

Improving access to the labour market for refugees in Sweden

Key findings and recommendations

Executive summary

Sweden is often singled out as having comparatively inclusive integration policy measures for migrants in general and refugees and their families in particular. Still, the employment gap between the native born and foreign born is among the largest among OECD countries, and the situation for refugees is especially difficult. Persistently high unemployment rates among refugees and their families have prompted the government to invest significantly in labour market integration. Since 2010 this is managed through a two-year introduction program (*Etableringsprogrammet*) that includes Swedish language training, civic orientation and labour market training activities.

All new arrivals aged between 20–64 have access to the introduction program. A 'new arrival' is a person who has been granted international protection and their family. The program is coordinated by the state through the Public Employment Service, but local municipalities are implementing a large part of the program, for example language training and civic orientation. An institutionalised multi-level governance structure has been developed over the years. The state is funding municipalities for initial costs related to the settlement of

new arrivals, and is paying an introduction allowance for participants in the introduction program. Local and regional agreements are established to improve collaboration between the stakeholders.

Asylum seekers and new arrivals have access to the labour market, and in line with the integration policy goal of equal rights, persons granted international protection have in general the same rights as citizens to access labour market and social services. However, no measures are taken to support asylum seekers to enter the labour market.

Recent problems at the Public Employment Service has had negative impacts on the implementation of the introduction program, and municipal and regional bodies sometimes step in to complement existing labour market services which are supposed to be a state responsibility.

This policy brief presents research findings from the GLIMER report *Integration into the labour market and skills training in Sweden*, and provides recommendations to facilitate the successful integration of asylum seekers and new arrivals in the labour market.

Methods and empirical research

GLIMER is informed by a combination of rigorous policy analysis and qualitative semi-structured interviews with stakeholders on the local (Malmö) and regional (Scania) levels.

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Context

Asylum was fully integrated to Swedish legislation in 1954. The preparatory work, stipulated that foreigners' equal access to the labour market was an important political goal. In 1985 the first orderly introduction program was established to enhance the integration of new arrivals. Since 2010, the introduction program (*Etableringsprogrammet*) is managed by the Public Employment Service.

All new arrivals aged 20–64 years are eligible to participate in the introduction program, which lasts for 24 months and should include language training, civic orientation, and labour market training activities. The state reimburses municipalities to settle new arrivals and organise language training and civic orientation, that are, among other things, the responsibilities of the municipalities. There are strong elements of both vertical and horizontal coordination. Agreements on the regional and local level endeavour to ensure that the division of labour between state, regional and municipal bodies and NGOs runs smoothly. Up until recently, the program has been well funded by the state. On paper, everything seems to be set up for success. Nevertheless, the results of the introduction program has been disappointing.

New arrivals fare worse than other groups, including other immigrant groups, despite its introduction. After the two-year introduction program, about 30 to 40 per cent support them-

selves through work or full-time studies. We studied local integration policies in Malmö, the third largest city in Sweden. Malmö has the lowest employment rate and the highest per centage (34%) of foreign born in Sweden. At the end of 2019, about 1100 new arrivals were enrolled in the introduction program in Malmö. About half of the participants had at most a primary education and about 30 per cent an upper-secondary education. Malmö and the Scania region has one of the lowest employment rates in the country so the conditions for labour market integration are not the best. The strategy in Malmö has been to increase economic growth and implement area based and generic welfare programs. The city has no stated integration policy, instead the ambition is to mainstream integration policies in all departments and activities.

The municipality is not very involved in labour market services for new arrivals as long as they are eligible to participate in the introduction program. After the program has ended and new arrivals are not eligible for the state introduction allowance, many will rely on municipal social assistance. The municipality has programs and measures to support individuals and families, including new arrivals, from municipal social assistance and into employment. The Region Scania is more focussed on the skilled migrants, including new arrivals.

Findings

Policy framework

1. The goal of the Swedish integration policy is equal rights, and there are few formal barriers to employment. Both asylum seekers and new arrivals, as other migrant groups, are encouraged to find employment, but there are no support measures available for asylum seekers.
2. All new arrivals aged 20–64 years have access to the 24-month introduction program, which includes language training, civic orientation and labour market preparatory activities. When following their introduction plan the participant is



eligible to an introduction allowance.

3. The state has the main responsibility for the labour market, including the introduction program. The municipality complement this with labour market training activities for persons dependent on social assistance, while the Scania Region is more focussed on activities for skilled migrants, including new arrivals.
4. In the Scania region there is a well-funded and institutionalised multi-level governance framework in place to support and coordinate the labour market integration of new arrivals.
5. In addition to the introduction program, an important part of the state integration policy is the funding of employment subsidies to stimulate labour demand for vulnerable groups such as refugees.

Employability services

6. The introduction program provides access to labour market training activities. The problem is to find suitable activities for all participants, especially for those with no or little formal educational background. Women are also underrepresented in more qualified labour market training activities.
7. In practice, the 24-month introduction program is too short for many new arrivals to establish

themselves in the labour market. Local stakeholders report that new arrivals need more time to learn the language and be able to make use of the labour market services offered. At the same time, the long process creates, according to the same informants, motivational problems to invest in education and training.

8. Political decisions on the national level have created problems at the Public Employment Service, which makes it difficult for them to live up to the policy ambitions. Re-organisations, and lack of staff and funding have lowered the quality and content in the introduction program.

Private sector and NGOs

9. The private sector and NGOs play a limited role in formal integration policies, also when it comes to labour market integration. However, recent ambitions to include civil society organisations seem to have some effects. New methods, such as public-third sector partnerships are promising, e.g. for job-matching.

Vocational training

10. Persons with a residence permit (temporary or permanent) have access to vocational training. Besides, there is a need to develop suitable vocational training for new arrivals with shorter educational backgrounds.

Recommendations

Labour market integration of asylum seekers and new arrivals is unevenly regulated. While the labour market integration of new arrivals has been topical over years, it is also a densely regulated area. This also means it is a moving target, and a policy area that has been reformed countless times. Labour market integration of asylum seekers is much less so; while asylum seekers

have formal access to the labour market, there are basically no measures to support it. Obviously, this reflects the political will on the matter; the government has, at least seemingly, no intention to develop this.

Following on the degree of political interest, labour market integration of new arrivals has been, and is,



investigated by state commissions and evaluations. These also contain solid information about what services are provided and the results. Challenges for refugee women, validation of skills and competences, access to vocational training and adult education are policy areas that have been thoroughly investigated in

recent years. Stakeholders and policymakers across different levels also tend to agree on what the practical problems are, in, for example, the introduction program. We present here some of the most pressing issues.

- I. **The Employment Service needs to get back to full operational status.** Previous problems in the introduction program, for example coordination between local stakeholders and lack of suitable measures for persons with no or little formal educational background, are minor compared to the current problems caused by organisational problems within the Public Employment Service. Political decisions on the national level have undermined the possibilities for the Public Employment Service to implement the introduction program according to the original ambitions. Re-organisations, closing of local offices, and a lack of staff and funding has deteriorated the services for the participants and undermined the legitimacy of the introduction program in the eyes of other local stakeholders, especially the municipalities.
- II. **Regulation that complicates collaboration between stakeholders and coordination of the introduction program on the local level need to be addressed.** State agencies, regional bodies and municipalities are responsible for different policy areas and act under different rules and regulations. One example is the adult education. To be enrolled in adult education, persons need to be eligible and this requires formal education and language skills that few new

arrivals have. Because of this, many educational provisions are unsuited for participants in the introduction program.

- III. **Labour market integration for newly arrived women needs to be improved.** The difference in employment rates between newly arrived men and women has grown in recent years. Local stakeholders are aware of this, and consider it a problem. Despite this awareness and efforts to improve the situation, little progress is made in practice. While the desire is stated, there are no clear gender equality strategies .
- IV. **Collaboration with the private sector should be strengthened.** The private sector has until recently played a very marginal role in labour market integration. Measures to facilitate the engagement of the private sector as well as pathways to employment in the private sector should be strengthened.
- V. **The role of the civil society should be strengthened.** The third sector has played a marginal role in measures for labour market integration of new arrivals and asylum seekers. Recent measures, such as non-profit public partnership, seem to function to strengthen this. Additional instruments of this kind, as well as evaluations, could possibly strengthen this development.

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This policy brief is supported by our full report into labour market integration in Sweden, available at: glimer.eu/outputs | Further enquires: michaelagh.broadbent@ed.ac.uk

