



Peer Review in Social Protection and Social Inclusion and Assessment in Social Inclusion

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### Sweden

## **Minimum income Schemes**

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On behalf of the

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DG Employment, Social Affairs and Equal Opportunities









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#### **Executive Summary**

The Swedish welfare state is, in essence, individualistic and almost every single transfer, taxes, and benefits are linked to the individual, not to the household. Most transfers and benefits are administered at the central state level and eligibility criteria are based on general universalistic rules. Social assistance (socialbidrag / ekonomomiskt bistånd), which is the only benefit in Sweden that can be looked upon as a minimum income scheme, is one of the few, and the most important, exception from this rule. Social assistance is regulated via the Social service Act and administered by the municipalities. The Social Service Act states that everyone should be guaranteed a reasonable standard of living, which includes an adequate minimum income. A household that has a total income that falls under the norm for social assistance and where the household members are fulfilling additional eligibility criteria will receive social assistance. The national social assistance norm is decided every year by the parliament, hence, it is not decided locally. Estimations indicate that the social assistance norm guarantees an income that is approximately equivalent to 60 per cent of the median income.

Since the introduction of the Social Service Act in 1982 there have been a number of adjustments concerning eligibility criteria and especially the reformation of the Social Service Act in 1998 meant that stricter eligibility criteria, especially for young person (< 25 years of age), were implemented. Unemployed recipients have to actively search for a job or/and participate in assigned labour market programmes. Recipients also have to realize assets before they are eligible to receive social assistance.

The number of recipients increased dramatically during the deep crisis in the 1990s. This development showed that especially young people and immigrants to a large degree stood outside the general income maintenance systems. There is an obvious risk, especially since eligibility criteria related to unemployment insurance sickness insurance and early retirement has been tightened, that we will see the same development during the current crisis.

The stock of social assistance recipients are to a large degree made up of young people and of immigrants. Around fifty per cent of all recipients are born outside Sweden. These figures are mirroring the labour market situation among young Swedes (youth unemployment is comparatively high in Sweden) and among immigrants. Recent reports also shows that a large share, about one third, of the recipients of social assistance have health problems that often include mental an emotional conditions.

#### 1. Institutional design of minimum income schemes

The Swedish welfare state is administered at three different levels with different responsibilities. The state is at the central level responsible for social insurances (i.e., public pensions, sickness insurance, unemployment insurances<sup>1</sup>, etc). The state has also the main responsibility for labour market policy. There are two types of local authorities; there is a semi local level consisting of 21 counties (landsting<sup>2</sup>) responsible for health care and a local level with 290 municipalities (kommuner) with an extensive responsibility for the inhabitants in general and specific vulnerable groups, such as children, elderly, disabled, in particular. The extent to which services is accessible, the quality is of major importance for a large share of the population, not the least sections of the population that traditionally are most exposed to poverty and social exclusion. The municipalities are also responsible for social assistance, which is a means-tested last resort benefit aimed at those who cannot support themselves in any other way. It is the only programme of this type within the Swedish welfare state and it is the only income support system that is not organised by the central government. Thus, social assistance constitutes the 'floor' of the Swedish welfare state, with the explicit purpose of securing a minimum economic standard for those who cannot support themselves in any other way. It follows then that the norm for social assistance can be seen as a de facto poverty line.

Swedish municipalities are in a comparison with most other countries in EU rather large at the same time as they differ dramatically in size. Stockholm in one end of the spectra has 762 000 inhabitants and Bjurholm in the other end has only 2 575 inhabitants. However, the median value for Sweden's municipalities is 15 160 inhabitants and the mean value is about 31 000. The municipalities have taxation right and most of their financial means comes from a flat right income tax that usually is somewhat above 30 per cent of the income (the "municipality tax" also covers taxation aimed for the counties at the semi local level). Swedish municipalities are, according to the Swedish constitutional law, self governed, hence, the municipalities has substantial influence over central parts of the Swedish welfare state. However, the fact that the municipalities are legally self governed does not mean that the state cannot influence or even dictate what the municipalities shall or shall not do. Indeed, there is continuing debate regarding the degree to which state regulation undermines the municipalities self governance.

The Social Service Act states that the municipality has the ultimate responsibility to make sure that those who stay in the municipality gets the support they need in order to reach a reasonable standard of living (skälig levnadsnivå).<sup>3</sup> Reasonable standard of living refers to different aspects of people's lives and includes a reasonable economic standard.

The roots of the Social Service Act can be traced back to the old Swedish Poor Laws, laws that from the very beginning placed the responsibility for the poor on the local level, first the parish and later the municipalities. In 1956 the poor law from 1918 was replaced by Socialhjälpslagen, which translate to something like 'social aid law'. Even though the intention was to change negative connotations that were linked with expressions like poverty relief (fattighjälp), many of the poor law features were still left. There was, for example, still a formal division between obligatory social aid, stating the municipality had to help people that were regarded as not being

<sup>&</sup>lt;sup>1</sup> Unemployment insurances are formally administered by the unions but in praxis by the state via legislation and financing.

To be correct; there are 18 landsting, two regions (Skåne and Västra Götaland) and the island of Gotland.

Social Service Act, chapter 2, § 2 (Kommunen har det yttersta ansvaret för att de som vistas i kommunen får det stöd och den hjälp som de behöver.)

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able bodied, i.e., without the ability to work and voluntary social aid to people regarded as able bodied. A more thorough change of the legislation came about in 1982 when the Social Service Act was implemented. This law can in a way be seen as the peak example of the welfare state expansion, expanding the public responsibilities in relation to the individual in a way that has not been seen earlier or later. Reading this law is, at least in some parts, like reading a document from the French revolution advocating Liberty, Equality and, Fraternity. Now, the law is one thing and reality another and there has never been a situation in which people easily have been given social assistance, the individual has always had the main responsibility for supporting him or herself. It is also the case that the implementation of the Social Service Act to a large degree is dependent on social workers' discretion and research during the 1980s showed that identical cases were judge very dissimilar by different social workers (cf. Gustafsson, Hydén and Salonen 1990).

Decisions taken by the municipalities can be appealed against in administrative court and during the 1980s a series of court decisions made differences between municipalities, for example when it comes to amount people received in social assistance, smaller. In 1998 the Social Service Act was reformed, which, among other things, meant the implementation of a national norm for social assistance decided by the Government. Also the label has once again been changed from social assistance (socialbidrag) to economic support (ekonomiskt bistånd). However, in order to avoid confusion, in this text I will stick to the label social assistance. (Also, in everyday language, most Swedes continue to use the label 'socialbidrag' and whenever the term 'ekonomiskt bistånd' is used, in public documents or by journalists, it is usually followed by an explanation saying that ekonomiskt bistånd is the same thing as socialbidrag.)

In a bigger context the struggle between centralisation and decentralisation can be seen as a clash between two principles that are equally strong. On the one side is local self-governance seen as an important aspect of the political system, on the other side there is a principle of equal treatment of citizens regardless of where in the country they live. How to balance these two principles is not a question that only is related to social assistance but also, and perhaps even more so, to important services such as elderly care and education.

## 2. Link with other social benefits, conditionality rules and eligibility conditions etc.

The Swedish welfare state is, in essence, individualistic and almost every single transfer, both taxes and different kind of positive transfers and benefits, are linked to the individual, not to the household. Social assistance is one, and the most important, of very few exceptions from this rule. So the link between social assistance and other social benefits is basically very simple. A person that lives in a single adult household, earn less than the social assistance norm (see below) and fulfil the eligibility criteria has the right to social assistance. It does not matter if the incomes, if existing at all, come from wage labour or transfers. Other transfers and benefits are not affected by the fact that a person has an income that falls below the social assistance norm. This basic principle do not change if the mix of the household change. Think of a single mother with two children. Her incomes from social benefits, sickness insurance, unemployment benefit etc, is in no way affected by the fact that she has two children. Neither is her tax burden. The only thing that will happen is that she will receive, on the same terms as everyone else, child allowance (barnbidrag). The children will also receive either direct support from the father or maintenance support (underhållsbidrag) via the Social Insurance Office (Försäkringskassan). If she asks for social assistance, the household's total income, i.e., all household members' income, is related to the norm for social assistance. The same procedure is of course applied if it is a two parent household or if it is a two adult household without children. However, in order to avoid harmful disincentives are children's incomes from work, for example during school breaks, excluded from the calculation of the household income.

There are a number of other type benefits that are linked to means tests. There are for examples housing allowance for young people (between 18-24 years) about to establish an independent household and, another housing allowance system, for older people (65+). There are also special pension arrangements for older people with low incomes that are aimed at guarantee an adequate income and thereby lift them above the threshold for social assistance. But these benefits do not mean that a person in principle cannot get social assistance if needed (for example in case of extra expenditures), it just means that these incomes are included in the means test.

So, social assistance is by all means the floor in the Swedish welfare state, those who cannot support themselves in any other way should, at least in principle, be eligible to social assistance. The basic idea is, however, that the general income maintenance system (sickness insurance, unemployment insurance, parental leave benefit, pensions etc) should guarantee everyone an acceptable income without being dependent of social assistance. Social assistance should in principle only be a temporary last resort system, a selective residual in a universalistic system. From this perspective, changes in social assistance utilisation can be seen as a major indicator of how well the universalistic model is functioning.

One thing that often is rather hard to explain to people outside Scandinavia is that parent's are not obliged to support their children after that they have reach lawful age, that is 18 years old, or, if the child is engaged in upper secondary education, until they become 21 years old. After that the 'child' is regarded as a household unit of its own. Since parents do not have an obligation to support their adult children, adult children has no obligation to support their parents. What this means in relation to social assistance is that a 21 year old person that lives in his parental home can be eligible to social assistance regardless of his parents incomes. It also means that an adult

child's income is not counted if the parents ask for social assistance even though they live in the same house or apartment.

#### 2.1 How MI schemes deal with the transition into employment

As stated above, the municipality has the ultimate responsibility for every individual that are staying within the municipality's border. Hence, when every other resource has been exhausted, the municipality has to step in. The crux is of course, in relation to social assistance, to determine when every other resource is exhausted. The individual always have a responsibility to support him or herself, which basically means that an able bodied person only can get social assistance if he or she is working but still cannot make ends meet or, if unemployed, is actively looking for a job. Looking at the period since 1982 and the introduction of the Social Service Act there has definitely been a stricter interpretation of the individual's responsibility (Johansson 2001). The modification of the Social Service Act in 1998 meant that stricter rules regarding recipients' labour market activities were implemented. Young unemployed recipients were obliged to participate in training or active labour market programme in order to be eligible to social assistance. If deemed as necessary, the same rules could be implemented also in relation to older recipients. Also for older recipients the demand to be actively looking for work or participating in labour market has also been strengthen. And information I have received from representatives for the county administrative board (see below) indicates that municipalities today are very strict when demanding active labour market participation.

There are no special arrangements aimed to decrease marginal effects when moving from unemployment to employment. However, refusing to take on a job will mean that social assistance will be withdrawn. In essence this means that the old division between poverty relief to non-able bodied and poverty relief to able bodied persons still is in place, nor formally, but informally. It also makes it clear that we also today keep the distinction between the deserving poor, i.e., individuals that try as hard as they can to support themselves, and the undeserving poor, that is, individuals that, according to someone's judgement, is not trying hard enough. It also shows the difficulty to overcome this division without implementing something like a universal citizen wage, something that were discussed during the 1970s and 1980s but now seems to be a completely dead and buried idea.

It is also the case that people first are expected to realize savings and assets before they are eligible to receive social assistance. It is not the case that, for example, house owners immediately are asked to sell their house in order realize assets, but they will be asked to do so if they receive support for several months. Recipients are not asked to realize assets if they need them in order to support themselves. If someone needs a car to get to work, they will not be asked to sell the car etc. This is of course something that makes it very hard for middle aged ordinary people that find themselves in economic difficulties to be eligible for social assistance and people with realizable assets often find the terms for receiving social assistance very hard (Dahlberg et al. 2009).

#### 2.2 Amounts of benefits

The 1982 Social Service Act gave the municipalities the right to define how much money an individual needed in order to secure an adequate standard of living. Hence, the amount people received varied between municipalities. In order to give some guidance the National Board of

Health and Welfare in 1985 presented a recommendation to a social assistance norm. Disputes between municipalities and recipients were settled by administrative courts and soon the recommended norm became a more or less national benchmark. In order to further diminish variations between municipalities a legislated national norm was introduced in 1998 and since then the parliament are taking annual decisions about a nationwide social assistance norm to which municipalities have to adjust. That is, the municipality can pay more, but not less. Table 1 shows the decided amounts for year 2009. The amounts are recalculated into EURO using purchasing power parities (PPP).

**Table 1.** The norm for social assistance by components and age expressed in EURO per month in 2009 (1 EURO = 10.9 SEK)

	Child	Children								Adults	
	Years	Years of age									
	-1	1-2	3	4-6	7-10	11-14	15-18	19-20		Single adult	Cohabiting
Food	66	75	76	97	103	118	137	140		148	242
Clothes and shoes	27	37	37	39	43	45	48	48		48	96
Leisure	4	12	12	23	33	39	40	40		37	73
Hygiene	49	43	11	7	8	13	17	17		24	52
Child-Youth Insurance	5	5	5	5	5	5	5	5			
Total	151	172	141	172	192	221	248	251		257	464

Source: National Board of Health and Welfare

Observe that the social assistance norm do not include housing costs, energy (for example electricity), travelling expenses related to work, householders' comprehensive insurance, union member ship or, unemployment insurance fees. All of these costs are covered in addition to the social assistance norm, provided that they are deemed as reasonable. For example, if a person rent an ordinary apartment and is receiving social assistance, the actual housing cost is added to the social assistance norm. The same goes for the other expenditures mentioned above. This system makes it rather difficult to translate the norm into a poverty line, since any such attempt needs to include an estimation of actual housing costs and other additional costs. There are several techniques for doing this and the social assistance norm has frequently been used as poverty line (Gustafsson 1984; Gustafsson 2000; Halleröd 2004; Halleröd 1991; Halleröd 1995).

So, if social assistance is the bottom level, defining an income under which no one should fall, how poor, if poor at all, are the recipients of social assistance? Drawing one three different and independent estimation it can be concluded that the Swedish norm for social assistance guarantees an income that is fairly close to the 60 per cent of median income poverty line, that is, the risk of poverty definition used by the EU (Behrendt 2002a; Halleröd 2004; Nelson 2003).

Today we know that different definitions of poverty not only lead to different estimation of the number of poor people, but also to differences regarding who is poor and who is not. That is, even though two different way of defining, or to be more correct, operationalise poverty (the theoretical definition is another matter that I will not go into here) happens to come to the same conclusion when it comes to number of poor it is often the case that they define different sections of the population as being poor (Behrendt 2002b; Halleröd et al. 2006; Halleröd 1995; Halleröd and Larsson 2008; Kangas and Ritakallio 1998). So, if we use the norm for social assistance as a

poverty line or the 60% of median income poverty line we will find that there is a lacking overlap between actual take-up of social assistance and income poverty. The social assistance prevalence will be lower than the income poverty prevalence but there will nevertheless be a number of people that receives social assistance that have incomes above the poverty line even though we deduct social assistance from their total income (Halleröd 2000). Thus, there are plenty of research results that indicate an under-utilization of social assistance, i.e., those who do not receive social assistance even though their annual income falls under the poverty line. At the same time there are recipients that receives social assistance despite the fact that their incomes are above the poverty line even though the money they received as social assistance are deducted from their incomes.

However, even though we can be certain that there are both under- and overutilization of social assistance, the lacking overlap can be explained by a number of other factors. For example, social assistance is most often based on monthly income calculations, while income poverty almost always are calculated on an annual basis; people with temporarily low incomes often have assets and are therefore not eligible to social assistance; people can for different reason have special needs which makes them eligible to social assistance even though they are not income poor etc.

#### 2.3 Governance arrangements

As mentioned above, social assistance is the only benefit system that is administrated at the local (municipality) level. It is also the only benefit that is linked to a strict means test. But, even though the programme is administrated at the local level is social assistance regulated via the national Social Service Act and there has since the introduction of the Social Service Act in 1982 been a process that has lead to increased centralisation homogenisation of the implementation of social assistance. The most telling example is the introduction of the national norm for social assistance in 1998.

The municipalities' implementation of the Social Service Act is supervised by the County Administrative Board. The board is making inspections of their own and they are also responding to complaints from citizens. Citizens can appeal decisions made by the municipality to administrative courts that are made up of three tiers: first the County Administrative Court (länsrätten), further appeals goes to the Administrative Court of Appeal (kammarrätten) and, finally, in cases with precedential importance, to the Supreme Administrative Court (regeringsrätten).

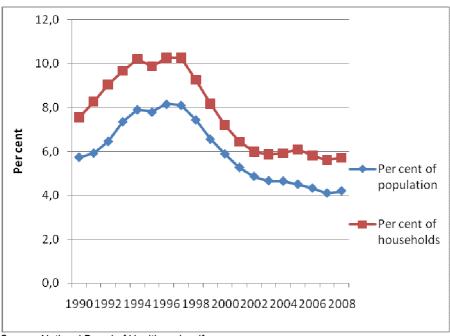
#### 3. Assessment of MI schemes

#### 3.1 Coverage and take-up

Diagram 1 shows the percentage of the population and percentage of the households that have received social assistance any time during the year during the period 1990-2008. The diagram shows two important things. First, the impact of the economic crisis during the early 1990s is clearly visible, showing that, in a situation of rapidly increasing unemployment, plenty of people that fall through general social security system. From this perspective, the current crisis will be a real challenge especially since the government has tighten the eligibility criteria related to unemployment insurance plus the fact that a larger share of the population are standing outside the unemployment insurance. Second, the fact a larger share of households, compared to individuals, receives social assistance reflects that fact that it is mainly small, single adult, households that receives social assistance. One reason for this is that many recipients are young. Another reason that recently has been highlighted by the National Board for Health and Welfare is that a large share, about one third of the recipients, are suffering from health problems that often includes mental an emotional problems, which is a condition that often is related to the household situation. It is important to keep in mind that this estimation relates to past years, i.e., when there were relatively few recipients. An increased number of recipients will most likely mean a less selected group, that is, not fewer recipients with health problems but more recipients without any other problem than lack of income.

The next diagram, Diagram 2, shows the average amount per month and household (constant prices) and average amount per household. There is a slight upward trend when it comes to amount per month but a much more rapid increase of the amount per household, which is explained by the fact that the average recipient receives social assistance during longer and longer periods. In year 2007 the average recipient received social assistance during 6 months, an increase with more than one month compared to the early 1990s. That a large share of recipients is receiving assistance for longer periods is mainly a selection effect. In a situation with decreasing number of recipients is it the mainly people with the biggest problem to support themselves that remains within the system. So, at the same time as the average number of months is increasing is the absolute number of long term recipients (those who receives social assistance for 10 or more months during a year) decreasing from about 110,000 in year 2000 to about 90,000 in 2007.

Diagram 1. Recipients of social assistance – per cent of population and per cent of households 1990 – 2008.



Source: National Board of Health and welfare

Diagram 2. Average social assistance amount per month and per household (2008 prices). Average number of months during which social assistance have been received. 1990-2008

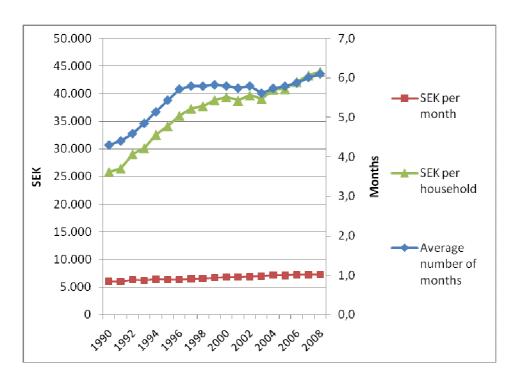


Table 2 show the distribution of recipient divided by household type and between native born, immigrants and refugees. Technically speaking are most refugees during the first three years after arrival not receiving social assistance, they are instead, in accordance with a legalisation passed in 1992, receiving introduction benefit (introduktionsersättning). The National Board of Health and Welfare is therefore presenting specific figures for refugees. However, three years after arrival are refuges automatically transferred to the immigrant group, which means that there are no strict dividing line between 'immigrants' and 'refugees'. The main difference between social assistance and introduction benefit is that the state is reimbursing the municipalities for the introduction benefit cost. Most municipalities apply the same norms for social assistance and an introduction benefit but eligibility criterion differs somewhat. About 50 per cent of all social assistance recipients are native born, (35 per cent are immigrants (at least one adult household member is born outside Sweden) and almost 14 per cent are refugees (the main recipient (registerledareen) or his/her spouse has refugee status). Hence, the two latter groups are severely over represented and the figures are a telling illustration of the difficulties many immigrants are facing trying to get a foothold at the Swedish labour market.

Table 2 and Table 3 also show that there are huge differences between these three populations. While a vast majority of native born recipients lives in single adult household it is much more common that immigrants and refugees are married or cohabiting and lives in household with children. This difference is also attributable to the fact that the typical native born social assistance recipient is young, while immigrant/refugee recipients more often are middle aged or older.

Table 2. Households receiving social assistance in year 2007 divided by household type, native born, immigrants and refugees

	Native born	Immigrants	Refugees
Number of households	107644	74652	29290
Single adult women, no child	60.4	30.4	9.1
Single adult women with child(ren)	52.5	38.7	8.8
Single adult man, no child	59.0	26.9	14.1
Single adult man with child(ren)	52.2	37.2	10.6
Married/Cohabiting, no child	24.1	59.3	16.6
Married/Cohabiting - 1 child	19.9	56.4	23.7
Married/Cohabiting - 2 children	16.2	54.0	29.7
Married/Cohabiting - 3 children	12.2	57.0	30.8
Married/Cohabiting - 4 children	10.0	59.5	30.5
Other types of household	37.0	35.3	27.7
All	50.9	35.3	13.8

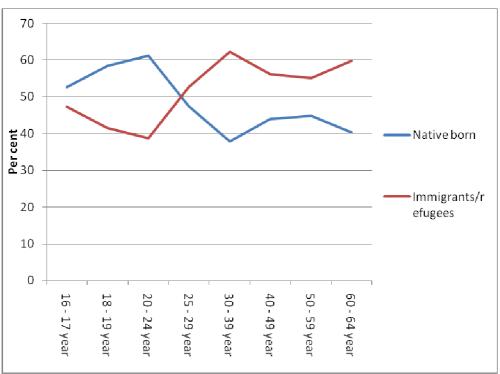
Source: National Board of Health and Welfare

Table 3. Households receiving social assistance in year 2007 divided by household type, native born, immigrants and refugees

	All	Native born	Immigrants	Refugees	Number of households
Number of households	211586	107644	74652	29290	
Single adult women, no child	24.2	28.7	20.9	16.0	51202
Single adult women with child(ren)	15.4	15.9	16.9	9.8	32648
Single adult man, no child	39.6	45.9	30.3	40.3	83861
Single adult man with child(ren)	2.6	2.7	2.8	2.0	5517
Married/Cohabiting, no child	5.7	2.7	9.5	6.8	11981
Married/Cohabiting - 1 child	4.3	1.7	6.8	7.3	9022
Married/Cohabiting - 2 children	3.6	1.1	5.5	7.7	7604
Married/Cohabiting - 3 children	2.2	0.5	3.6	5.0	4743
Married/Cohabiting - 4 children	1.9	0.4	3.3	4.3	4109
Other types of household	0.4	0.3	0.4	0.9	899
Total	100.0	100.0	100.0	100.0	211586

Source: National Board of Health and Welfare

Diagram 3. Age composition among recipients of social assistance divided by native born and immigrants/refugees Year 2007



Source: National Board of Health and Welfare

The difference between immigrants and native born is important for many reasons. There are in particular two things I want to point at. First, because of differences in household composition a much larger share of immigrant children lives in household that receives social assistance. The risk for children of being dependent on social assistance is fairly small if both parents are born in Sweden. In 2004, less than 4 per cent of children with two native born parents lived in household

that received social assistance. The corresponding figure among newly arrived immigrant children was above 40 per cent.

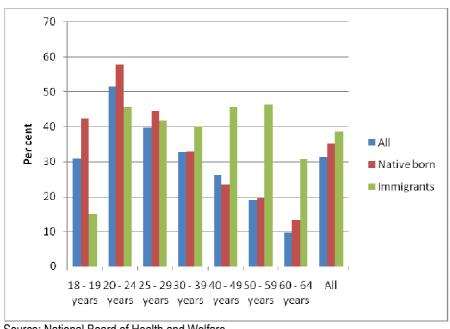
Table 4: Economic vulnerable children (0-17) by ethnicity year 2004

Children's ethnic background	Social assistance
All children	7.4
Both parents born in Sweden	3.8
One parent born abroad	14.8
Both parents born abroad	27.2
Children born abroad	33.7
Arrived to Sweden 0-2 years ago	43.9
Arrived to Sweden 3-5 years ago	40.9
Arrived to Sweden 6-9 years ago	28.4
Arrived to Sweden 10- years ago	20.1

Source: (Salonen 2006)

The second thing is that the distribution of social assistance recipients is a reflection of the Swedish labour market and the way labour market participation is necessary in order to be covered by the general income maintenance programme such as sickness insurance. unemployment insurance, parental leave, earnings related public pensions etc. Social assistance is the only programme that steps in when the general programme fails and a large share of the recipients are unemployed without any general income protection. As can be seen from Diagram 4 almost 60 per cent of young native born social assistance recipients are unemployed without any income from the unemployment insurance. The figure is actually somewhat lower among young immigrants but older immigrant recipients are often unemployed and without any unemployment insurance, which is an illustration of general labour market segregation.

Diagram 4. Per cent of social assistance recipients that are unemployed but not covered by unemployment insurance.



Source: National Board of Health and Welfare

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The Swedish welfare state model is often perceived as being universalistic and general. This is often interpreted as if every Swede were covered by some all inclusive income protection schema. This is not true and has never been true. The Swedish model has always been based on labour market participation and people have to qualify via work in order to be covered by the general income protection system. The last couple of years, in a situation with increasing demand for labour power and decreasing unemployment, the government has tighten eligibility criteria for many of the income maintenance programme underlining that these programmes should be viewed upon as temporary solutions when a person has to move from one job to another. The pressure to change job in case of health problems has increased, time limits for unemployment insurance has been made more strict and unemployment benefits are now gradually decreasing at different stage of the unemployment period. At the same time has this policy been supported by tax reforms that makes it more profitable to have an income from work compared to have an income from transfers. It is clear that in the current crisis this policy is facing its moment of truth and the development of social assistance take-up will be one crucial indicator of how well the reformed Swedish model will cope with rapidly rising unemployment.

It is at moment only possible to make some comparison regarding social assistance during the last quarter of 2007 and the last quarter of 2008, comparison that indicates an increase of the number of recipients and the costs with 8 respectively 6 per cent. However, the real impact of the crisis will be fully visible during year 2009 and there are already media reports that indicate a massive increase of social assistance take-up during the first quarter of 2009, especially among young people, which is no surprise because they are worst hit by unemployment and often not eligible to income maintenance from the unemployment insurance. A first indication of this development is given by recent statistics. The overall cost for social assistance, comparing the first quarter of year 2008 with the first quarter of year 2009, has increased with 13 per cent.

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#### 4. Link between MI schemes and active inclusion strategy

As mentioned above are recipients of social assistance, at least if they are prime aged and in good health, obliged to work or, if unemployed, searching for a job. The implementation of this policy is, as mentioned above, in most case strict. There is also an active policy aiming at coordinating different public bodies in order to achieve a job coaching chain. Especially relating to long term unemployed concerted efforts from the social welfare office, employment agency, health care office and social insurance office is needed.

In order to promote active inclusion focus is laid on professional social work, stressing the importance of not only paying money but also actively work with the clients in order to facilitate labour market participation and economic independency. In order to make such a strategy successful efforts made to increase the cooperation between different public bodies, especially health care, social insurance office and, not the least, the employment agency. Thus, in praxis harder pressure is put on the recipients of social assistance to seek, find and accept job offers. A central aim is to prevent youngster to turn into passive recipients of public support. However, this, as local experiences has shown, has to be done in combination with a more intense social work and a more concerted provision of public efforts to make such a policy possible. Thus, close cooperation with the local employment agency, the social insurance office and the health care system. Both the employment agency and the insurance office are state governed organisations while the health care system is administered on the county level and social work at the municipality level. Thus, an efficient social work needs to include public bodies that organised at different levels.

## Appendix 1 – Tables

**Table A1 1.** Per cent of population and households that received social assistance, average number of months assistance was received, average amount per month and per household (2008 prices) – 1990 to 2008

	Per cent of population	Per cent of households	Average number of months	SEK per month	SEK per household
1990	5.7	7.5	4.3	6 015	25 821
1991	5.9	8.3	4.4	5 989	26 416
1992	6.5	9.0	4.6	6 319	29 037
1993	7.4	9.7	4.8	6 223	30 111
1994	7.9	10.2	5.1	6 391	32 551
1995	7.8	9.9	5.4	6 307	34 123
1996	8.2	10.3	5.7	6 317	35 996
1997	8.1	10.3	5.8	6 486	37 277
1998	7.4	9.3	5.8	6 515	37 750
1999	6.6	8.2	5.8	6 671	38 823
2000	5.9	7.2	5.8	6 795	39 381
2001	5.3	6.4	5.7	6 753	38 731
2002	4.9	6.0	5.8	6 852	39 681
2003	4.7	5.9	5.6	6 965	39 066
2004	4.6	5.9	5.7	7 110	40 758
2005	4.5	6.1	5.8	7 058	40 838
2006	4.3	5.8	5.9	7 178	42 144
2007	4.1	5.6	6.0	7 210	43 319
2008	4.2	5.7	6.1	7 226	43 987

Source: National Board of Health and Welfare

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