Swedish Labour Migration Policy

Experiences and lessons Tallinn 29-11-05

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The task:

- 1. Brief overview of the Swedish policies towards labour migration (EU; new MS; third countries) and explaining the argument behind the policy decisions.
- 2. Positive and negative impact of migrant workers to the labour market, economy and welfare system in Swedish experience (*including effect of EU eastern enlargement*)
- 3. How to manage migration? Swedish experience on integration policies.



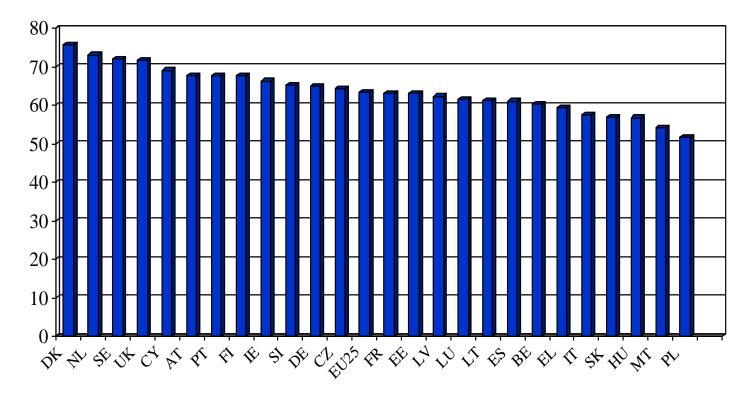
Sweden in figures

- Inhabitants 9 million
- Foreign born 12 %
- Labour force participation 78,7 %
- Employment rate 72,1 %
- Unemployment 6,3 %



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Employment rate in EU 25, 2004

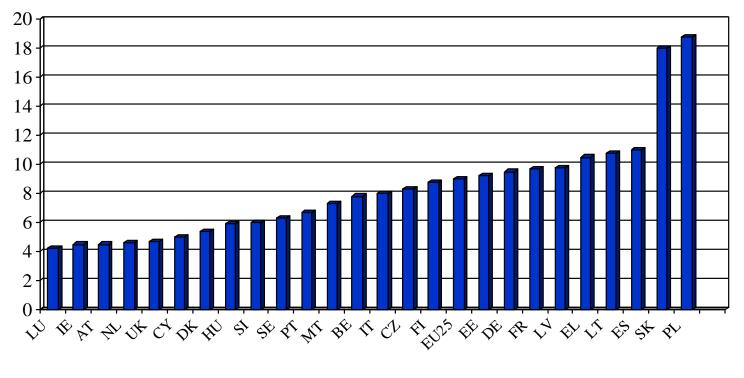


Employment rate



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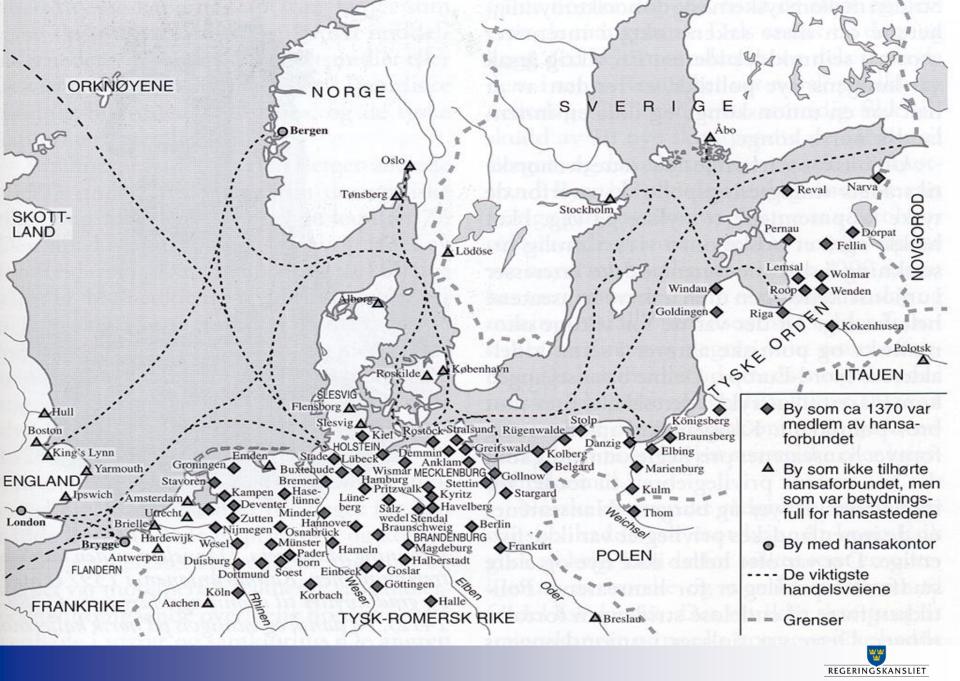
Unemployment rate in EU 25, 2004



Unemployment



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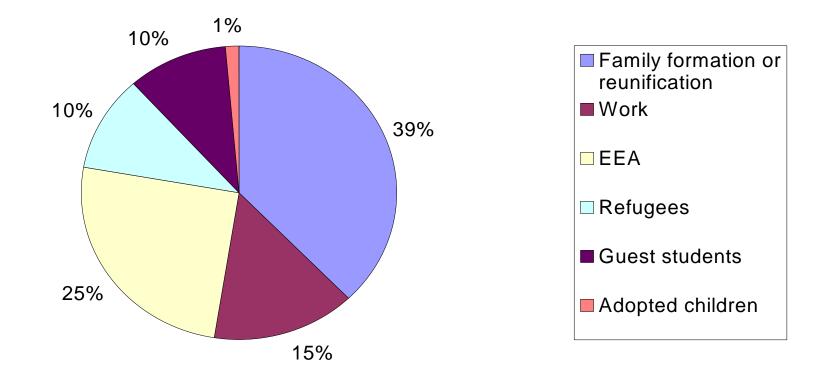
Labour Migration to Sweden

- Free movement for workers in the EU including the new member states from May 2004
- Restricted policy for third country nationals to settle permanently for work
- Temporary work permits for third country nationals if there is lack of labour or for international exchange



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59 000 residence permits 2004





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The EU enlargement in May 2004

- No transitional rules
- Free access for employed workers to the labour market
- No restrictions concerning access to social benefits
- Wage and working conditions shall be according to Swedish standards
- In case of serious disturbances on the labour market Sweden reserves its right to take appropriate measures according to the Accession Treaty



What is registered? And who?

 Information is only available for those who stay over 3 months and apply for a residence permit



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After the enlargement in May 2004

- Few citizens from the new member states have chosen to come to Sweden for work
- After one year there is an increase in number by 50 per cent
- A majority comes from Poland, followed by Lithuania, Estonia and Latvia



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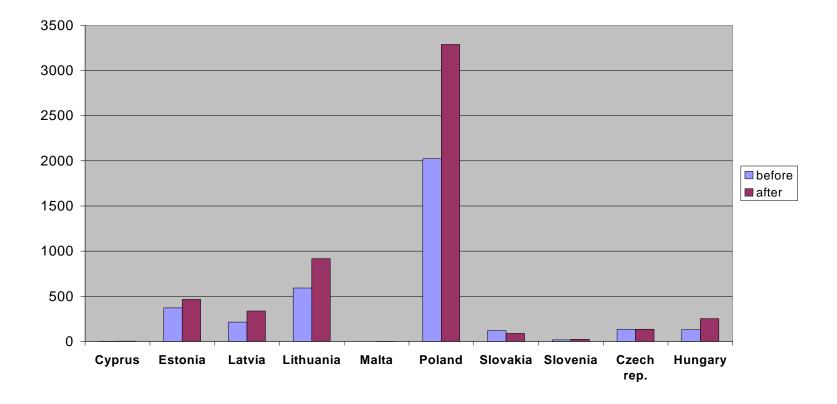
After the enlargement – some figures

- Until mid-November 2005, 9 200 applications for work
- 700 from Estonia
- 5 700 from Poland, 1 450 from Lithuania and 525 from Latvia
- New member states accounts for 60 per cent of all applications from EU/EEA
- From EU 15 many come from Germany, UK and France



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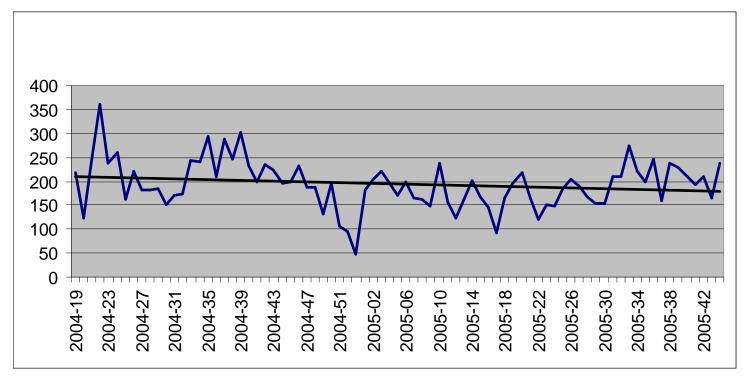
One year before and one year after the enlargement





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Applications for residence permits from the new member states





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After the enlargement - some tentative conclusions

- It is still too early to draw any far-reaching conclusions
- The enhanced mobility has made positive contributions to the economy
- There are no signs of disturbances on the labour market concerning employed workers
- There are no signs of increased demand for social benefits from members from the new member states
- The public debate today concerns posted workers



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The Swedish model

- No legislation on minimum wages
- Collective agreements for the regulation of wages and working conditions
- The agreements cover around 90 per cent of the employees
- An agreement is applied to all workers at a work place
- No mechanism to declare the agreements generally applicable
- The right to take industrial action is protected in the constitution



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Access to the labour market for third country nationals

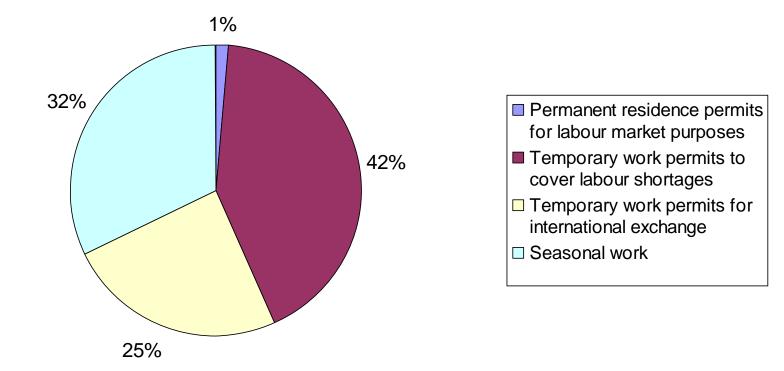
Permanent permits

• Temporary permits to cover up for the lack of labour or for international exchange



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15 300 work permits issued in 2004 for third country nationals





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Work permits – most frequent sectors

- Entertainment
- Specialists in technology
- Education and research
- Agriculture
- Trainees
- Industry
- Sportsmen



Work permits – most frequent countries

- India
- USA
- China
- Ukraine
- Romania
- Russia
- Thailand



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A Parliamentary Committee on Labour Migration

- Shall propose a regulatory framework that allows for increased labour migration
- Shall be based on the needs of the labour market
- Wages and working conditions shall be equivalent to Swedish standards
- Flexible, sustainable, easy to administer
- The committee will present its proposals in march 2006



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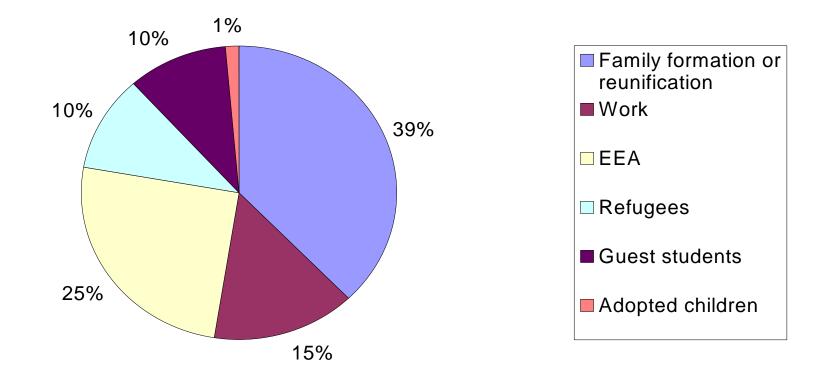
Integration

Political initiatives to increase labour mobility must go hand-in-hand with measures for better integration of immigrants already living in the country



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59 000 residence permits 2004





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Objectives for Swedish Integration Policy

- Equal rights, responsibilities and opportunities for everyone, irrespective of ethnic and cultural background.
- Social cohesion built on diversity.
- Social development characterised by mutual respect within the boundaries following from societies fundamental democratic values in which everyone, irrespective of background, should participate and share a sense of commitment.



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Integration

- Preconditions for integration differ between groups of immigrants
- Work as a necessary but not sufficient condition
- Low employment and high unemployment among foreign born
- More problems to solve for those out of work than for labour migrants



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Measures to improve integration

- Better introduction of newly arrived immigrants
- Language training in combination with working life experiences
- Active labour market policy measures
- Better co-operation between authorities
- Measures to counteract discrimination



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What can be learned up till now from the EU enlargement?

- All labour mobility cannot be regulated by transitional rules
- Different systems interact
- More research is necessary to understand how
- Lack of labour mobility can often be a greater problem than the actual mobility



"Mobility of labour and services after EU enlargement: Nordic differences and commonalities"

Jon Erik Dølvik, Line Eldring Fafo, Oslo, August 2005 www. fafo.no



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