Report from EMN Sweden 2013:1

Attracting highly qualified and qualified third-country nationals to Sweden
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Diarienummer: 11-2012-39362
Editor: Bernd Parusel • E-mail: bernd.parusel@migrationsverket.se
Graphic design: Idermark och Lagerwall Reklam AB, Annika Hector
Print: Elanders AB 2013
This publication can be downloaded from www.emnsweden.se
Disclaimer: This publication was produced by the Swedish National Contact Point of the European Migration Network (EMN) for public dissemination within Sweden and abroad. It is based on the Swedish contribution to the EMN focused study "Attracting Highly Qualified and Qualified Third-Country Nationals", which was carried out within the framework of the EMN work programme for 2013. The original contribution had the format of a detailed questionnaire. Since this was not considered to be user-friendly, and since several questions did not apply to the Swedish situation and therefore could not be answered appropriately, it was decided that a more reader-friendly format was to be developed, which only included aspects of relevance for the situation in Sweden. The original version of the Swedish contribution to the EMN study can be obtained from the Swedish National Contact Point of the EMN upon request.
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Summary

When the specifications and the common template for this study on “Attracting highly qualified and qualified third-country nationals” were discussed within the European Migration Network (EMN), it soon became clear that the Swedish system for labour immigration from third countries differs from the approach taken by many other EU Member States. Whereas there seems to be a tendency within the EU to apply selective policies on labour immigration from third countries, focusing on the attraction of highly qualified or qualified persons by implementing, for example, points-based systems, quotas for different groups, or systems based on the qualification of applicants or on analyses of labour market needs, the Swedish system does not foresee any quantitative or qualitative limits to the immigration of workers. The general approach is that labour immigration should be driven by the recruitment needs of employers – irrespective of whether they need highly qualified, qualified, low-skilled or unskilled workers. Thus, an adequate description and analysis of the Swedish system in a study focusing on the attraction of highly qualified and qualified workers only, has been a challenge, and it cannot be taken for granted that the Swedish approach can be discussed in such terms. On the other hand, it would also be wrong to state that the Swedish policy does not aim at attracting these groups at all. Given the fact that some employers of highly skilled workers, for example in the computing business, have experienced shortages of suitable staff, one aim of the current Swedish policy, which entered into force by the end of 2008, was to make it easier for these employers to recruit workers from abroad. The same is true, however, for employers experiencing shortages of unskilled or low-skilled labour, as for instance in the agricultural and berry-picking industries.

The Swedish policy can be summarized as follows: Since 2008, the country has been pursuing an open, liberal and demand-driven approach to immigration of third-country nationals for employment purposes. The previous agency-based labour market test was phased out, and the overall point of departure is now that the individual employer knows the recruitment needs of his or her business best. The possibility of employers to recruit foreign workers has been significantly facilitated; they can now recruit anyone, regardless of nationality or profession. As such, while the new Swedish system may be seen as aiming at attracting highly qualified and qualified migrants, it is also open to all other categories of workers. In parallel to this overall approach, Sweden also has comparatively generous immigration policies for some more specific groups of labour immigrants such as self-employed persons or researchers.

As the statistics section of this study shows, the adoption of the new approach to labour immigration has not resulted in any dramatic developments in terms of the numbers of third-country nationals that have been granted residence and work permits. Their number has increased over time, from 14,259 first-time permits in 2008 (under the old system), to 18,520 in 2012. Within this group, however, the share of third-country nationals employed in occupations that require a high level of qualifications, has increased from 15 per cent in 2009 to 26 per cent in 2012. Further to this, estimates from the European Labour Force survey also show that the number of highly qualified employees who are citizens of third countries has increased in the period 2008-2012. Thus, it can be concluded that the reform of 2008 has had a positive impact on the attraction of highly qualified and qualified third-country nationals, even if the policies and measures adopted do not focus on this group only.

So far, the Swedish system for labour immigration, still being relatively new, has not been analysed or evaluated to any greater extent. Two examples of analyses, however, from the OECD and the Confederation of Swedish Trade Unions, however, provide some evidence and analysis and are therefore mentioned in this study. The OECD comes to a very positive assessment, labeling the Swedish approach as the “most open labour migration system among OECD countries”. At the same time, the organization also identified some weaknesses of the system regarding a possible lack of post-arrival verification and control of wages and working conditions. It also raised concerns about the finding that a substantial share of entries of third-country nationals coming to Sweden within the labour immigration framework had found occupations in sectors in which there was no established shortage of domestic labour. Similar
concerns, mainly pertaining to a lack of control mechanisms and to the risk of exploitation of third-country national workers have also been raised by the Trade Union Confederation and in mass media.

Given the fact that the Swedish system has proved to be effective, flexible and open, and also that it most likely has contributed to the attraction of higher numbers of highly qualified and qualified third-country nationals, one conclusion that can be drawn from this study is that there seems to be good reason to maintain the Swedish approach to labour immigration while addressing the weaknesses and vulnerabilities that have been identified so far.
1 Introduction

Many EU Member States require skills, competences and knowledge that cannot immediately be met by the domestic workforce, nor generated quickly enough by changing the national education and training systems. Recruitment of workers from other Member States may also be difficult, because many are increasingly faced with an ageing and declining workforce. If the EU/EFTA Member States are to remain globally competitive, strategies are needed to address labour market demands and demographic developments, for instance by attracting workers from third countries.

The EU’s policy approach in the area of highly qualified and qualified migration, as defined by the “Europe 2020 Strategy”, underlines the need to make best use of the potential of migrants already legally residing in the EU while, at the same time, paving the way for new economic migration in additional sectors in which labour and skills shortages are emerging. The Strategy further highlights the need for focused efforts to attract highly skilled third-country nationals in the global competition for talent.

So far, the EU’s legal framework on legal migration from third countries provides for harmonisation of admission and migrants’ rights concerning long-term residents, family reunification, students, researchers and highly qualified workers (“Blue Card”), while Member States retain the right to decide on the numbers of migrants they admit for work. The Blue Card Directive, adopted in 2009, represented the first direct EU response to shortages of highly skilled workers. The object of the directive was to improve the EU’s ability to attract highly qualified workers from third countries, but also to limit brain drain. It was designed to facilitate the admission of these persons by harmonising entry and residence conditions throughout the EU and simplify admission procedures.

Possible revisions of the Directives on researchers and students could further facilitate admission, residence and intra-EU mobility of highly qualified and qualified workers for preserving the EU’s future innovation capacity and competitiveness. The Commission has stated, in the above-mentioned Europe 2020 Strategy, that greater mobility for students and researchers from third countries could also be a promising path towards catering for labour market needs in Europe if some students were to be able to work after completing their studies.

Against this policy background, and given the fact that the Member States of the EU have developed different strategies and policies to deal with labour-related immigration from third-countries, the European Migration Network (EMN) decided to carry out a focused study on “Attracting Highly Qualified and Qualified Third-country Nationals” in 2013. Every National Contact Point of the EMN contributes to this comparative project with a national report. The aim of the study is to outline policies and concrete practical measures in the Member States that aim to attract highly qualified and qualified third-country nationals. It also aims at identifying good practices from the various practical measures to attract labour migrants by drawing on national experiences and lessons learnt.


More specifically, the following objectives were set for this study:

- to provide an overview of national policies aimed at attracting highly qualified and qualified third-country nationals for the purpose of work;
- to outline concrete practical measures which are implemented to achieve the goals of the national policies (e.g. legislative changes, cooperation with institutions/organisations in third countries, information provision etc.);
- to investigate available evaluative evidence and inform practitioners, policy officers, decision makers and others about the effectiveness (or non-effectiveness) of different practical measures for attracting highly qualified and qualified third-country nationals where possible;
- to map labour migration agreements specifically targeting highly qualified and qualified third-country nationals and analysing their effectiveness, also in the framework of Mobility Partnerships, if relevant;
- to identify challenges or barriers that affect the attractiveness of an EU Member State for highly qualified and qualified third-country nationals’ immigration; and
- to draw conclusions on good practices and lessons learnt with regard to attracting highly qualified and qualified third-country nationals.

This study is the Swedish contribution to this comparative EMN project. To a certain degree, it builds on findings of previous EMN studies and reports, most notably the study on “Satisfying Labour Demand through Migration”, conducted in 2010, and “Immigration of International Students” (2012-2013), and the EMN Annual Policy Report. The study also takes into account reports and studies by other parties, such as the OECD and the Swedish Confederation of Trade Unions, and experiences made by the Swedish Migration Board, which is the responsible authority for processing applications for residence permits and asylum, among other duties, and which also serves as the Swedish National Contact Point of the EMN. The statistical data presented in this study has been retrieved from Eurostat and from the administrative database of the Swedish Migration Board.

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This section of the study reviews the national policies and measures that Sweden applies in order to attract highly qualified and qualified third-country nationals. Whereas sub-section 2.1 refers to overall principles and the general Swedish approach to labour immigration, sub-section 2.2 describes relevant aspects of the Swedish approach and concrete measures taken in more detail.

2. 1 Overall policy context and legal framework

Overall approach
In December 2008, new rules on labour immigration came into force in Sweden. Since then, Sweden has been pursuing a liberal and demand-driven approach to immigration of third-country nationals for employment purposes. The previous agency-based labour market test was phased out. The overall point of departure is now that the individual employer knows the recruitment needs of his or her business best. The possibility of employers to recruit foreign workers has been significantly facilitated. Provided that the working conditions are in line with Swedish collective agreements or established practice, employers can now recruit anyone, regardless of nationality or profession. The new rules are also family-friendly. Third-country national workers coming to Sweden in the framework of labour immigration may bring spouses, civil law partners and children below the age of 21. Family members will also be granted access to the labour market.

The entry-into-force of the new system for labour immigration in Sweden in 2008 meant a major shift. Previously, Sweden had a rather restrictive approach. Workers from third countries could only be hired when public authorities had examined the labour market situation for a particular occupational profile and when they had established that a concrete shortage actually existed. This arrangement was increasingly seen as bureaucratic, inflexible and slow, and over time, employers, political parties and other stakeholders exercised pressure for reform.

The new system has a completely different point of departure: Instead of entrusting public authorities with the task to identify labour shortages in specific sectors or regions, the employers themselves are now in the position to decide whether they need to recruit workers from abroad, and if so, from where. The main objective of this policy is that Sweden needs to have a labour immigration policy that can quickly respond to changing realities on the labour market and which allow employers to flexibly adjust their recruitment strategies to varying needs of their businesses. It was also established that the Swedish system should be open to labour immigrants of all skills levels, as neither employers nor government authorities can exactly predict in which professions, occupational groups, industry branches or geographical regions labour shortages may arise, and if so, to what extent. One underlying rationale is therefore that if, for example, a restaurant owner needs cooks and dishwashers and cannot find any, he shall be allowed to recruit them abroad – as shall be the IT business that needs computing professionals, or the mining company that needs specialized engineers.

Thus, the Swedish system is employer-led, and government interference is restricted to a minimum. However, employers are required to offer salaries and working conditions that comply with the levels under Swedish collective agreements or are in line with established practice within the occupation/sector in question. Trade unions are given an opportunity to express their views on the conditions of employment to ensure sound competition, protect employees and prevent wage dumping. The employer must also demonstrate to the Swedish Migration Board that the post has been advertised. The principle when recruiting new employees, the employer must make it possible for people residing in Sweden, other EU/EEA countries and Switzerland to apply for the position. The simplest way of doing this is by advertising the post with the Swedish Public Employment Service for ten days – it will then also be available within EURES (the European Job Mobility Portal).
ple of Community preference applies, meaning that a citizen within the EU/EEA and Switzerland is given priority to apply for the position at hand before recruitment from a third country can be carried out.

Currently, the Swedish policy does not set any priorities as to whether foreign workers stay for a short-term period only or on a permanent basis, or whether they should be circular migrants. Again, instead of trying to regulate such migration patterns, the Swedish employers – and the workers themselves – are meant to be able to decide what is best for them. As far as the legal regulations concerning the length and the temporary or permanent nature of stay are concerned, a residence/work permit is at first granted for the period of employment in question and for no more than two years at a time. During the first two years, the residence permit is linked to a specific occupation and employer. The permit may then be extended one or more times. After an aggregate period of four years in Sweden, a permanent residence permit can be granted. Then, the third-country national has full access to the Swedish labour market and the permit is no longer restricted to a specific occupation. On the basis of this logic, one can neither say that workers are encouraged to stay on a short-term basis, nor to stay permanently.

As such, while the new Swedish system is open to all categories of workers – depending on the needs of employers, it has also been successful in terms of attracting highly qualified and qualified migrants. Since the new rules have entered into force, the number of residence permits that were granted for employment purposes has gradually increased, from 14,259 first-time permits in 2008 (under the old system), to 18,520 in 2012.

**Implementation of the Blue Card Directive**

On 1 August 2013, some amendments to the Swedish Aliens Act and three other Acts entered into force, implementing the "EU Blue Card Directive"[11] into Swedish law. The amendments introduced a new residence and work permit for highly-skilled labour immigrants, called "EU Blue Card", in Sweden. In order to be granted such a permit, a third-country national has to earn a salary which is at least one-and-a-half times as high as the average gross annual wage in Sweden. He or she also has to hold a higher education degree or possess five years of relevant professional experience. Applicants have the right to appeal any decision by the Swedish authorities not to grant, or to withdraw, an EU Blue Card. Blue Card holders have the right to be joined by family members. Moreover, third-country nationals who hold an EU Blue Card in Sweden may, under certain conditions, be credited any stays in other EU Member States (with a Blue Card issued there) in order to qualify as long-term residents in Sweden. [13]

The conditions for those highly qualified third-country nationals who are covered by the new rules can be regarded as being somewhat more favourable than for other groups in terms of their mobility within the EU. It has to be noted, however, that the overall Swedish approach to labour immigration, as outlined above, is maintained. The new rules, pertaining to the "Blue Card", are applicable in parallel to the overall Swedish policy framework for labour immigration. [14]

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10 Please refer to Section 3 for further details.
13 Long-term resident status can be awarded after 5 years of legal residence. The provision mentioned here means that even a stay with an EU Blue Card in another Member State may be included into this period of five years.
14 Apart from the implementation of the "Blue Card" in Sweden, only one isolated policy measure can be identified as a measure to specifically attract highly skilled workers: Since 2001, foreign experts/specialists, researchers and other "key personnel" can benefit from a special tax relief on a temporary basis. In 2012, the target group of these tax reliefs was widened to all foreign workers who receive a monthly remuneration above a certain level. Persons who qualify for these tax reliefs will benefit from a 25 per cent reduction of their taxable income. Please see section 2.2 for further details.
Specific national provisions for certain categories of migrants

Within the overall policy framework as outlined here, or linked to it, there are some specific provisions for certain categories of migrants:

- Third-country national students may change their residence permit-status and switch into the work-permit category once they have completed the equivalent of six months university credits. There are no special provisions for graduating students, who must comply with the same conditions as any other person applying for a residence and work permit, although they may change their residence status (from a permit for study reasons to a permit for employment) from within Sweden.15

- Rejected asylum seekers may apply for a work permit if they have been working for at least six months while awaiting a decision; they must file an application to “change tracks” within two weeks of receiving a rejection of their asylum request. When the application is granted, they can stay in Sweden as labour immigrants.

- The employers of seasonal workers (largely berry-pickers) are subject to specific regulations imposed following the 2008 reform. Since 2011, employers must have a subsidiary office registered in Sweden, demonstrate their ability to pay wages, even if the season is poor, and present payslips from previous years to receive a new authorisation. They are not required, however, to secure housing for the workers or to guarantee their return. In 2012, stricter requirements were also introduced for some other branches that were susceptible to misuse.

- Visiting researchers from third countries that are covered by the EU Researchers Directive16 and come to Sweden to conduct research may be seen as highly qualified workers. They are, however, not part of the overall framework for labour immigration as they are granted a specific residence permit for visiting researchers. This permit exempts them for the requirement to hold a work permit. To be granted such a residence permit, the applicant must have a valid passport and an agreement with a research principal that has been approved by the Swedish Research Council.

Definitions

As the Swedish policy for labour immigration does not specifically target highly-skilled migrants but provides an employer-driven system for recruitment which is open to all skills levels, there is no official legal definition in the Aliens’ Act of what a highly-qualified worker is, nor are there any salary thresholds. Following the logic of the Swedish model, the employers must themselves define what kind of qualifications – if any – a foreign worker must have in order to match their labour recruitment needs.

For evaluation and follow-up purposes, however, the Swedish Migration Board analyses and classifies the qualification levels of persons who apply for a work and residence permit. This is done on the basis of the Swedish Standard Classification of Occupations (SSYK). The SSYK has been developed to classify persons according to the work they do; it is a national adaptation of the International Standard Classification of Occupations (ISCO-88) published in 1990 by the International Labour Office (ILO).

The SSYK is a hierarchical classification comprising four levels, major groups, sub-major groups, minor groups and unit groups. In order to maintain comparability between SSYK and ISCO, there has been an ambition in Sweden to minimise differences at the three highest levels.17

Other groups and self-employed persons

Apart from the regulations outlined above, the Swedish Aliens’ Act provides for other groups of third-country nationals who wish to come to Sweden for work reasons, such as self-employed persons and

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15 Normally, first-time residence permits need to be applied for from abroad.
17 More information on the SSYK can be found at Statistics Sweden.
persons that can support themselves by other means than employment, researchers, posted workers and persons participating in international personnel exchange. The legal requirements pertaining to these groups differ from the above-outlined provisions for employed labour immigrants.

As far as self-employed persons are concerned, there is no focus on particular levels of qualifications. The same is true for posted workers and persons participating in international personnel exchange. With regard to self-employment, it might be relevant to note, that the Swedish regulations are comparatively open and generous. According to Chapter 5, Section 5 of the Aliens’ Act, a residence permit may be granted to an alien with means of support other than employment. If the alien is to conduct business activities, he or she must be able to conduct the activities in question. The exact prerequisites that have to be fulfilled to be granted a residence permit as a self-employed person can be found at the webpage of the Swedish Migration Board (http://www.migrationsverket.se).

**Brain drain and brain circulation**

The Swedish policy on labour immigration does not directly address the aspect of brain drain in the countries of origin. The Swedish Government, and civil society, has devoted a lot of attention towards circular migration and the nexus between migration and development, including also issues of brain drain, brain waste, and brain circulation. In July 2009, the Swedish Government appointed an independent Parliamentary Committee to examine the connection between circular migration and development. An essential point of departure for the Committee was that migration was seen as something positive and beneficial to Swedish society, and that demographic developments in Sweden and labour market needs contribute to a need for immigration.18

In general terms, it can be said that the Committee did not consider the aspect of brain drain as a problem that needs to be addressed by, for example, introducing any schemes for managed migration. Rather, it came to the conclusion that many migrants would – under certain circumstances – move back and forth between their country of origin and Sweden and thus contribute to development both in Sweden and the country of origin. The Committee was of the opinion that circular migration should be encouraged through incentives, but not enforced.

The final report of the Committee, published in 2011, included several policy-relevant proposals, including allowing longer periods of absence from Sweden without the loss of residency status, providing support to diaspora groups and their development-related projects, establishing a web site enabling migrants to compare transfer fees for remittances, and achieving better coherence between migration and development policy. The ideas put forward by the committee are currently being considered within the Swedish Government Offices.

With regard to brain circulation, The Committee was of the view that a migrant who returns to his or her country of origin for a certain period of time, for example in order to work there, plays an important role for exchanging and transferring competencies and professional experiences. As examples, the Committee mentioned medical staff who work in Sweden and who work for some time at a hospital in their country of origin, a university teacher who works at higher education institution in his/her country of origin, an administrator within public administration or an engineer. The Committee was of the general view, that such forms of brain circulation should be encouraged, but that they always should be voluntary.

**Public debates**

The new Swedish system for labour immigration that was introduced in 2008 has often been the subject of public debate, both in Parliament, society and media. Two main lines of criticism can be identified:

- One main topic of public debate has been the misuse of the Swedish labour immigration
system by untrustworthy employers. In 2012 and 2013, it was reported, for example, that some employers who had made use of the possibility to recruit third-country national workers abroad in reality paid lower wages than their employees were originally promised. There were also reports on alleged cases of employers accepting money from applicants for giving them a job and thus making it possible for them to receive a residence permit in Sweden. In May 2013, the Swedish Trade Union Confederation (LO) published an extensive report on the effects of the Swedish labour immigration system. It analyses and discusses vulnerabilities and weaknesses of the Swedish system from a trade union perspective, and gives policy recommendations.

- In more general terms, the current rules for labour immigration have been criticized by opposition parties for contributing to wage-dumping and for making it easier for employers to recruit foreign workers instead of investing into the further education and qualification of persons already living in Sweden.

In order to address misuses of the system by untrustworthy employers and to prevent workers from countries outside of the EU/EEA area from being exploited, the Swedish Migration Board has been applying stricter control measures for work permit applications within certain businesses since January 2012. The stricter control measures mean that companies in the cleaning, hotel and restaurant, service, construction, staffing, commerce, agriculture and forestry and automobile repair sectors as well as all new enterprises, amongst other must be able to prove that they are able to actually pay salaries during the foreseen employment period. Similar requirements were previously introduced for the berry-picking sector (in 2011).

As a result of the new control measures that were introduced in 2012, a reduction could be observed in the number of work permits granted within sectors where there has been an overrepresentation with regard to circumventing the system.

### 2.2 Specific measures

This sub-section will explore some elements of the general policy approach mentioned above in more detail. There are several measures in place to satisfy the policy goals set by the legislator.

**Employer involvement in migration process**

One central feature of the Swedish system for labour immigration is the strong involvement of employers in the migration process. As outlined above, the system is almost entirely employer-driven. As far as the concrete process of recruitment of a third-country national worker is concerned, and the application for, and granting of, a residence and work permit, employers play an active role. It is up to them, for example, to identify whether they can find suitable workers within Sweden, and if not, whether they wish to recruit a worker from a third-country. In order to arrange for a third-country national to be recruited, they must:

- advertise the job in Sweden and the EU for at least 10 days;
- offer terms of employment that are at least on the same level as Swedish collective agreements or that are customary for the respective occupation or industry;
- offer a monthly pretax salary of at least SEK 13,000;

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19 Sveriges Riksdag, Interpellation 2011/12:94, Kontroll av villkoren för utländsk arbetskraft.
20 "Chefer sålde jobb på McDonalds", Svenska Dagbladet, 2 December 2012.
22 For more information, please see Chapter 3.3.
• and fill out an offer of employment and give the trade union concerned the opportunity to state its opinion about the terms of employment.

Some special regulations apply to certain occupations\textsuperscript{24} and citizens of certain countries.\textsuperscript{25}

Employers may be subject to certain, more stringent requirements if they plan to recruit a third-country national to work in the berry-picking, cleaning, hotel and restaurants, construction, trade, agriculture and forestry, automobile repair, service, or staffing business. In order to recruit a third-country national to one of these industries, employers must prove that their business can guarantee a salary for the person who is applying for a work permit. Based on bank statements and previous and current income statements and balance sheets, they must be able to prove that they will be able to pay a salary for at least three months. If the business at hand has previously had employees from non-EU countries, employers must also show the last three monthly tax account statements from their businesses. Further to this, if a company is registered in a non-EU country and operates in Sweden in one of the above industries, it must have a branch in Sweden. The branch must describe the terms of employment in the Offer of Employment, as well as provide the Migration Board with information about the position. The branch is to register with the Swedish Companies Registration (Bolagsverket).

\textit{Free access to the labour market}

In the framework of the Swedish rules for labour immigration, a residence and work permit is granted for the period of employment or for no more than two years at a time. The permit may be extended one or more times. An employee who has had a residence- and work permit for an aggregate period of four years in a five-years-period may be granted a permanent residence permit. With a permanent residence permit, the third-country national has free access to the Swedish labour market; which means that the permit will no longer depend on a specific employer or profession.

Under bilateral agreements with Australia, Canada, New Zealand and South Korea, young persons between the ages 18-30 may stay in Sweden for up to one year in order to work. They do not need a job offer when coming to Sweden. Thus, they may look for a job after arriving in Sweden. This means that young people from these countries in practice have free access to the Swedish labour market for up to one year.

\textit{Fast-tracking of procedures}

On a voluntary basis, employers who intend to recruit workers from third countries can apply for certification. A certification is an agreement between an employer and the Swedish Migration Board that makes the processing of applications for work permits easier and faster. In order to become a certified employer, a company shall be registered in Sweden, have a Swedish organisation registration number and recruit at least 25 third-country national workers per year.

\textit{Provision of information including information campaigns}

As far as the provision of information about the rules and procedures for labour immigration to Sweden is concerned, information is available in several languages at the webpages of the Swedish Migration Board (http://www.migrationsverket.se) and at a dedicated web-portal (http://workinginsweden.se).

\textsuperscript{24} Certain occupations are subject to special rules pertaining to particular rights, the need to enclose specific documents to the application for a residence permit or use a designated form upon applying for a permit. These occupations are performers, au pairs, berry pickers, visiting researchers, and athletes or trainers. For more information on these occupations and the rules that apply to them, please see http://www.migrationsverket.se/info/6091_en.html.

\textsuperscript{25} In accordance with bilateral agreements, applicants may be required to obtain special types of permits if they are citizens of Australia, Canada, New Zealand or South Korea. According to these agreements, 18-30 year-olds can live and work in Sweden for up to a year. Their employment can be temporary and they do not need a job offer when applying for a permit. Thus, they may also look for a job after coming to Sweden.
In practice, an employer who wishes to recruit a worker from a third-country will first advertise the vacancy for at least ten days in the job bank of the Swedish Public Employment Service (Arbetsförmedlingen). The ad will also appear on the European Job Mobility Portal (EURES). If no suitable candidate from within Sweden or a Member State of the EU or EEA can be found, and the employer has a candidate in a third-country, he will fill out an offer of employment. The Swedish Migration Board provides a suitable form. The offer will then be sent to the competent trade union. The union will state their opinion on the terms of employment and send the offer of employment back to the employer. Then, the employer will send the offer to their prospective employee, who will then be able to apply for a residence permit. The Swedish Migration Board will then make a decision and inform both the applicant and the employer accordingly. Processing times vary depending on the workload of the Migration Board. In 2012, the Swedish Migration Board processed some 21,131 applications for work permits lodged by third-country nationals who had found employment in Sweden. 67 per cent of all applicants received a decision within three months. The average processing time was 91 days. During the first half of 2013, the average processing time for this category was 96 days.

**Integration measures**

Labour immigrants (and their family members) who are registered in the Swedish population registry are, like other immigrants, entitled to free tuition in Swedish for immigrants (sfi). Sfi-tuition is organised by the municipality in which a migrant takes residence. All persons who stay, or can be expected to stay, in Sweden for one year or longer will be registered in the population registry.

Apart from language tuition, there are no programmes or measures that are specifically targeted at integration or training of persons who come to Sweden through labour immigration. For persons working within regulated professions (medical doctors, for example), however, there are certain exceptions. Special provisions are in place for these persons that regulate requirements for knowledge of the Swedish language and conditions relevant to the specific occupations. The responsible authority for this kind of training, and the conditions to be fulfilled, is the National Board of Health and Welfare (Socialstyrelsen).

Other than this, the Swedish initiatives for the establishment and integration of newly arrived persons are primarily directed at newly arrived refugees and their relatives and aim to reduce exclusion in Swedish society. As immigration to Sweden primarily occurs for reasons of asylum and close family ties, and the participation of these groups in the labour market is rather low, a more rapid entry and increased participation in the Swedish labour market is a key objective. Measures to integrate these groups may include initiatives within the labour market and education or training. As a general principle, measures directed at immigrants as a group should only be applied during their early period in Sweden. Thereafter, persons born abroad will be covered by the general welfare system in the same way as anyone else living in Sweden.

**Incentives for labour migrants to choose Sweden as a destination**

Generally speaking, job opportunities in Sweden, the possibilities for close relatives to accompany a labour migrant to Sweden, and the Swedish welfare system in general can be assumed to play a role

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26 The opinion of the trade union has a strong impact on the decision of the Swedish Migration Board on whether a work permit shall be granted or not. It is important to note, however, that the trade union does not have the power of veto. In principle, a work permit can even be granted in cases in which the trade union has not expressed any opinion or when their opinion is negative.

27 Family accompaniment is possible from day one for spouses, common law spouses (unmarried couples) and children under the age of 21. Accompanying persons can also get a work permit regardless of whether they have an offer of work when leaving their country of origin.

28 All persons who stay, or can be expected to stay, in Sweden for one year or longer will be entered into the population registry. Upon registration, they basically have the same rights and entitlements as all other persons permanently living in Sweden in terms of social security, health care and other welfare.
as factors that may positively influence a migrant’s decision to choose Sweden as a destination even if these factors may not have been introduced or further developed with the specific aim of attracting highly qualified or qualified migrants.

Whereas there is generally no official policy to promote Sweden as a destination for highly qualified or qualified labour migrants by creating particularly beneficial or attractive conditions for these particular groups, one exception can be identified: In 2001, provisions on tax reliefs for foreign employees came into effect in Sweden. Since 2001, they have covered experts/specialists, researchers, and other “key personnel”. Since 2012, every foreign national receiving a monthly remuneration over a certain level can benefit from a 25 percent reduction of taxable income. The income tax of foreign “key persons” will thus be based on only 75 percent of his or her income.

The reduced tax applies to all salaries and “perks”, such as employers’ contributions to housing and living costs. The reduction will apply to the first three years of a temporary stay in Sweden. Foreign key personnel will also be able to receive tax-exempt contributions from employers for moving to and from Sweden, holiday travel to a home country, and school fees for children. All other taxation is the same as that of any other Swedish resident. Persons who can be considered for tax relief are those who reach a level of remuneration which exceeds two times the price basic amount for the calendar year in which the work commences. The current price amount is published by Statistics Sweden. Persons who do not reach the requisite level of remuneration can still be considered for tax relief if they are an expert/specialist, researcher, executive or other key personnel.

It should be noted that, according to statistics provided by Swedish Taxation of Research Workers Board, the above-described tax-reliefs have been granted to a rather small number of foreign workers only. In 2012, for example, the Board examined 448 applications for tax reliefs. In 241 cases, the tax relief was granted. In 2011, 639 applications were examined, and 398 received a positive decision.

Country-specific approaches and bilateral agreements
Generally speaking, the Swedish policy for labour immigration from third countries is not country-specific, which means that it is not focused on attracting migrants from specific countries only. As an exception to the rule, there are, however, bilateral agreements between Sweden and Australia, Canada, New Zealand and South Korea on temporary work (vacation jobs) of young people between the ages 18 and 30. As these agreements do not regulate labour migration between Sweden and the respective countries in general and only target the mobility of young people and temporary work, they cannot be considered as “labour migration agreements” in the sense of this study. Thus, this report does not further elaborate on the contents of these agreements.

29 They are found in 11 Chap. 22 - 23 a §§ of the Income Tax Act (1999:1229).
30 The price basic amount is calculated based on changes in the general price level, in accordance with the Swedish National Insurance Act (2010:110). Calculations are based on the change in the Consumer Price Index and established for the entire calendar year. The price basic amount is rounded to the nearest hundred. For further information, please see http://www.scb.se/Pages/TableAndChart__33883.aspx.
31 More information can be found at the Website of the Swedish Taxation of Research Workers Board (Forskarskattenämnden).
32 Please see the website of the Taxation of Research Workers Board for details.
This section reflects, to the extent possible, on the effectiveness of national policies and measures as described in Section 2 and the methods used for evaluation.

3.1 Statistics on highly qualified and qualified third-country nationals in Sweden

Statistical data from the European Labour Force Survey – occupational groups

For the purposes of this study, Eurostat has provided survey data from the European Labour Force Survey (LFS) for all countries participating in this study. The respective national data focus on the occupational groups 1 (managers), 2 (professionals) and 3 (technicians and associate professionals) as defined by the International Standard Classification of Occupations (ISCO). The occupational groups include professions that require a high level of qualification and/or experience, such as, for example, chief executives, senior officials, managers (group 1), science and engineering professionals, health professionals, teaching staff, business and administration professionals, information and communication technology experts, legal, social and cultural professionals (group 2) as well as associated professionals in these fields (group 3). Thus, they are relevant categories to be analysed for the purposes of this study.

Table 1: Employment of Third-Country Nationals, ISCO occupational groups 1-3, in thousands

<table>
<thead>
<tr>
<th>Occupational groups</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Legislators, senior officials and managers</td>
<td>n/a</td>
<td>n/a</td>
<td>2,6 (u)</td>
<td>2,7 (u)</td>
<td>2,8 (u)</td>
</tr>
<tr>
<td>2: Professionals</td>
<td>13,0</td>
<td>14,1</td>
<td>15,0</td>
<td>21,7</td>
<td>21,7</td>
</tr>
<tr>
<td>3: Technicians and associate professionals</td>
<td>8,1</td>
<td>9,5</td>
<td>9,0</td>
<td>6,5</td>
<td>8,1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>23,4</td>
<td>25,8</td>
<td>26,6</td>
<td>30,9</td>
<td>32,7</td>
</tr>
</tbody>
</table>

n/a = no data available, (u) = unreliable

Source: Eurostat (Labour Force Survey)

Table 1 shows that the number of third-country nationals that were employed within occupational group 1 (legislators, senior officials and managers) in Sweden has increased from approximately 2,600 thousand in 2010 to about 2,800 in 2012. This is a modest increase, and the estimate has been marked as unreliable by Eurostat. A stronger positive trend, for which reliability has been established, can be seen in group 2 (professionals), where the number of third-country nationals has risen from 13 thousand in 2008 to almost 22 thousand in 2012. The number of technicians and associate professionals (group 3) has remained more or less stable in the period 2008-2012.

This, and also the overall increase for the three individual groups mentioned in the Table ("total"), may indicate that Sweden has been successful in attracting highly qualified professionals. It has to be mentioned, however, that the evolution of the number of third-country nationals that were employed within the respective occupational group by far not only depends on the Swedish labour immigration policy.

The survey data on which the estimations are based do not only include third-country nationals who have come to Sweden in the framework of the national rules for labour immigration, but may also include persons who have migrated to Sweden through other channels (family reunification, for example). Emigration, demographic events (such as death) and naturalization of third-country nationals (i.e. per-
sons acquiring Swedish citizenship) also effect the stock estimations of the Labour Force Survey. Thus, estimates from the Labour Force Survey cannot be directly linked to immigration data or statistics on residence permits granted.

To disaggregate the figures provided in Table 1 by sex and age groups is not reasonable for a comparatively small country as Sweden, since many figures would be below the thresholds for reliability. For this reason, trends can only be identified for all three occupational groups taken together. Among the 32,700 third-country nationals who were employed in Sweden in 2012 within the occupational groups 1, 2 or 3, some 14,500 were between 25 and 34 years old. Another 8,400 were between 35 and 44. Most highly qualified and qualified third-country national employees in Sweden thus appear to be relatively young, see Table 2 for details.

Table 2: Employment of Third-Country Nationals, ISCO occupational groups 1-3, age breakdown, in thousands

<table>
<thead>
<tr>
<th>Age breakdown</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-34</td>
<td>8</td>
<td>9,3</td>
<td>10,8</td>
<td>13,5</td>
<td>14,5</td>
</tr>
<tr>
<td>35-44</td>
<td>9,2</td>
<td>9,2</td>
<td>7,8</td>
<td>8,5</td>
<td>8,4</td>
</tr>
<tr>
<td>45-54</td>
<td>4,5 (u)</td>
<td>4,3 (u)</td>
<td>4,9</td>
<td>6,4</td>
<td>6,8</td>
</tr>
<tr>
<td>55-64</td>
<td>n/a</td>
<td>n/a</td>
<td>3,1 (u)</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Total</td>
<td>23,4</td>
<td>25,8</td>
<td>26,6</td>
<td>30,9</td>
<td>32,7</td>
</tr>
</tbody>
</table>

n/a = no data available, (u) = unreliable

Source: Eurostat (Labour Force Survey)

The LFS data also indicate that 58.7 per cent of the third-country nationals who were employed within occupational groups 1, 2 and 3 in 2012 were men (19,200 of 32,700), see Table 3.

Table 3: Employment of Third-Country Nationals, ISCO occupational groups 1-3, gender breakdown, in thousands

<table>
<thead>
<tr>
<th>Gender breakdown</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>14,5</td>
<td>15,2</td>
<td>15,9</td>
<td>17,8</td>
<td>19,2</td>
</tr>
<tr>
<td>Female</td>
<td>8,9</td>
<td>10,6</td>
<td>10,7</td>
<td>13,1</td>
<td>13,5</td>
</tr>
<tr>
<td>Total</td>
<td>23,4</td>
<td>25,8</td>
<td>26,6</td>
<td>30,9</td>
<td>32,7</td>
</tr>
</tbody>
</table>

Source: Eurostat (Labour Force Survey)

As far as self-employed third-country nationals in groups 1, 2 and three are concerned, numbers are significantly lower. Due to reliability and confidentiality concerns, they cannot be displayed and evaluated in detail.

Statistical data from the European Labour Force Survey – levels of education

The LFS data provided by Eurostat also include information on the level of education of third-country nationals who have been employed or self-employed in Sweden. When analyzing these data, the focus shifts from the actual occupations of third-country nationals to their education, which in the LFS is categorized in accordance with the International Standard Classification of Education (ISCED). For the purpose of this study, attention is directed towards ISCED levels 5 and 6. Level 5 corresponds to the first stage of tertiary education, which normally means a theoretically based/research preparatory programme at a higher education institution (bachelor’s or master’s degrees, for example) or a practical/technical/occupationally specific programme. Level 6 corresponds to the second stage or tertiary education, typically a programme which leads to the award of an advanced research qualification such
According to LFS data, the number of third-country nationals who were employed in Sweden and who had a qualification level corresponding to ISCED 5 has increased strongly throughout recent years, from about 26,900 in 2008 to more than 40,000 in 2012. Likewise, also the number of employed third-country nationals holding an advanced research qualification, such as a Ph.D. (level 6) has increased, although at a much lower level, see Table 4 below for details.

### Table 4: Employment of Third-Country Nationals by ISCED Classification, in thousands

<table>
<thead>
<tr>
<th>Level of education according to ISCED categorisation</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>First stage of tertiary education (ISCED level 5)</td>
<td>26,9</td>
<td>32,4</td>
<td>33,6</td>
<td>39,0</td>
<td>40,4</td>
</tr>
<tr>
<td>Second stage of tertiary education (ISCED level 6)</td>
<td>n/a</td>
<td>n/a</td>
<td>2,7 (u)</td>
<td>2,8 (u)</td>
<td>3,0 (u)</td>
</tr>
<tr>
<td>Total</td>
<td>29,1</td>
<td>34,5</td>
<td>36,4</td>
<td>41,8</td>
<td>43,4</td>
</tr>
</tbody>
</table>

n/a = no data available, (u) = unreliable

Source: Eurostat (Labour Force Survey)

Not only the occupation-based analysis mentioned above, but also the qualification-based figures shown in Table 4 thus indicate that Sweden has been successful in attracting highly-qualified third-country national workers. It is, however, also worth mentioning that the number of employed third-country nationals holding an occupation within ISCO groups 1, 2 or 3 only amounts to about 75 per cent of all third-country nationals employed in Sweden with a ISCED level 5 or level 6 education. This can indicate that about 25 per cent of all highly-qualified third-country national hold occupations that do not correspond to their level of education/qualification (“brain waste”).

Tables 5 and 6 below show the gender and age distribution of third-country nationals employed in Sweden with a ISCED level 5 or level 6 education. The data show that a majority of these third-country nationals were men, and that they tended to be young.

### Table 5: Employment of Third-Country Nationals by ISCED Classification, gender breakdown, in thousands

<table>
<thead>
<tr>
<th>Gender breakdown</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>17,2</td>
<td>19,1</td>
<td>21</td>
<td>24,2</td>
<td>24,7</td>
</tr>
<tr>
<td>Female</td>
<td>11,9</td>
<td>15,4</td>
<td>15,4</td>
<td>17,6</td>
<td>18,7</td>
</tr>
<tr>
<td>Total</td>
<td>29,1</td>
<td>34,5</td>
<td>36,4</td>
<td>41,8</td>
<td>43,4</td>
</tr>
</tbody>
</table>

Source: Eurostat (Labour Force Survey)

---

Table 6: Employment of Third-Country Nationals by ISCED Classification, age breakdown, in thousands

<table>
<thead>
<tr>
<th>Age breakdown</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-34</td>
<td>11,4</td>
<td>13,1</td>
<td>15,7</td>
<td>18,7</td>
<td>21,3</td>
</tr>
<tr>
<td>35-44</td>
<td>11,5</td>
<td>13,2</td>
<td>11,4</td>
<td>12,3</td>
<td>12,3</td>
</tr>
<tr>
<td>45-54</td>
<td>4.4 (u)</td>
<td>5,9</td>
<td>6,7</td>
<td>8,4</td>
<td>7,1</td>
</tr>
<tr>
<td>55-64</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Total</td>
<td>29,1</td>
<td>34,5</td>
<td>36,4</td>
<td>41,8</td>
<td>43,4</td>
</tr>
</tbody>
</table>

n/a = no data available, (u) = unreliable

Source: Eurostat (Labour Force Survey)

Administrative data on residence permits issued for employment reasons

The number of first residence permits granted for work reasons in Sweden, and within this migration category, the number of permits issued for work requiring high skills levels, has increased considerably throughout recent years. As compared to the LFS data above, statistics on residence permits are methodologically very different. The data presented in Table 6 below reflect immigration flows. This means that the annual numbers indicated do not reflect the stock of persons who are present in Sweden, but the number of persons that have been granted a permit for the first time in the respective years. Extensions of previous permits are excluded. Moreover, residence permit data are not estimates, but administrative data, which means that they are accurate and that no reliability concerns can arise.

The figures given in Table 7 show that the overall number of first residence permits for work reasons has increased from 14,259 in 2008 to 18,520 in 2012. Within all residence permits granted for work reasons, also the number of first permits issued to third-country nationals for performing an occupation that requires high skills, has increased, from 2,810 in 2009 to 4,751 in 2012. This represents an increase by approximately 69 per cent.

Expressed in percentages, approx. 15 per cent of all residence permits granted for work reasons in 2009 were issued for work with high qualification requirements. This share was 26 per cent in 2012. As the current system for labour immigration to Sweden took effect in December 2008, there is no comparable figure for 2008.

Table 7: First residence permits issued for work purposes, 2008-2012

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of</td>
<td>14 259</td>
<td>18 978</td>
<td>15 273</td>
<td>16 455</td>
<td>18 520</td>
</tr>
<tr>
<td>first permits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>issued for work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>purposes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: Highly</td>
<td>n/a</td>
<td>2 810</td>
<td>3 476</td>
<td>4 406</td>
<td>4 751</td>
</tr>
<tr>
<td>skilled workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

n/a = no data available

Source: Eurostat/Swedish Migration Board

Table 8 provides a more concrete picture of how the immigration of third-country nationals to Sweden relates to specific professions. The Table illustrates the fact that the Swedish system is open for all levels of skills and qualifications – not only in theory but also in practice. Since the current system was introduced, the largest group of third-country nationals who were granted residence for work reasons were agricultural, fishery and related labourers. This represents a category for which no particular skills are required, often seasonal workers such as berry pickers. In quantitative terms, the number of persons coming to Sweden to work in this category has varied strongly over the years but always
comprised several thousand individuals. Also interesting is the fact that computing professionals, which is a group that falls into ISCO occupational group 2, have represented the second largest group within work-related immigration. Throughout the period 2009-2012, an increase in residence permits granted to these professionals can be identified. Other highly skilled and skilled workers that have been among the top-10 occupational subgroups in the period 2009-2012 are architects, engineers and related professionals (558 in 2012) and physical and engineering science technicians (412 in 2012). Most of the other top-10 groups refer to persons with lower skills levels or unskilled workers, such as housekeeping and restaurant service workers, helpers in restaurants, helpers and cleaners or building workers.

Table 8: First residence permits issued for work purposes, 2009-2012, top-10 occupational subgroups

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural, fishery and related labourers</td>
<td>7 200</td>
<td>4 508</td>
<td>2 821</td>
<td>5 708</td>
</tr>
<tr>
<td>Computing professionals</td>
<td>2 202</td>
<td>2 208</td>
<td>2 795</td>
<td>3 259</td>
</tr>
<tr>
<td>Housekeeping and restaurant services workers</td>
<td>769</td>
<td>1 049</td>
<td>1 323</td>
<td>861</td>
</tr>
<tr>
<td>Helpers in restaurants</td>
<td>257</td>
<td>548</td>
<td>796</td>
<td>570</td>
</tr>
<tr>
<td>Architects, engineers and related professionals</td>
<td>541</td>
<td>525</td>
<td>630</td>
<td>558</td>
</tr>
<tr>
<td>Helpers and cleaners</td>
<td>295</td>
<td>487</td>
<td>798</td>
<td>553</td>
</tr>
<tr>
<td>Artistic, entertainment and sports associate profession</td>
<td>278</td>
<td>396</td>
<td>252</td>
<td>443</td>
</tr>
<tr>
<td>Physical and engineering science technicians</td>
<td>481</td>
<td>332</td>
<td>338</td>
<td>412</td>
</tr>
<tr>
<td>Building frame and related trades workers</td>
<td>191</td>
<td>226</td>
<td>362</td>
<td>329</td>
</tr>
<tr>
<td>Personal care and related workers</td>
<td>132</td>
<td>210</td>
<td>250</td>
<td>257</td>
</tr>
</tbody>
</table>

Source: Swedish Migration Board, ranking in accordance with distribution 2012

Table 9 below shows the ten most important nationality groups within labour immigration to Sweden. Thailand has by far been the most important group in quantitative terms. Most workers from Thailand come to Sweden on a seasonal basis as berry pickers. The second largest group in 2012, but also in previous years, are Indian nationals. They are most often employed as computing professionals. The disaggregation also shows that the third-country nationals that have come to Sweden in the framework of labour immigration tend to originate from many different regions of the world, with a certain focus on Asia and the Middle East, but also Eastern Europe (Ukraine) and America (USA).

Table 9: First residence permits issued for work purposes, 2009-2012, top-10 nationality groups

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand</td>
<td>6 173</td>
<td>3 520</td>
<td>2 842</td>
<td>5 784</td>
</tr>
<tr>
<td>India</td>
<td>2 011</td>
<td>1 853</td>
<td>2 292</td>
<td>2 725</td>
</tr>
<tr>
<td>China</td>
<td>1 073</td>
<td>1 518</td>
<td>1 180</td>
<td>888</td>
</tr>
<tr>
<td>Turkey</td>
<td>336</td>
<td>744</td>
<td>758</td>
<td>549</td>
</tr>
<tr>
<td>Iran</td>
<td>161</td>
<td>292</td>
<td>497</td>
<td>524</td>
</tr>
<tr>
<td>Ukraine</td>
<td>1 083</td>
<td>551</td>
<td>572</td>
<td>510</td>
</tr>
<tr>
<td>Syria</td>
<td>117</td>
<td>369</td>
<td>570</td>
<td>483</td>
</tr>
<tr>
<td>Pakistan</td>
<td>149</td>
<td>211</td>
<td>492</td>
<td>434</td>
</tr>
<tr>
<td>USA</td>
<td>293</td>
<td>325</td>
<td>363</td>
<td>432</td>
</tr>
<tr>
<td>Iraq</td>
<td>156</td>
<td>363</td>
<td>556</td>
<td>424</td>
</tr>
</tbody>
</table>

Source: Swedish Migration Board, ranking of nationalities in accordance with distribution 2012
When analyzing and interpreting statistics on residence permits, it should be kept in mind that they
do not necessarily indicate that all persons who are granted such a permit will stay in Sweden perma-
nently. In fact, the Eurostat data analysed above also contains information on the validity periods of
the work-related residence permit granted. As indicated in Table 6 above, 18,520 first-time residence
permits for work purposes were granted by Sweden in 2012. 9,162 (almost 50 per cent) of these per-
mits gave the applicants the right to stay in Sweden for one year or longer. Another 2,719 (14.7 per
cent) were granted for periods between six and eleven months, and 6,639 (35.8 per cent) permits had a
short validity period of only three to five months.36

When looking at the particular group of highly skilled third-country nationals that were granted a resi-
dence permit for work reasons, the share of residence permits with a short validity period is lower than
for all work-related residence permits taken together. In fact, only 10 per cent of all first-time residence
permits granted for work requiring high skills had a validity period of three to five months. 23.2 per
cent were granted for six to eleven months, and 66.7 per cent for one year or longer. This indicates that
residence permits issued for low-skilled work tend to have shorter validity periods as permits for work
requiring high skills. When the validity periods of residence permits issued to third-country nationals
performing highly-skilled work are short, this may indicate that the third-country nationals concerned
come to Sweden for short-term stays in the framework of intra-corporate transfers.

3.2 Possible links between policies and immigration trends

The statistical sources analysed above (LFS survey data and administrative data on granted residence
permits) indicate that Sweden has been rather successful in recent years in attracting highly qualified
third-country nationals.

As far as the results of the LFS survey data analysis is concerned, there is no hard evidence for the
assumption that this positive development observed is directly linked to the policies and measures out-
lined in Chapter 2. Other factors may also have contributed, such as the research environment in Swe-
den, salary levels, and individual motives for migration to Sweden. Some qualified and highly qualified
third-country nationals may also have come to Sweden through other migration channels than the sys-
tem for labour immigration, for example under the rules for third-country national researchers, due to
family or even humanitarian reasons. It is thus reasonable to assume that the Swedish demand-driven
ad open rules for labour immigration have contributed to the increasing number of highly qualified and
qualified immigrants in Sweden, but from a social research perspective, there is no definitive certainty
or proof.

As far as the data on residence permits are concerned, the observed trend of a rising number of highly
qualified third-country nationals coming to Sweden can more directly be linked to the policy measures
taken. The data suggest that employers use the labour immigration system for many different recruit-
ment purposes, hence the system seems to work well both for recruiting highly skilled professionals
(such as computing professionals), but also for the filling of vacancies in labour market segments where
no specific skills are required (such as seasonal, agricultural workers and restaurant or cleaning staff).
It can also be noted that even vacancies in labour market segments where there is no established shor-
tage of workers within Sweden, employers have successfully recruited third-country nationals. While
some of the occupational groups listed in Table 7 above have been identified as occupations where
the competition for jobs is small or very small (as for instance computing professionals), others repre-
sent occupations with strong or even very strong competition (as for example cleaners or restaurant
helpers).37

36 For periods shorter than three months, visas are used instead of residence permits.
3.3 Qualitative evaluations of the Swedish policy for labour immigration

So far, the current system for labour immigration, which was introduced in 2008, has not been analysed thoroughly by applying methods of primary research. There are however, some evaluations that might be worth mentioning in this context, as stated below.

In December 2012/January 2013, the Swedish Migration Board published a short assessment of the Swedish system for labour immigration on the occasion that four years had passed since the current system started to be applied. Among other conclusions, the Migration Board stated that with the exception of berry-pickers, IT specialists have comprised the largest group of labour immigrants from third countries, followed by restaurant staff, kitchen and catering assistants and civil engineers. The largest groups had come from Thailand, India, China and the Ukraine.

In its short report, the Migration Board also stated that it was now taking further steps to facilitate the recruitment of labour outside of the EU/EEA by introducing an extended and permanent certification system for employers. The new system would also provide possibilities for smaller businesses to become certified. The requirement for a hiring demand of at least 50 persons has been lowered to 25 and the certification, which has so far been applicable for one year at a time, will no longer have a time limit.38

In 2011, the Organisation for Economic Co-operation and Development (OECD) released an in-depth analysis of the Swedish system for labour immigration on the basis of statistical data from the Swedish Migration Board on residence and work permits as well as additional statistical material from Statistics Sweden and international sources.39 The report provides some interesting conclusions. According to the OECD, Sweden has introduced an almost entirely demand-driven system, where employers may recruit workers from abroad for any occupation, as long as they nominally advertise the job beforehand and guarantee respect for wage and conditions in prevailing collective contracts. Given the absence of skill requirements, low salary thresholds, and limits on the number of permits issued and the renewability of permits, Sweden appeared to have "the most open labour migration system among OECD countries".40 The Swedish system was also characterized by being relatively "simple, fast and inexpensive for employers".

The report further stated that the Swedish reform had also opened opportunities for "status changes". Students with a job offer, but also rejected asylum seekers who worked while awaiting a decision could change their immigration status and be granted a residence permit on the basis of employment.

Apart from these positive aspects, the OECD experts also identified some weaknesses of the system. They found out, for example, that a substantial share of labour immigrants did not come to Sweden to work in occupations where there was an established shortage of labour. According to the OECD, this "should be a cause for concern, since there is no obvious reason a priori why there should be an increase over time in recruitment for low-skilled non-shortage occupations."41

Further to this, the OECD report also mentioned a possible lack of post-arrival verification of wages and working conditions, and thus a weakness in terms of control. The report suggested that especially in areas in which trade union coverage was low, the absence of any follow-up was a possible weakness. One further suggestion was to make it easier for both third-country national students to proceed from a residence permit for education reasons to a permit for employment. The current status-change channels were described as "overly restrictive", thus making it necessary for students who want to stay in

40 Ibid, p. 11.
41 Ibid, p. 13.
Sweden to invest time and effort in finding a job before graduation.\footnote{Ibid, p. 14.}

In May 2013, the Swedish Trade Union Confederation (LO) published an extensive report on the effects of the Swedish labour immigration system, including policy recommendations.\footnote{Landsorganisationen i Sverige (2013): Fusk och utnyttjande – om avregleringen av arbetskraftsinvandringen.} The report was based on statistics from the Swedish Migration Board, experiences made by trade unions that were members of the Confederation, and interviews with practitioners who offer counseling for immigrants that encounter problems with regard to their stay in Sweden. While some of the findings of the report may be seen as biased, since they reflect the views of only one of the labour market partners (the employees’ side), the analysis itself appears to be solid, and the findings are based on reliable statistics and experiences.

In a similar way as the OECD, but expressed in a more to-the-point manner, the Confederation criticizes that about one third of all labour immigrants that have come to Sweden under the new rules were recruited for jobs in sectors in which there are no general labour shortages in Sweden. As the post-arrival verification of working conditions and wages is weak, and as trade unions in many branches do not have the powers to enforce customary or collectively agreed labour and wage standards, many employers allegedly recruit workers from third-countries to squeeze wages. The fact that they have to advertise any vacancies before being able to recruit from abroad is, according to the Confederation, in many cases pointless as the wages and working standards offered sometimes are very low, thus discouraging domestic workers from applying. The fact that some employers experience labour shortages and thus rely on recruiting from abroad did thus, according to the Confederation, not reflect an actual shortage, but rather an effect or bad terms of employment.

Further to this, the Confederation also found that more immigrants change their residence status from a permit for employment purposes to applying for asylum than the other way round. According to the Confederation, this indicated that exploitation and cases of misuse of the system by untrustworthy employers were widespread.\footnote{Also the Swedish Migration Board has found evidence that in 2012 and 2013, for example, many labour immigrants from Syria have applied for asylum shortly after arriving in Sweden. According to the Migration Board, however, the fact that they have changed their status from labour migrants to asylum seekers does not necessarily mean that misuse of the labour immigration system is widespread. It can also be interpreted as a sign that refugees from Syria use the labour immigration system as an alternativ, and safer way to access the EU. Access to asylum systems in the EU has become increasingly difficult in recent years due to intensified border control along the frequent travel routes of refugees, especially in Southern Europe (Source: Migrationsverket (2013): Verksamhets- och kostnadsprognos, 29 July 2013, p. 13). The phenomenon of Syrian refugees coming to Sweden in the framework of the labour immigration system, and then applying for asylum shortly after arrival, has also been highlighted in the national media. It was reported, for example, that 55 per cent of all Syrian nationals that came to Sweden as workers had applied for asylum after less than one year in Sweden. Some were found to actually never have worked, see “Flyktingar ges arbetstillstånd till låtsasjobb”, Dagens Nyheter, 20 August 2013.}

On the basis of their findings, the Confederation proposes a range of policy changes, such as to re-introduce an agency-based labour market needs assessment before recruiting from abroad becomes possible, to strengthen post-arrival control possibilities and to make job offers legally binding so that employers are effectively prevented from paying lower wages and applying different work conditions than stated in the original job offer.
3.4 Policy makers’ or other stakeholders’ experience

As outlined before, the Swedish system for labour immigration from third-countries has been a recurring topic of discussion among policy makers, labour market partners and in the media and wider public. As such, no overall assessment can be described here, as the perspectives of policy-makers may change over time and/or due to different aspects being highlighted in mass media. Generally speaking, the current Centre-right Government considers the Swedish system as successful and beneficial, both for employers, the migrants and Swedish society as a whole. Opposition parties, by way of contrast, have often voiced criticism. Their main arguments relate to vulnerabilities of the current system in terms of misuse by untrustworthy employers, an alleged risk of wage-dumping and/or a more general objection of the notion that Sweden should uphold an open system for labour immigration at times when unemployment is rising.
4 Challenges and barriers for labour immigrants

Sweden is internationally known as a strong welfare state. It has an export-oriented economy. According to the OECD, Sweden has a relatively high tax wedge, a high level of employment protection, and relatively large wage compression. Spending on active labour market policy is well above the OECD average, especially for the unemployed and for job training. The share of workers who are members of a trade union is among the highest in the OECD, and the coverage of collective bargaining agreements exceeds 90%. The social partners play a key role in many areas of policy development and implementation.

Against this background, it can be assumed that Sweden, in an international perspective, is in a relatively good position to be attractive to labour immigration. The current system for labour immigration, which has reduced bureaucracy, has opened up the Swedish labour market for effective recruitment from third countries. Nevertheless, some challenges and barriers have been identified.

According to the OECD one of the main obstacles to labour migration is the difficulty in matching demand – employers in one country – with supply – potential workers in another. While highly educated and mobile workers may be able to make contact with employers and present themselves and their qualifications through the internet, less skilled workers may not be easily evaluated at a distance. Large companies might overcome this obstacle, but for smaller companies with no presence abroad, international recruitment is more difficult. While Sweden's public employment service still plays a role in matching supply and demand, many jobs are filled through informal contacts and internal information in the workplace. For small enterprises, formal channels for international recruitment, especially for low-skilled jobs, are limited.

In its study on Sweden, the OECD also mentions that language may be another constraint to recruitment from abroad. Swedish is little-spoken outside of its national boundaries, and thus Sweden cannot count on a natural basin of workers who can be recruited immediately into a job which requires interaction in Swedish. While many Finns speak or learn Swedish, and Danes and Norwegians can learn Swedish quickly, anyone coming from outside these countries must generally go through a learning process. While English could be used as a transition language in some workplaces, as is already the rule in multinational corporations, language remains a serious barrier for most potential labour migrants to Sweden.45

The research project “Ny väg in” (A new way in), conducted by the Swedish Migration Board, the think tank “Global utmaning” (Global Challenge) and the Swedish Public Employment Service, has among other issues tried to examine why migrants in general chose to come to Sweden, which potential channels of migration (asylum, labour migration etc.) they are aware of and which channels they actually use.

One of the conclusions of the study, which also included field work in Iraq and interviews with Iraqi refugees within Sweden, was that very few migrants from Iraq knew about the Swedish system for labour immigration and that government agencies therefore should further develop their work on awareness-raising and information among potential migrants abroad.46 Within the project, the Swedish Public Employment Service has also conducted a study on why employers who have stated that the experience a labour shortage don’t use the possibility of recruiting from abroad. It showed that the language barrier is the most common reason, followed by difficulties with validation of education and qualifications and difficulties with coming into contact with potential employees from abroad. The project and the reports presented within it has in some senses pointed out the limitations for individual migrants of a system that is purely employer driven.

In addition to the challenges and potential barriers mentioned above, it can be assumed that at times, when the processing of applications for asylum and/or residence permits at the Swedish Migration Board is under pressure due to high numbers of applicants, third-country nationals who apply for a residence permit for work in Sweden may have to wait relatively long before they get a decision. In 2012, and so far also in 2013, the number of asylum applicants in Sweden has increased strongly, mainly due to the conflict in Syria, but also other factors. At the Swedish Migration Board, staff resources were therefore reassigned in order to cope with the increased inflow of asylum seekers. As a consequence, waiting times for third-country nationals applying for a residence permit on labour market grounds have increased. As mentioned earlier, in 2012, the Swedish Migration Board processed some 21,131 applications for work permits lodged by third-country nationals who had found employment in Sweden. 67 per cent of all applicants received a decision within three months. The average processing time was 91 days. During the first half of 2013, the average processing time for this category had increased to 96 days. On its website, the Migration Board warns for even longer processing times. Long time frames for processing may be assumed to represent a barrier to quick recruitment of third-country national workers.

47 According to the Migration Board, the waiting time for a decision is approximately 8 months for online applications and 10 months for applications on paper, http://www.migrationsverket.se/info/2272_en.html as of 5 July 2013.
5 Conclusions

Even if the 2008 reform of the Swedish system for labour immigration has not prompted any landslide increase in the number of third-country nationals coming to Sweden to work, it has certainly had a major impact. In political terms, it marked a significant turn; whereas the question whether a Swedish employer could hire staff from a third country previously depended on an authority-based labour market assessment, it is now the employers themselves who decide whether suitable candidates are available within Sweden or recruitment from abroad needs to be undertaken. In quantitative terms, as well, Sweden has seen an increasingly dynamic immigration of third-country national workers. As this study has shown, the new system has been used for hiring both highly-qualified and qualified persons, and third-country nationals with low or no skills. The figures presented in Section 3 of this study showed, among other developments, that the number of residence and work permits that were granted for remunerated activity reasons increased from 14,259 in 2008, when the old system (including authority-based labour market assessment) was still in place, to 18,520 in 2012. If one only looks at the number of permits that were granted to persons aiming at employment with high skills requirements, the increase was from 2,810 in 2009 to 4,751 in 2012. Much of this increase can be attributed to a strong development regarding the immigration of computing professionals, predominantly from India, which has seen a steady growth from 2,202 first-time residence permits granted in 2009 to 3,259 in 2012.

After four years with the current system for labour immigration, experience also shows, however, that some developments have raised public concern. There is evidence, for example, that the open Swedish rules are sometimes misused by untrustworthy employers who either do not stick to the salary levels and/or working conditions that they had promised to employees recruited from third-countries, or who exploit them, well aware of the fact that third-country nationals depend on the jobs that they were hired for in order not to lose their right of residence. To a certain extent, stricter rules that were introduced for the berry-picking business in 2011 and for certain other branches, where misuse had been detected, in 2012, may have reduced the vulnerability of the system.

In more general terms, the concern has also been voiced that substantial parts of labour immigration to Sweden take place in labour market sections where there is no established shortage of domestic supply. Generally speaking, but especially in periods of economic downturn and rising unemployment, this may represent a serious risk with regard to public perceptions on the labour immigration system. As a recent report from the Swedish Trade Union Confederation, mentioned in Section 3 of this study, demonstrates, the Swedish labour immigration policy is also still accused of not sufficiently tackling the risk of dumping of wages and working conditions.

In sum, it may be concluded that the main political challenge lying ahead can be to continue to tackle issues of misuse, exploitation and wage-dumping while maintaining the overall approach to labour immigration to Sweden, which has proved to be employer-driven, un-bureaucratic and flexible. Further to this, from a European perspective, it would be interesting to compare the performance of the Swedish system, being employer-driven and not targeted to specific groups, to the performance of other, more selective systems, in terms of the attraction of highly qualified and qualified third-country nationals.
About the EMN

The European Migration Network (EMN) is an EU funded network, set up with the aim of providing up-to-date, objective, reliable and comparable information on migration and asylum for institutions of the European Union, plus authorities and institutions of the Member States of the EU, in order to inform policymaking. The EMN also serves to provide the wider public with such information. The EMN was established by Council Decision 2008/381/EC adopted on 14 May 2008. The Swedish Migration Board is the Swedish National Contact Point (NCP) for the EMN.

Migrationsverket • 601 70 Norrköping
phone +46 (0)771-235 235 • e-mail emn@migrationsverket.se

www.migrationsverket.se • www.emnsweden.se