Immigrants paths to employment in Sweden

Mapping of the three initiatives “Etableringsprogrammet”, “Snappspår” and “Etableringsjobb”
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Table of contest

1. Etableringsprogrammet – period of training for immigrants in Sweden 2
   1.1 Introduction 2
   1.2 Target group 3
   1.3 A participants’ path through the Etableringsprogrammet 3
   1.4 Determinants for deciding the pathway for each participant 6
   1.5 Responsible organs 7
   1.6 Different paths after the Etableringsprogrammet 8
   1.7 Evaluation of the Etableringsprogrammet 8

2. Snabbspåret – the fast track 10
   2.1 Introduction 10
   2.2 Sectors and participants chosen to be included in the Snabbspår 11
   2.3 Evaluation of Snabbspår 12

3. Etableringsjobb – establishment jobs partly subsidised by the state 13
   3.1 Introduction 13
   3.2 Cooperation between the private sector and the public sector in Etableringsjobb 14
   3.3 Participants in the Etableringsjobb model 14
   3.4 Update on the process 15
1. Etableringsprogrammet – period of training for immigrants with refugee background in Sweden

1.1 Introduction

Etableringsprogrammet, loosely translated to establishment programme (here on referred to as Etableringsprogrammet or “programme”), is a Swedish active labour market policy for some newly arrived immigrants1. The purpose of the programme is to facilitate and accelerate the establishment of some newly arrived persons in work and social life. The Etableringsprogrammet is a supporting program, assuming individual responsibility.

The Etableringsprogrammet is regulated by a statutory instrument under the Swedish Ministry of Employment. The statutory instrument entered into effect January 1st 2018. Newly arrived persons must be established on the labor market or enter studies at an earlier stage2. The policy has its background in the 2010 law on establishment for some newly arrived immigrants regulating responsibility and activities to facilitate and acceleration on some newly arrived immigrants’ establishment in work and social life.3

The change in the policy was done to increase the efficiency of The Swedish Public Employment Services government assignment of establishment. The former right to an Etableringsplan or establishment plan for newly arrived persons was changed to a more general active labour market policy. The change was made to give the individual employment officer at The Swedish Public Employment Service the possibility to adjust the policy according to the participants individual needs and induce more freedom as well as responsibility for the participant.4

1 A newly arrived person is a refugee or immigrant who is new to Sweden, a person who has been received within the framework of the municipality’s refugee reception and is included in the Establishment Act. The person shall have a residence permit when he/she settles down in the municipality and described as a “newly arrived” for the 24 months after it first was received by the municipality, thereby also part of the Establishment programme within the Establishment Act.
Each year 12 300 – 37 500 participants enter the programme and 25 500 – 44 800 exits to either carry on with work or studies. 27 300 persons are currently enrolled (February 2020). Out of the 27 300, 16 500 has a primary educational level, 5700 upper secondary school level education and 6100 has an above upper secondary school level education. 4 400 are considered as youth (age 24 and younger) and 22 900 are considered adults (25 years or older).

1.2 Target group
The Etableringsprogrammet’s target group is refugees, individuals granted subsidiary protection status and family members to these groups age 20-64 years. In order to be eligible for the programme you need to have a Swedish personal number, fulfill the above criteria and not have full-time employment or be enrolled as a student in upper secondary school. Participation in the programme is voluntary, but the economic incentives to participate are high: only by participating a person is eligible to get the establishment compensation. The compensation is conditional and can be cancelled if the participant does not follow the individual plan.

Municipalities have a duty to actively track those that are not taking part in the programme and try to bring them in, but in practice this has proven to be difficult. There have been efforts to strengthen this work. For example, municipalities have able to apply for state grants for programs that improve access to Etableringsprogrammes activities even during parental leave to strengthen women’s opportunity to quick integration.

1.3 A participants’ path through the Etableringsprogrammet
Participation in the Etableringsprogrammet is voluntary. The programme is 24 months, or two years, and is individually planned with an employment officer at The Swedish Public Employment Service. The programme should be planned to be conducted at full time, 40 hours per week, although individual adjustments can be made due to individuals finding a job, starting a study programme, has a lowered function ability, enters into parental leave or becomes ill. The individual plan is set together with an

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6 Figures taken from entering the programme in 2016-2019. There has been a decrease in the programme’s uptake since the new statutory instrument was put into effect in 2018. Year 2018 the uptake was 16 521 and in 2019 12 292 persons.


9 The Swedish Public Employment Service (2020). Etableringsprogrammet. Link: [https://arbetsformedlingen.se/for-arbetssokande/stod-och-ersattning/att-delta-i-program/etableringsprogrammet](https://arbetsformedlingen.se/for-arbetssokande/stod-och-ersattning/att-delta-i-program/etableringsprogrammet)


11 Parental leave allows recovering the lost time for a maximum of 12 months. It is also possible to come back to the programme after work, if it has not been longer than 36 months since receiving social security number. Information Sverige (2019). Etableringsprogram från The Swedish Public Employment Service. Link: [https://www.informationsverige.se/sv/jag-har-fatt-uppehallstillstand/om-du-vill-arbeta/etableringsprogram-fran-arbetsformedlingen/](https://www.informationsverige.se/sv/jag-har-fatt-uppehallstillstand/om-du-vill-arbeta/etableringsprogram-fran-arbetsformedlingen/)
employment officer at The Swedish Public Employment Service after the individual assessment of skills and education (the mapping phase).

In total, there are 45 activities that participants can take part in, however according to IFAU’s report on activities in the Etableringsprogrammet, participation in some of these are very low. 15 activities are considered as more common\textsuperscript{12}. Thus, what activities are included in the individual plan can be, but is not limited to: studies in Swedish (SFI), social studies, educations on different levels, internships, support when applying for jobs, support and advice to those looking to start their own business and validation of skills.\textsuperscript{13} Although the programme has a large flexibility, there are some parts of the programme that are fixed. These include:

- Swedish for immigrants (Svenska för invandrare, SFI)
- Social studies, and education with basic knowledge on the Swedish society (minimum 100 hours)
- Measures preparing the individual for work, for example internship\textsuperscript{14} or validation of skills.

The participant can follow their plan digitally by using the Swedish Public Employment Services (PES) app. The programme is automatically terminated if the participant finds a job or starts education. After receiving a plan, participation is possibly for a maximum of 24 months within a 36 months period since having received a Swedish personal number\textsuperscript{15}. Participation in the Etableringsprogrammet more than once is not possible. See more under 1.6. \textit{Different paths after the Etableringsprogrammet} for paths after the programme.

Figure 1 shows the distribution over the most common activities in the programme.

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\textsuperscript{13} The Swedish Public Employment Service (2020). \textit{Etableringsprogrammet}. Link: https://arbetsformedlingen.se/for-arbetssokande/stod-och-ersattning/att-delta-i-program/etableringsprogrammet


\textsuperscript{15} The Swedish Public Employment Service (2020). \textit{Etableringsprogrammet}. Link: https://arbetsformedlingen.se/for-arbetssokande/stod-och-ersattning/att-delta-i-program/etableringsprogrammet
Educational duty for immigrants with no or short educational background - A complimentary feature of the Etableringsprogrammet is educational duty. The educational duty means that if the employment officer assess a participant to be in need of education in order to enter into the Swedish work and labor market, the participant need to apply for and take part of suited education\textsuperscript{16}. This can for example be if the participant does not have an education from their home country, or if it is short.\textsuperscript{17} Failing to apply to the educational duty means losing the economic subsidy for the Etableringsprogrammet. Duties and responsibilities and economic subsidies are found further down in this chapter.

Participation in Swedish language training - Language is one of the foundational factors in the Etableringsprogrammet and the first assessment point when entering the mapping phase. There is no “target level” to be reached, however, everyone who does not already speak Swedish is assigned to language training within the programme. In Sweden, this training is called Swedish for immigrants, SFI. The assessment of language level is decided by SFI at municipal level. There are several SFI courses designed for different purposes. SFI has three main tracks and assessments are based on previous educational levels; one for individuals who has no or only a short education (Studieväg 1); one for individuals with a little more education (Studieväg 2); and, one for individuals with a longer education (Studieväg 3). After these initial tracks are finished, Swedish language courses can be continued at Komvux (municipal adult education) as second language courses.\textsuperscript{18} Studies can be also continued after the the Etableringsprogrammet either in language courses or for example in combinations trainings now


offered by several municipalities, where language training is combined with vocational education. Person attending to these trainings can apply for regular CNS student grants and loans.

The right to economic subsidy - During the time in the Etableringsprogrammet participants receive Etableringsersättning from the Swedish Social Insurance Agency. The Etableringsersättning for the mapping phase is SEK 231 per day and as a participant in the Etableringsprogrammet you receive SEK 308\(^{19}\) per day. You can get paid for maximum five days per week, summing up to a total of SEK 6160 an average month\(^{20}\). You can also get additional support if you have children or need additional help to pay your rent. The subsidy is exempt from tax. It is the Swedish Social Insurance Agency who decides if a participant is eligible or not for the Etableringsersättning. Read more about this in 1.5. Responsible organs about the different stakeholders in the Etableringsprogrammet.

Participants need to take responsibility for their own progression - The Etableringsprogrammet’s participants need to activity report their time and what they do. Activity reporting is similar in many Swedish programmes and means that the jobseeker needs to report their activities every month to the PES. This is to follow up on the work being done by the participant and used by the PES to give the right support.

The reporting system is electronical, and reporting is done via the PES website. Still, a PES official goes through activity report monthly to decide if the participant is still eligible for subsidy. This is placing considerable administrative burden on the officials, and a recent evaluation made by Statskontoret shows that it is in fact affecting their jobs with the individual planning and assessments negatively\(^ {21}\).

The programme is there to give support and guide the way, but it is the participant that is responsible for its own progression. Failing on one of the steps in the plan means losing whole or a part of the Etableringsersättning. The participant needs to come to scheduled meetings with the PES and participate in scheduled activities for the programme as well as send in their activity report in time. There are also requirements to simultaneously apply for jobs that are a good fit for their own profile.

Participants are insured during their time in the programme – While in the programme, participants are insured by a personal insurance and group life insurance. The employer can also be compensated if the participant causes any damage at the workplace.\(^ {22}\)

1.4 Determinants for deciding the pathway for each participant

As Etableringsprogrammet is an active labour market policy the first step before an individual is assigned to the programme is an active labour market assessment by the PES. After the assessment, the individual is assigned to the programme suited for them. In this case, the Etableringsprogrammet. The first step of the Etableringsprogrammet is then the mapping phase, where the participant and the

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\(^{20}\) Calculated using an average month of 20 working days.


\(^{22}\) The Swedish Public Employment Service (2019). Faktablad för arbetssökande Försäkringsskydd och skadeersättningsansvar. Link: https://arbetsformedlingen.se/download/18.75a5a30116b93f40a3fad40/1569850230204/Faktablad%20om%20f%C3%B6rs%C3%A4kringsskydd%20och%20skadeers%23%C3%A4ttningssansvar%20vid%20visa%20arbetsmarknadspolitiska%20program.pdf
employment officer at the PES together go through his or her previous skills, educational background, and experiences. This can be done in dialogue, or by a self-assessment using an online tool at the PES website. Especially, language skills and previous work-related experience and education lies the foundation for the formation for their personal plan. There is always an individual assessment done by an employment officer during the first meeting to assess what activities are suitable for the participant. However, as mentioned above, participation in SFI and social studies are foundational parts of the Etableringsprogrammet for all participants. Assessment of language skills for the SFI level is done at municipal level.23

There are common features for certain groups. For example, participants with a short educational background should primarily take part in SFI, social studies and Komvux, regulated under the educational duty. Other groups, for example those who have an education or experience that gives them good possibility to establish themselves on the labour market should participate in SFI, social studies and other measures in order to be matched to work. This can be for example through the Snabbspår, a fast track to professions with shortage of labour force.24 For more information about the Snabbspår, see section 2 in the report.

1.5 Responsible organs

The main responsible state stakeholders are the PES and the Swedish Social Insurance Agency but also the municipalities are involved in the assessments.

The PES - Responsible for that the newly arrived person is offered measures in order to facilitate and accelerate the establishment in work and social life.23 The PES also has the main responsibility for the Etableringsprogrammet. The PES follows the participant through the programme by assisting with an employment officer and the following up on the programme plan. The PES makes sure that the participant is piloted to other active labor market policy programmes if the participant still is without job or a study programme at the end of Etableringsprogrammet.

The Swedish Social Insurance Agency - Responsible for assessing and determining on the individual subsidy for establishment.

Municipalities - Responsible for social studies and SFI but can also be tendered to deliver labor market training or health promoting activities.26
1.6 Different paths after the Etableringsprogrammet

If the participant does not find a job or studies during the Etableringsprogrammet’s 24 months they are offered to continue within other programmes of the PES. It is the employment officer that redirects the individual to the suitable option. Currently it is the Job and Development Guarantee programme. Each individual in Sweden have the right to participate in this programme having been unemployed for a long time and registered with the PES as a jobseeker during this time. In this programme, focus primary lays on applying for jobs rather than getting an education. The pathway is ensured by following up talks by an employment officer. The above named paths to a job in Sweden are not mandatory but many of the social systems features are linked to registration at one of the PES active labor market policies, like for example the right to unemployment benefit (A-kassa).

1.7 Evaluation of the Etableringsprogrammet

In 2018 the PES reported on their work on improvements done in the Etableringsprogrammet. The report concludes that since the start of Etableringsprogrammet and its precursor in 2010, the programme has been continually improved. Each year more persons have entered the labour market or studies than the year before. Continuity of the work and a focused target has contributed to its success and every year the knowledge base on newly arrived persons needs are widening.

Table 1: Amount and share of people who at some time during the years 2010 to 2018 have had an establishment plan, broken down by gender and educational level.

<table>
<thead>
<tr>
<th>Utbildningsnivå</th>
<th>Kommersiell</th>
<th>Anställd (%)</th>
<th>Män</th>
<th>Anställd (%)</th>
<th>Total</th>
<th>Anställd (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Förgymnasial utbildning</td>
<td>36 212</td>
<td>56</td>
<td>44 425</td>
<td>51</td>
<td>80 637</td>
<td>53</td>
</tr>
<tr>
<td>Gymnasial utbildning</td>
<td>12 407</td>
<td>21</td>
<td>31 130</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effingymnasial utb &lt; 2 år</td>
<td>2 748</td>
<td>5</td>
<td>7 097</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Högskola &gt; 2 år</td>
<td>13 159</td>
<td>20</td>
<td>33 220</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>64 526</td>
<td>100</td>
<td>87 557</td>
<td>100</td>
<td>152 084</td>
<td>100</td>
</tr>
</tbody>
</table>

Figure 1: Amount fo people who have left the Etableringsprogrammet, broken down by gender (Blue =Female, Green = Male).

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30 Ibid
Success in the activities are derived from the current strong economic situation\textsuperscript{31} and need for labour force together with the implementation of certain labour measures for example like Snabbspår.

Another highlight is the strong matching focus, where jobseeker’s skills is meant to be mapped faster and with higher quality to improve the match work and education. The proportion who was matched to work in 2017 was 33 percent. The same was for education. Some challenges remain for the Etableringsprogrammet as of a report in 2018, these are to further develop the mapping processes, to a larger extent look after newly arrived woman competencies and facilitate for newly arrived persons to take part of service digitally, no matter their current language skills.\textsuperscript{32}

Evaluations and reports on the Etableringsprogrammet have been made by several organs in Sweden. The Etableringsprogrammet is under current evaluation and assessment. For example, the PES shall at the latest on June 12 2020 describe to the Swedish Unemployment Insurance Inspectorate (IAF) what measures has been made in order to meet the shortages pointed out by the IAF in the critique and remarks made.\textsuperscript{33} And, Institute for Evaluation of Labour Market and Education Policy (IFAU) points out that a large part of the newly arrived persons participate in activities that are of preparatory character during their time in the Etableringsprogrammet. Only a small part of the participants take part in strictly work-related activities as labour market education or subsidised employment.\textsuperscript{34}

\begin{thebibliography}{9}
\bibitem{31} The situation prior to Covid-19.
\bibitem{32} The Swedish Public Employment Service (2018). Förbättra genomförandet av etableringsuppdraget. Link: https://mb.cision.com/Public/1326/2659366/9b818536c78a34dd.pdf
\end{thebibliography}
2. Snabbspåret – the fast track

2.1 Introduction
Snabbspåret or Snabbspår (the SS, In English “the fast track”) is a tripartite agreement aimed for those who are newly arrived in Sweden and has experience and/or training in a profession where there currently is a staff shortage. It was launched by the Swedish government in 2015 and has grown to cover 30 professions where socials partners have identified labour shortages and enough of potential participants that could qualify for a fast track into a profession and thereby the labour market too35. The activities conducted within the different fast tracks are jointly coordinated by the PES, employers and the social partners and national agencies. The SS is divided into three parts focusing on mapping the person’s previous skills, assessing and validating the person's abilities and finally supply knowledge through education and practice. Thus, it is important to see the SS as a “chain of activities” rather than a specific labour market policy program. This has had implications on the ability of evaluating the SS, as it is difficult to evaluate the specific results and effects of the fast tracks since they are a mix of activities and differ significantly from each other 36.

There are currently 13 fast tracks out of 14 that are active 37. Most of them were initiated when the SS was set into action in 2015. 9000 participants have so far participated in a fast track, of whom 70% were men. However, the largest fast track aimed for teachers have an opposite participation rate of roughly 70% women and 30% men.

The activities within each fast track varies based on which of the social partners that are involved. It also depends on the skills and the experience of the participants and the current demand from the labour market. Hence, the various tracks do for example include activities such as language training, workplace training, validation and other tailor-made complementary trainings.

2.2 The validation process
The validation process has gained increased attention as it is seen as a key aspect of creating a more effective process of matching between participants and employers. The validation process in the fast tracks for chefs consist of three steps:

Step 1. The validation process begins with an assessment (formed like a survey) at the PES which the job seeker does in his / her native language. The job seeker is thanks to the assessment than able to compare his/her competence in relation to the requirements at the Swedish labour market.

Step 2. The participant's prior knowledge is mapped, primarily with the help of interviews from the industry’s certified professional assessors / suppliers who can also be an employer. The job seeker is able to tell about past experience and prior knowledge in his/her profession and a skills mapping is done. This step is carried out with the support of an interpreter / language support which the PES

36 Ivan Cvicic (2020), national coordinator for SS, the Swedish Public Employment Services.
37 Marie Lindbäck (2020), national coordinator for SS, the Swedish Public Employment Services.
provides with. After this, the job seeker receives a competence assessment and a statement which describes which supplementary efforts / trainings the job seeker needs to become a chef in Sweden.

Step 3. If the participant is judged to have opportunities here in Sweden, based on his or her prior competence, he or she will move on to the last step, step 3. Which is a certification and increased employability as a chef. In this final step, the participant is tested at an existing workplace by one of the industry’s trained professional assessors in either Arabic or English. This step in the validation process is done in the form of a traineeship called “Yrëskompetensbedömning”, in English Professional Skills Assessment, where a supervisor’s fee from the PES is paid to the employer.38

Responsibilities within this arrangement are as follows:

The parties:

- Translation of validation material - analogue and digital
- Train professional assessors who are multilingual (a number are already trained, several are added with support from promotional funds)
- Together with the PES, create structures for local and regional cooperation
- Distribute information to the members of the parties on the status of the validation certificate and create a demand for validated personnel.

The PES

- Self assesment in eleven languages.
- Interpreter for validation.
- Procuers validation according to industry model.
- Provides supplementary training in the form of labour market education.
- Creates structures nationally for follow-up and evaluation.
- Compensates employers with additional expenses for the internship intervention Professional competence assessment (supervisor’s fee YKB).

2.3 Sectors and participants chosen to be included in the Snabbspår

The majority of the fast-tracks were initiated in the beginning of 2016, soon after SS was launched in 2015. The first fast tracks were initiated by the government and aimed to chefs as an attempt to address the severe labour shortages in the food service sector. As mentioned before, the SS is now covering about 14 fast tracks where the latest one is aimed to persons within the wood industry. The fast tracks that have the most participants are currently the ones aimed at teachers, care and healthcare professionals, people with experience from the wood industry, engineers and technicians, and persons within social sciences such as people with a degree in economics or law. A fast track in a sector can be introduced by any of the parties in the tripartite agreement.

38 Arbetsförmedlingen, Snabbspår för nyanlända kockar
The main criteria for participants to qualify for SS include participation in the Etableringsprogrammet, having a current establishment plan or being granted residence permit during the last three years. Apart from this, each fast track has its own requirements. The academic fast tracks do for example require the participants to have verified documents from earlier studies at university level. The other tracks that rely on earlier experience have an early validation process in the fast track in order to ensure that the participants are skilled enough to continue in the same fast track. Some of the fast tracks do also require a certain knowledge of the Swedish language. This is the case for, for example professions in healthcare and care.

No substantial amounts of new fast tracks have been initiated since SS was launched in 2015 and the activity level of the different fast tracks vary as well. There are currently discussions regarding a fast track for only economists (who now are included in the more general fast track of several professions within social sciences) and a new fast track aimed to agronomists as the collaboration with the Swedish University of Agricultural Sciences have proven to be fruitful in the fast track aimed to animal nurses.

There has been a discussion regarding an extension of the SS. There still is an urgent need for certain skills and experiences at the labour market, but the number of participants in SS have decreased. This is mainly due to a decrease in participants in the establishment programme, while the labour market has remained very strong, motivating jobseekers to take jobs that they know they are overqualified for. One group that potentially is going to be included is the “love immigrants”, who concerns newly arrived persons that has a significant other that is domestically born. Thus, the target group of the SS is eventually going to be extended to also include certain groups of immigrants that do not participate in the Etableringsprogramme.

2.4 Evaluation of Snabbspår

The PES as well as other partners conclude that it has been challenging to find ways of evaluating the effects of SS at a general level. The PES measures how many new participants that have got involved in any of the new fast tracks on a monthly basis, where the current trend is that there are less participants now due to a smaller number of newcomers and a strong economy in general.

There have been attempts to track each of the fast tracks individually. The results have been reported to be quite varied which should be seen in the light of their different designs and activities that are included. One of the most successful fast tracks in terms of participants that got an employment in the relevant sector has been the one aimed for animal nurses. Almost all the participants were reported to have achieved a professional license due to the activities that were conducted within the fast track. The good intercommunion between the social partners and great engagement from the educational institute were described as a key aspect to the success. The fast track aimed at chefs, that was the first fast track to be put into action, have been reported to have more challenges. The participants often get other positions than chef in the sector or an employment in another sector. This is suggested to be a result of

40 Marie Lindbäck (2020), national coordinator for SS, the Swedish Public Employment Services
a strong economy where the participant quickly get other employments in other sectors. Moreover, that the work experience of the participants cannot match the requirements in the sector. The lack of knowledge in the Swedish language has been reported as a key aspect to whether participants are employed after participating in a fast track and other complementary training. This demonstrates that the lack of necessary language skills seems to be one of the most challenging aspects in SS. Proficiency in language is especially important within professions in the healthcare and care sector and within different fast tracks that are aimed at teachers.

Employers have requested a more refined base of statistics that enables to demonstrate the progress of their participants. In relation to this, the PES has reported that there are limited resources so far regarding delivering these types of statistics, but that they have an ambition to come up with new ways of solving these issues. In general, the aspect regarding the lack of statistics in the SS is a major point of critique concerning SS. There has also been concerns that the total amount of participants still is quite few in relation to how many newly arrived that are included in the Etableringsprogrammet.

Finally, representatives of the PES enhances that this is a system that takes a considerable amount of time even though it is called “fast tracks”; “one cannot have such hopes for time gains, it is rather about taking care of the available qualities out there. For every person who gets an employment within their level of competence, it feels like a great success”.

3. Etableringsjobb – establishment jobs partly subsidised by the state

3.1 Introduction

Etableringsjobb (EJ) is a newly presented model with the aim of supporting newly arrived and long-term unemployed persons into the Swedish labour market. EJ has collaboratively been initiated by trade unions and employer organisations who have agreed upon a new kind of employment based on the concept of collective agreements. What makes it unique is that a certain part of the wage of the employee is subsidised directly by the state. Thus, the employer only pays a part of the state while the state compensates the part below the minimum wage level of the collective agreement with an individual allowance. Moreover, this implies that the model allows employers to hire people with low educational attainment at state-subsidised wages, which can be an important incentive to increase the availability of employments.

The design of EJ differs from today's existing subsidised employment models in a way that the subsidy is paid directly to the individual. Hence, changes in the law is required to make sure that the process of providing allowances from the state is conducted in a fair way. The model was meant to be launched on the 1st of July in 2020 when a new law was proposed to be set into force, but the process has been delayed due to several reasons. The most recent development is that a government bill was submitted.

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42 Marie Lindbäck (2020), national coordinator for SS, the Swedish Public Employment Services
Immigrants paths to employment in Sweden

to the parliament on the 12th of March in 2020. The bill proposes legislative changes to create conditions for introducing an allowance aimed at individuals employed in an upcoming new form of subsidised employment. Moreover, the bill comprises suggestions with the aim to improve the conditions of the system's control function and counteract erroneous payments. The law is expected to be set into force on the 1st of October in 2020.

There are several reasons to why a new model has been initiated, though the primary cause is because existing models with the aim of improving labour engagement have not delivered the desired effects. Moreover, the increasing employment rate which currently is historically high, is expected to slow down as a result of an emerging economic downturn. It is estimated that about 32% of all the unemployed persons in Sweden are long-term unemployed, whereas the unemployment among newly arrived is significantly higher. In relation to this, companies have also reported increasingly labour shortages in the last five years. Ultimately, these statistics and prospect call for a model with the ability of creating a good foundation for a more effective matching process on the Swedish labour market that benefits newly arrived as well as employers.

3.2 Cooperation between the private sector and the public sector in Etableringsjobb

The division of responsibilities between the social partners have been given much attention since the model involves several different parts. In the case of the employer, they will continue to have the full employer responsibility even though the employment is state-subsidised. The agreement upon the new model states that the employee must be given the opportunity to acquire relevant knowledge and experience with an employer during a period of maximum two years. Thereafter, the employment should lead to a permanent position with the same employer. It is also stated that the employee must be given the opportunity to participate in SFI and other minor courses that the employee and employer agree on.

The public sector will have the responsibility of controlling that the requirements of the employments and employees are fulfilled. In the first step of this process, the PES will have to verify that the participants are qualified to work at a certain workplace. Thus, the agency has the main responsibility of creating an efficient process of matching regarding jobseekers and job vacancies. The second step of the verifying process is to check whether the participant has the right to receive an individual allowance from the Swedish Social Insurance Agency.

3.3 Participants in the Etableringsjobb model

There are certain requirements that must be fulfilled for a person to be qualified for the EJ model. In  

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order to qualify for EJ, the person must be long-term unemployed for a period of minimum two years or have been granted a residence permit during the past 36 months. Furthermore, the participant should not have received any regular wage in the past twelve months from any employment. In relation to this, it is also stated that EJ should not be able to be combined with any other employment subsidies. It is important to notice that the participant is meant to have a considerable amount of responsibility in the model. For example, the employees are required to work full-time in order to achieve their wage in full amount and it is their own responsibly to apply for the allowance from the PES.

The PES has been commissioned to develop a new service system to enable better matchings in EJ. The new service system should already have been introduced, but there is currently no data to be found regarding further developments. Thus, the requirements of the participants are not yet fully established, although there are some laws that concerns which individuals that are covered by the state subsidies.

3.4 Update on the process
The law that initially was proposed to come into force on the 1st of July 2020 has been delayed due to several reasons. The new model has caused a lot of debate and there are very different political views on the matter whether EJ will lead to the desired results or not. In relation to this, some major changes have been conducted regarding which companies that should be included in the model. EJ was initially only addressed to companies with signed collective agreements, which implied that the selection concerning state subsidies was selective. This aspect has changed due to the January agreement where it was stated that EJ should be extended to also include companies without collective agreements. The new design of such an extension has not yet been completed as there are several social partners, especially trade unions, that are opposing the extensions. Moreover, several big trade unions such as Transportarbetareförbundet (the Swedish Transport Workers’ Union) and Svenska Byggarbetareförbundet (the Swedish Building Workers’ Union) have chosen not to participate in the program which imply certain issues with the current design of the model. Moreover, concerns have been raised regarding that the current design of the model is difficult to apply in the context of employments in the public sector, as the concept of minimum wages differs on regional and national level.

Finally, the ongoing coronavirus pandemic infers that there currently are a minimum of resources to develop the design of the model. At the same time, the sharp rise of the unemployment rates calls for

45 Almega (2019). Link: https://www.almega.se/etableringsjobb/
47 The January Agreement is a deal that enabled the minority Social Democrat and Green coalition government to stay in power, and also prevent the Sweden Democrat Party having an influence on government policy. The deal is between the government and the Centre and Liberal parties.
strong measures in the near future, where EJ potentially could be an important model. The social partners have a vision of 10,000 participants when the model is completed and put into full action.\footnote{Etableringsjobb (ds 2019:13). Regeringskansliet, Arbetsmarknadsdepartementet. Link: \url{https://www.regeringen.se/4adac2/contentassets/fde2bb9886d64a01bd3bc9eeabb2690c/etableringsjobb-ds-2019.13.pdf}}