

# **The World's Most Open Country: Labour Migration to Sweden after the 2008 Law**

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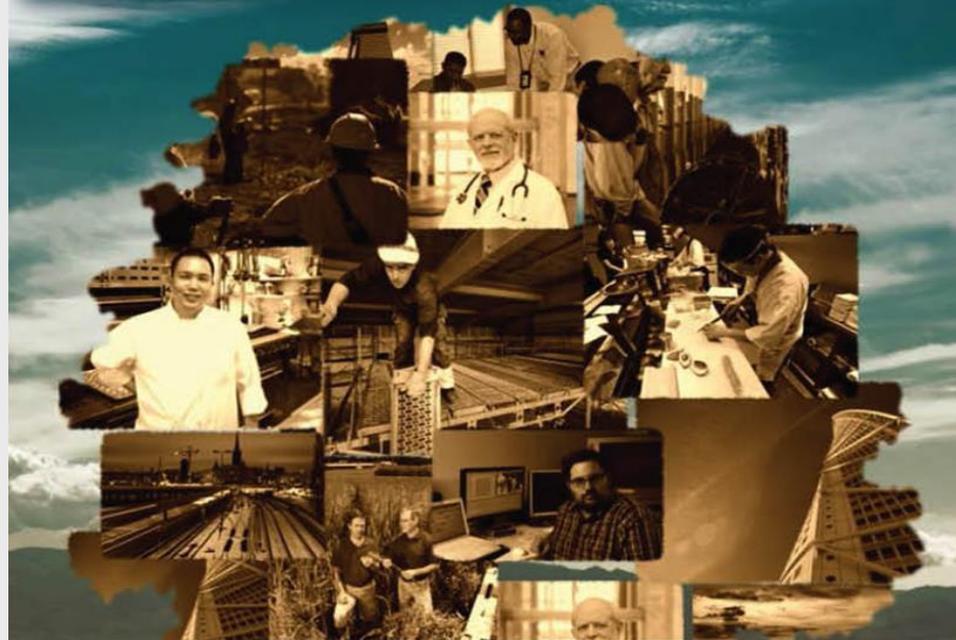
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**THE WORLD'S MOST OPEN COUNTRY:**  
LABOUR MIGRATION TO SWEDEN AFTER THE 2008 LAW

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# Introduction

- The aim is to study the effects and effectiveness in the new 2008 labour migration policy in Sweden.
- It contributes to the field of migration policy research.
- Can state control migration flows in a desired direction?
- What happens when a state abolishes labour market tests?



## Selection of labour migrants

- Supply driven
- Points based
- Example: Canada
- Demand driven
- Employer led
- Example: Most European countries
- In Sweden, no labour market tests

*“The Swedish labour immigration system is entirely demand driven as it is up to the individual employers to decide whether they have a need to recruit someone from a third country. This creates a system that is flexible and effective in meeting labour shortages.”*

*Tobias Billström 2011*



## The Swedish model

- December 2008: New demand driven labour migration system
- No labour market tests: "It is the employer who has the best knowledge of what skills are required"
- Condition: An offer of employment with a level of pay in line with applicable collective agreements
- One set of rules for all types of labour migration
- 2+2 years temporary permit
- Family members may be granted residence permit for the same duration as the employee



## New 2008 law on labour migration

Former migration minister Tobias Billström: “Sweden now has one of the most flexible and efficient systems for labour migration in the world” (UN Commission on population and Development, April 24, 2013)

The reform is “praised by the OECD as one of the most liberal among the organization’s members” (UN General debate of the high-level dialogue on migration and development, October 3, 2013)

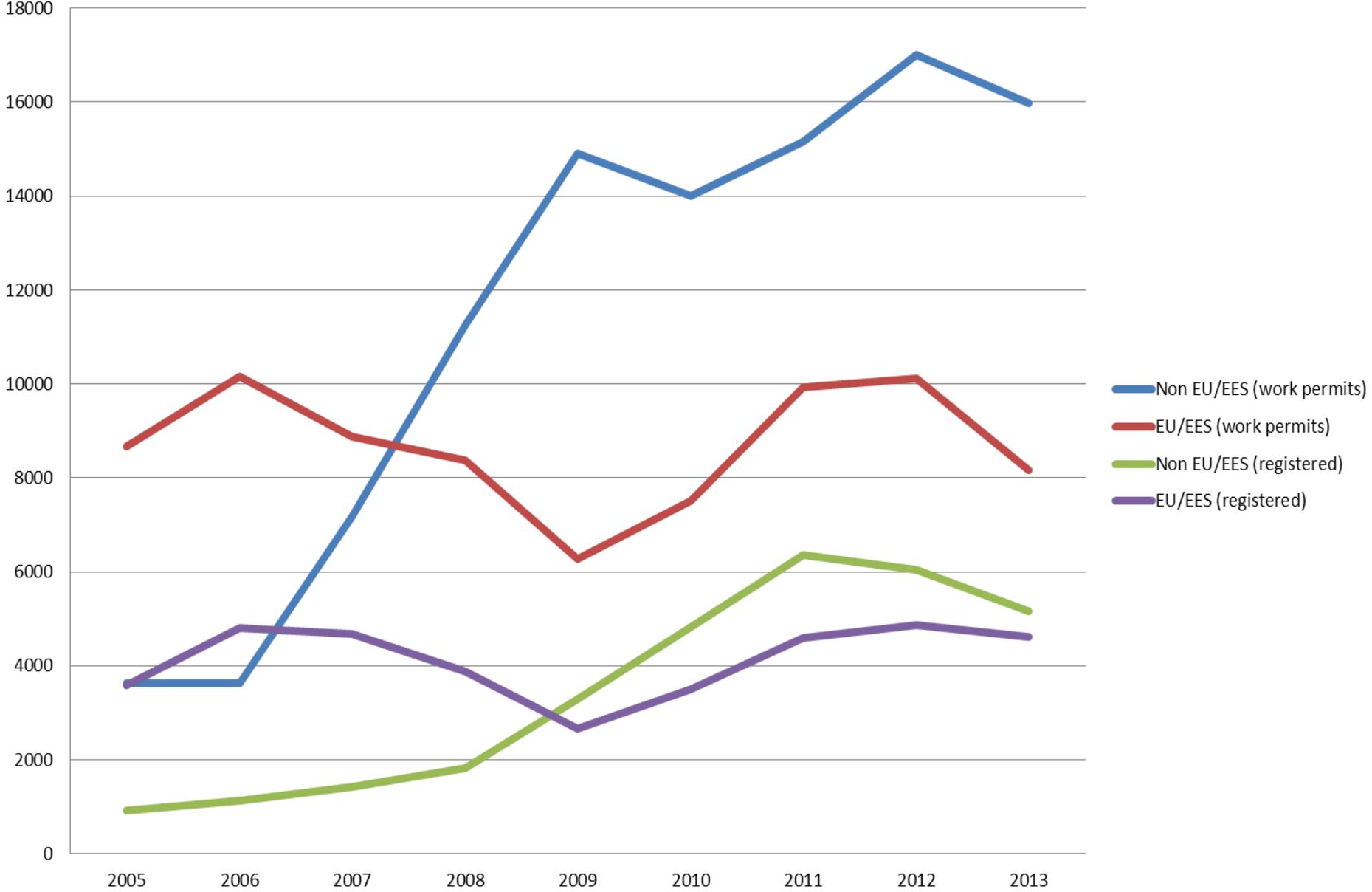


## Main reasons for the reform

- The government wants labour migration to increase for two reasons:
- Demographic challenges: to maintain the supply of labour in the short and long-term.
- Labour shortages: Recruitment problems in several occupations and sectors of the Swedish labour market.



# Labour migration to Sweden 2005-2013



# Who are the labour migrants?

## Registered labour migrants to Sweden 2009-2012

	2009	2010	2011	2012
<b>Labour migrants</b>	3205	4770	6193	5679
<b>Male (%)</b>	76,8	79,0	76,4	76,6
<b>Female (%)</b>	23,2	21,0	23,6	23,4
<b>Average age</b>	32,8	32,4	32,9	33,4

## Registered family to labour migrants to Sweden 2009-2012

	2009	2010	2011	2012
<b>Labour migrants</b>	774	1477	1913	2506
<b>Male (%)</b>	16,5	16,7	20,6	14,8
<b>Female (%)</b>	83,5	83,3	79,4	85,2
<b>Average age</b>	32	32,3	33,5	32,7

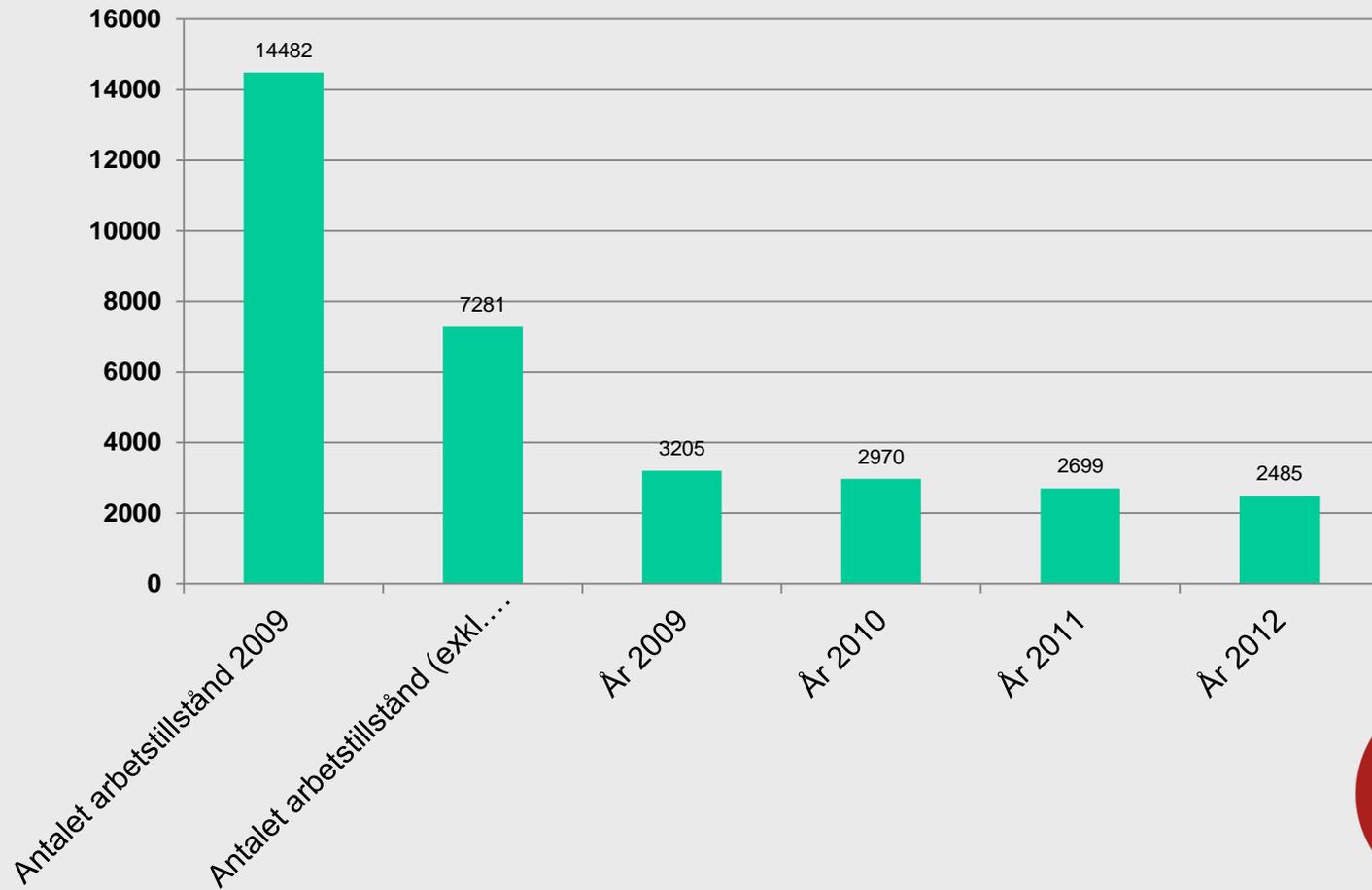
## Registered children to labour migrants to Sweden 2009-2012

Year	2009	2010	2011	2012
	933	1388	1876	2093



# Few are staying in the country

## 2009 labour migrants who stay in the country



# Effectiveness: Do labour migrants work in shortage or surplus occupations?

- The Employment Service does yearly lists of shortage and surplus occupations, covering 80 percent of all employment (shortage index).
- Based on this classification we created three categories of occupations: shortage occupations, surplus occupations and other occupations (balance).
- According to our definition there were *shortages* in 30 occupations, for example computer specialists, civil engineers, plumbers, nurses and doctors,
- 38 occupations are classified as *surplus* occupations, for example stock clerks and storekeepers, cleaners and restaurant workers.
- We compare the 2008 and 2009 labour migrants from EU and non-EU countries.



## Employment status, two year after immigration year for 2008 and 2009 EU and non-EU labour migrants to Sweden

Immigration cohort	Employed		Not employed		Total number
	Number	Percent	Number	Percent	
2008 non-EU	1062	67,7	507	32,3	1569
2009 non-EU	1966	72,8	733	27,2	2699
2008 EU	3722	72,2	1434	27,8	5156
2009 EU	2818	73,8	1003	26,2	3821



## Type of occupation, two years after immigration year, for 2008 and 2009 EU and non-EU labour migrants that are employed

Immigrant cohort	Shortage	Surplus	Other	Unknown	Total number
2008 non-EU	29,5%	22,1%	41,3%	7,1%	1062
2009 non-EU	12,1%	44,0%	40,4%	3,5%	1966
2008 EU	17,0%	17,0%	41,8%	24,2%	3722
2009 EU	15,2%	18,0%	38,5%	28,2%	2818



**Average monthly income (SEK), two years after immigration year, in different types of occupations for 2008 and 2009 EU and non-EU labour migrants**

Immigrant cohort	Employed					Not employed	All
	Shortage	Surplus	Other	Unknown	All Employed		
<b>2008 non-EU</b>	34,405	17,002	38,303	46,909	33,048	793	22,626
<b>2009 non-EU</b>	39,704	18,459	31,973	34,672	27,045	1,101	19,999
<b>2008 EU</b>	40,453	16,702	28,328	21,431	26,747	1,216	19,646
<b>2009 EU</b>	40,505	17,365	31,523	18,677	26,714	1,534	20,104



## Substitution effects

- A majority of the labour migrants also apply for asylum. They are former asylum seekers or, more common, apply after the work permit.
- **Number of 2009's labour migrants still in the country 2012-12-31 and who have become registered as asylum-seekers with the Swedish Migration Board**

	Number	Percent
Not registered as asylum seekers	665	27
Applied for asylum before 2009	257	10
Applied for asylum in 2009	325	13
Applied for asylum 2010-2012	1,238	50
<b>Total</b>	<b>2,485</b>	<b>100</b>



## Conclusions

- The number of non-EU labour migrants have increased.
- But few high-skilled labour migrants stay in the country
- The composition has changed. More come to work in surplus occupations.
- The average salary is lowe
- The outcome is less in line with what was the purpose and expectations!

