

Work in Sweden 1974–2010

Work-life inequality at the intersection of class and gender

Abstract

This article traces work-life evolution in Sweden during recent decades against the backdrop of long-run structural change tied to class and gender. We examine the development of four key labor market features: (a) occupational sex segregation, (b) gender gaps in job quality, (c) skill upgrading and mismatch, and (d) youth employment. While occupational and educational upgrading is beneficial for most people, some groups face waning work-life prospects. Maintaining social inclusion is the great challenge for the future.

Keywords: work, class, gender

Long-run change in working life: A tale of two trends

Two secular trends tied to social class and gender are driving the development of labor markets in economically advanced countries: on the job side, a rise in skill requirements (class) and a shift from manufacturing to service (gender); on the individual side, educational expansion (class) and rising female labor force participation (gender). These trends are highly consequential for the nature of job tasks and for work-life inequality.¹

Rising skill requirements are beneficial in many ways, but might at the same time spell trouble for youth, immigrants and the low-educated. The rise of services might also have positive consequences, although more uncertain than those tied to job upgrading; possible advantages are likely greater for women than for men due to a gendered patterning of the job structure, with manufacturing dominated by males and service work by females.

These structural changes are of course not limited to Sweden. Similar trends are unfolding in many other economically advanced countries, albeit with different pace and emphasis depending on specific institutional traits. Sweden, as well as its Nordic neighbors, has a higher average skill level of jobs than most other countries in Europe.

1 On the links between class and skill, see le Grand & Tåhlin (2013). Another important trend in Sweden and many other western countries is a rising immigrant share in the population. Temporary frictions aside, however, and in contrast to class and gender, individuals' migration background is not systematically related to the structure of jobs and labor markets.

The service sector, especially welfare services, is also relatively large in Sweden. In other respects, working conditions in Sweden are not much different from those in comparable countries, e.g. concerning physical demands and work intensity.²

The empirical analyses in this article are based on data from the *Swedish Level of Living Surveys* (LNU), carried out six times since 1968; the results reported below cover the period from 1974 to 2010.

Empirical findings

Upgraded class structure, declining sex segregation

The labor market's job structure has changed considerably between the 1970s and 2010 concerning both social class and gender. Differences in class position between women and men have clearly diminished, although there is still a gender gap in authority (managerial jobs). While the degree of occupational sex segregation is still high, it has fallen markedly in recent decades, partly due to the long-term upgrading of the class structure. Professional jobs not only have relatively good working conditions, but also a fairly equal sex composition. As the professional share of all jobs grows, overall occupational sex segregation in the labor market thus tends to fall. However, another consequence of upgrading is a stagnation of the gender wage gap: wage differences between women and men tend to be larger at higher than at lower class levels (for Sweden, see e.g. Boye et al. 2017).

Improving job quality – but rising job strain

Educational requirements of jobs have increased among both women and men. The trend is significantly stronger for women, who (on average) passed men in the skill hierarchy between 2000 and 2010. This labor market shift reflects the reversal of the sex gap in education that occurred in many countries around the turn of the century. Physical job demands, in contrast, have not changed much; hardly at all among men and rising slightly among women, with no sex difference remaining. The largest male-female difference in job quality is in job strain (the combination of high mental demands and limited autonomy; see Karasek & Theorell 1990). Job strain has increased considerably over the period, especially among women. This is partly a consequence of service sector expansion, but most of the rise in strain has taken place within jobs, primarily in welfare services such as care work and education.

Educational requirements, physical demands and job strain can be combined into an overall measure of job quality. By this measure, women's conditions have improved slightly and men's marginally since the 1970s. In 2010, the gender gap in general job quality was very small.

2 Source: Data from the European Social Survey and Eurofound, the latter reported in Green et al. (2013).

Rising over-education

An important aspect of people's working life is how well the individual's education is matched with the skill requirements of her/his job. This match is important since the association between years of education and earnings is strongly dependent on the length of education required for the job. Education corresponding to the job's requirements has much larger economic returns than education that exceeds the job requirements (for Sweden, see e.g. Korpi & Tählin 2009).

In Sweden, as in many other countries, individuals' education is clearly longer than the educational requirements of the job that individuals hold. This imbalance has increased over time. In the mid-1970s, a large majority of all employees were matched in terms of length of education. Since then, their share has continuously decreased and in 2010, it comprised only about four out of ten employees. This decline corresponds to a sharp rise in the proportion of over-educated, which in 2010 was more than half of all employees. The under-educated (i.e., less schooling than required for the job) have accounted for approximately one tenth of all wage earners throughout this period, with a slowly falling trend.

A common notion is that the character of the job has become more dependent on the characteristics of the person who holds the job. However, contrary to what could be expected if work requirements had become more difficult to define and more flexible, the economic importance of a good match between the workers' education and the requirements of her/his job, as reflected in the difference in wage premium between those with a matched education and those being over-educated, has grown in recent decades. Thus, the increase in the number of over-educated seems to be a real problem.

Youth employment decline

An important consequence of over-education is that it may raise hurdles to work-life entry. If highly educated individuals find it harder to get skilled jobs, they will look further down in the job hierarchy and compete with lower educated individuals. Such a downward movement ('bumping down') may lead to low-skilled individuals – as well as workers with limited experience, such as young people and newly arrived immigrants – becoming unemployed.

Young people have met with increased problems to establish themselves in the labor market. This trend started already in the 1980s but gathered speed after the economic crisis in Sweden during the first half of the 1990s, and has continued thereafter. The proportion of young people who neither work nor study (NEETs; Not in Employment, Education or Training) has clearly increased, while the share of students has increased even more. However, for many young people, to study is a second-best option: if the sharp increase in the proportion of students mainly reflected young people's free choice, youth wages would be expected to have risen, but have instead fallen. Thus, demand for young workers has likely decreased. An important reason for the increased difficulty of young people in the labour market is a shortage of entry-level jobs, i.e. jobs with low requirements for prior skill and experience. Although there are still many low-skill jobs, they are increasingly held by relatively well-educated persons unable to

get a job at their own skill level. Increased over-education is therefore likely to lead to more severe competition for low-skilled jobs.

Implications for the future

Occupational and educational upgrading in recent decades have increased human welfare in many ways. The positive results are distributed in a highly uneven way, however. While most people appear to benefit from new opportunities for a richer (in several senses) life, others have difficulties adapting to changing demands. If educational expansion and job upgrading continue to raise requirements for work-life participation, divergences in living conditions will likely keep increasing. Making working life larger and more inclusive – especially in its initial phase, i.e. for young people and the foreign-born – is a major challenge for the future.

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