Sweden: new law set to dismantle country's broad work permit system

This blog post is based largely on information provided by George Joseph Caritas Sweden whom we are grateful for his time and expertise.*

Sweden's labour migration policy has long been <u>known</u> as one of the most straightforward and inclusive in the region, with one set of rules applying for all types of employment. But a <u>bill</u> voted by the Swedish Parliament in November 2022 is set to reshape the migration and labour migration landscape in the country. The changes will make the rules more complicated, and block non-EU workers from accessing work permits in many jobs and sectors where they are currently employed.

While the current Swedish labour migration model is not without its shortcomings, it represents a promising example of how labour migration policy can make work permits accessible for non-EU workers across all jobs and sectors of the economy, in line with applicable regulations. This policy reflects many of the essential characteristics of successful labour migration and work permit policies, as set out in PICUM's report <u>Designing labour migration policies to promote decent work</u>. A table comparing these aspects to PICUM's policy recommendations and related indicators can be found here .

What will change

Among the advantages of the Swedish work permit policy was its openness to workers across sectors and skills. Changes, introduced by a right-wing <u>coalition</u>, will make it much more difficult for migrants to work in the country in occupations that receive lower salaries.

Increased income requirements

The <u>government</u> decided to introduce a specific income requirement for non-EU workers to obtain a work permit. Until now, the offered salary had to align with applicable collective agreements, which set pay for the specific job in question and specify that the lowest salary for any job is SEK 13,000 (approximately \leq 1,114 on 26 September 2023) per month, the lowest level at which it is considered possible to live in Sweden without welfare support. The new income requirement will more than double that amount, to SEK 26,560 (approximately \leq 2,276 on 26 September 2023) per month. This is 80 percent of the Swedish median salary, so will exclude those working in the numerous jobs with lower pay.

The government <u>claims</u> this change will reduce labour exploitation of migrant workers on low income, but it will likely result in increased precarity, undeclared and undocumented work across key sectors.

Restrictions to family life

Workers who wish to bring their families to Sweden will have to prove appropriate accommodation and sufficient financial means to support them. How these requirements will be applied in practice, remains to be seen, but may increase family separation. Under the previous system, workers could apply simultaneously for their permits and to bring their immediate family members with them, without particular restrictions, meaning it was possible for them move to Sweden together as a family.

Harsher immigration enforcement

The situation changes also for those people who lived undocumented in Sweden but were able to secure a job offer in the country: in the past, immigration authorities would allow them to leave Sweden, apply for the work permit from their country of origin, and return to Sweden. A <u>political agreement</u> was reached – and is <u>currently being challenged</u> - to take various steps to increase the deportation of undocumented people and make life even harder for undocumented people. As part of this, authorities plan to implement more strictly the provision that people's undocumented residence in Sweden could be counted against them in any new work permit application. This will trap people in undocumented residence and undeclared work in Sweden, even when they have a firm offer of employment that would otherwise be eligible for a work permit.

The <u>changes</u> are set to take effect on 1 October 2023, impacting workers who apply after this date. It is unclear if the new rules will also be applied to applications submitted before this date that are still being processed and renewals.

This reform raises major concerns about likely negative impacts on the workforce and the overall inclusivity and fairness of the Swedish migration system, especially for workers in low-paid jobs such as in the restaurant, cleaning, and home service sectors.

Sweden's labour migration system

Sweden's labour migration system as introduced in 2008 allows non-EU citizens from any country to apply for a work and residence <u>permit</u> in any job and sector. Until 1 October 2023, there was no discrimination or differential treatment based on the type of work, skill level or income, as long as the employment relationship meets applicable regulations and collective agreements. As of 1 October, the job offers must also meet a minimum income threshold which is 80 per cent of the median salary in Sweden, and will exclude numerous lower-paying jobs across different sectors (as described above).

To be eligible for a work permit, workers need a written job offer from an employer based in Sweden. Employers are required to advertise job openings in Sweden and the European Economic Area for ten days before offering the position to a non-EU citizen.

Application process

The application is initiated by the employer, but completed and submitted by the worker, giving them some ownership over the procedure. The employer needs a trade union statement which approves the conditions presented in the employment contract. When the trade unions issue a negative statement, the Swedish Migration Agency will revise the contract to make sure it meets labour standards and then issue a final decision. In certain industries, small employers must also demonstrate their ability to pay the employee's salary.

The application can be submitted online through the Migration Agency's website or via the Swedish consulate or embassy abroad. However, the processing time for work and

residence permits applications can vary, ranging from several months to over a year, depending on the workload of the authorities.

Permit granted

Once the work permit is granted, it remains valid for the duration of the employment contract, or for maximum of two years if the contract is for a longer period. It is common for migrant workers to receive a long-term job offer and work permit of 2 years. Permits can be renewed for an additional two years. After holding a work permit for a continuous period of four years, individuals can apply for permanent residency.

Work permit holders are not allowed to change employers on their permit for the first 2 years; a new permit must be applied for.

In case the worker loses or decides to change their job, they can be unemployed for up to three months within the validity of their permit, while they search for a new employer.

If the new employment is within the same occupation and sector, the worker can remain in Sweden and submit the application from within the territory. Once the application has been submitted, the existing permit is not revoked, and the person can start the new employment while the application is being processed.

Once a worker's initial 2-year permit has been renewed, they can work in the same occupation for a different employer on the same permit. They may also submit an application for a new permit for a job in a different occupation from within the country, but must still remain within the same work sector.

To change work sector, the person must submit a fresh application from outside of the country.

*Most of the information related to the current labour migration policy was also published in our 2021 report <u>Designing labour migration policies to promote decent work</u> - further sources can be found there.

Analysis of the Work Permit in Sweden compared to PICUM's key recommendations and indicators¹

Policy recommendations	Indicators	Standard 'Work Permit' in Sweden		
1. Streamlined and efficient procedures				
Good administration: Procedures to obtain and renew visas and permits should be streamlined with reasonable administrative requirements.	1.1 Number of steps in application procedure	This is met to a large extent. The administrative requirements to obtain this work permit are reasonable.		
Information about application procedures, requirements, and applicable rules should be provided publicly for potential employers and workers in clear and accessible language.	1.2 Accessibility of information about procedures and applicable rules	This is met to some extent in that the available information online regarding the requirements, exceptions and application procedure is relatively clear. However, detailed information is only available in Swedish and English.		
Based on an offer of employment: An offer of employment, with conditions in line with applicable labour law or collective bargaining agreements, should be sufficient across all jobs and sectors.	1.3 Eligibility/ non-eligibility requirements to access a permit with a job offer	This falls short, due to the reform on 1 October 2023. This permit is available for all recognised types of employment relationship and sectors. ² Employers need to advertise the position for ten days before offering the job to someone who would need a work permit. However, as of 1 October 2023, a minimum income requirement of 26,250 SEK, which is equivalent to 80 per cent of the median salary in Sweden, will exclude workers in numerous occupations with lower pay.		
If some level of preferential access is to be provided to resident workers, the mechanism should ensure resident workers are able to apply for the job, but not prevent employers from selecting their preferred candidate through recruitment procedures.				
Stability for workers and employers: Permits should be of a reasonable duration, of at least two years.	1.4 Length of permit	This is met to some extent. The length of the permit depends on the length on the contract. The maximum length of the initial permit is two years. It is common for migrant workers to receive long-term job offers and 2-year work permits.		

¹ For the complete list of policy recommendations and suggested indicators, please see PICUM 2021, <u>Designing</u> <u>labour migration policies to promote decent work. Policy recommendations</u>.

² Due to current regulations, domestic workers may be excluded from the scope of the work permit system, alongside sex workers, whose work is not recognised.

Policy recommendations	Indicators	Standard 'Work Permit' in Sweden		
Permits should be renewable, without requiring workers to leave the country.	1.5 In-country renewals	This is met. Permits can be renewed up to two years within Sweden.		
In-country applications: People should be able to apply for the various residence and work permits provided for by national law from within the country, regardless of their status, including when undocumented.	1.6 In-country applications including when undocumented	This falls short. In most cases, applications need to be submitted from outside the country. ³ Authorities have usually been allowing undocumented people in Sweden with a job offer to leave the country regularly without an entry ban being issued, to apply for the permit outside Sweden and to return. This is currently changing, as there will be increased implementation of the provision that considers prior irregular residence in Sweden as grounds for refusing a work permit application.		
2. Autonomy for workers				
Worker-owned procedures: Workers should be able to apply for permits themselves.	2.1 Ownership of application process/ worker or employer-made application	This is met to some extent. Workers complete and submit the application so have some ownership over the procedure, but the process is initiated by an employer, and permits are linked to the initial employment relationship.		
Labour market mobility: Permits should not be tied to one employer. People should be able to change employer, including the type of job and sector, and work for more than one employer, on the same permit, without permission from the employer or labour intermediary.	2.2 Procedure to change employer	This is not met. A new application for a new permit is required when working on an initial 2-year permit. However, workers are able to submit the application from within Sweden and work for their new employer while the application is being processed, if the new job is within the same occupation and sector. Once their initial permits has been renewed, people can work for a different employer in the same occupation on the same permit.		

³ Exceptions are made for former students, and for former asylum seekers whose asylum application has been refused and who have worked for at least six months under wages and employment conditions in line with collective agreements.

Policy recommendations	Indicators	Standard 'Work Permit' in Sweden
Labour market mobility: Permits should not be tied to one employer. People should be able to change employer, including the type of job and sector, and work for more than one employer, on the same permit, without permission from the employer or labour intermediary.	2.3 Procedure to change type of job	This is not met. For the above procedure, while working on an initial 2-year permit, workers can only apply for another permit to work in the occupation they were initially granted the permit for. To change to another type of job, they need submit a fresh work permit application from outside of the country. Once their initial permit has been renewed, they can apply for a permit to work in a different type of job, within the sector, using the above procedure.
	2.4 Procedure to change sector	This is not met. To change to another sector, they need to submit a fresh work permit application from outside of the country.
	2.5 Possibility to work for more than one employer	This is not met. Workers can only work for one employer, the one indicated in the work permit.
	2.6 Time period before change of employer	This is met to some extent. There is no minimum time period before workers can change employer, but a new application must be submitted.
Independence from employers: Financial and practical support should be accessible during this time, at least on the same terms as nationals. Particular attention should be paid to situations where workers' housing was also provided by their employer.	2.7 Time periods for enemployment/ job search during validity of permit and after the permit has expired	This is met to some extent. Workers have three months after they lose their job to be unemployed and find a new job, within the validity of their permit.
	2.8 Available financial and practical support while unemployed	This is met to some extent. Non-EU citizens can access unemployment benefits on the same conditions as nationals, though only during the three- month period of unemployment.

Policy recommendations	Indicators	Standard 'Work Permit' in Sweden		
3. Equality and family unity				
Non-discrimination: Access to employment and associated permits should be non-discriminatory across all protected grounds under human rights law. ⁴	3.1 Restrictions in access to permits on prohibited grounds	This is met in that it is not restricted to any nationality.		
Family unity: Migrant workers should be able to enjoy their family life as any other person. Restrictions on migrant workers with low income from bringing their families should be lifted.	3.5 Possibilities to and restrictions on access to permits for family members	This was met in the past; it is too early to assess the impacts of the reform of 1 October 2023. The permit procedure for dependent family members has been accessible and provided for workers to move with their family to Sweden. However, as of 1 October, workers will have to prove appropriate accommodation and sufficient financial means to support them. How these requirements will be applied in practice, remains to be seen, but may increase family separation.		
Spouses/ partners should also be provided access to the labour market.	3.6 Access to the labour market for family members	This is met.		
5. Social Inclusion				
Pathways to settlement: There should also be pathways to settlement after a number of years. All periods of residence should count towards long-term residence status.	5.1 Residence counts towards long-term residence or settled status	This is met to a large extent. Workers can apply for permanent residence after four years in the country, although the residence must be continuous.		

⁴ For more information, see Fundamental Rights Agency and Council of Europe, 2018, <u>Handbook on European</u> non-discrimination law, 2018 edition.

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