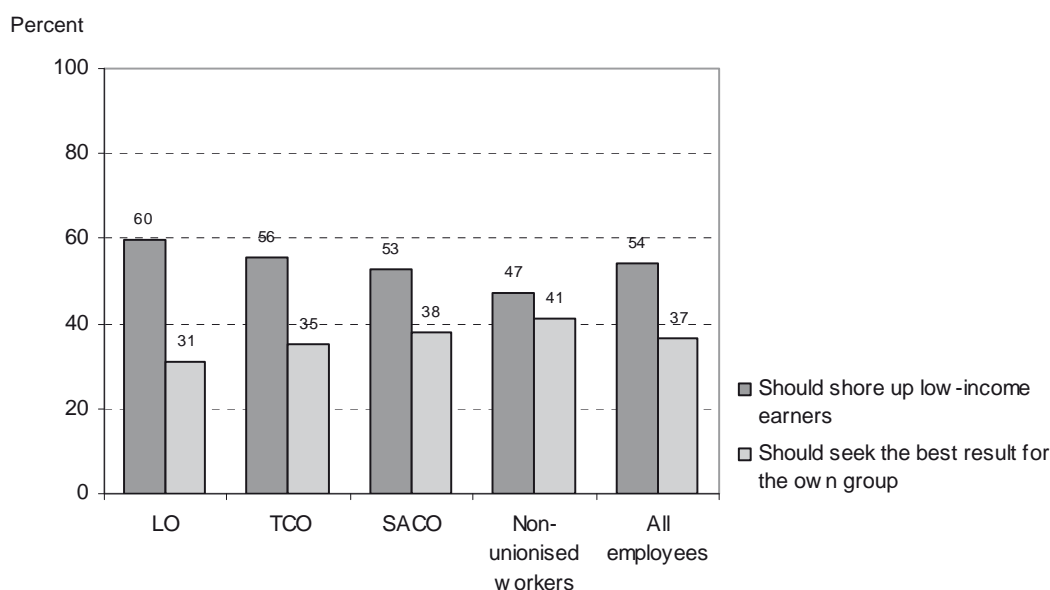
The percentage of those who consider that each group should only try to achieve the best result for the own group is however not ignorable. This even applies to LO members, 31 per cent out of whom appear to be sceptical of the wage policy of solidarity, as are 35 per cent of TCO members and 38 per cent of Saco members (diagramme 5.1).

### Decreasing solidarity with low-income earners

In the light of above, the differences between the viewpoints of LO, TCO and Saco members are relatively small in this issue. The differences have been bigger in previous surveys, since the percentage of LO and TCO members, who consider that those well-paid should shore up those with low wages, has been considerably higher. Among LO members this percentage was at its highest – 85 per cent – in 1993. Among Saco members, solidarity with low-income earners has increased to some extent during the recent years.

The decrease among LO members probably reflects a growing dissatisfaction with the fact that, year after year, white-collar workers' wages increase more than those of blue-collar workers and that the wage gap steadily broadens. An increasing number of workers probably find that they now want to make efforts in favour of the own group, in order to compensate for some of white-collar workers' growing advantage.

**Diagramme 5.1 Shore up low-income earners or best result for the own group**



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