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## **Ministry of Justice Sweden**

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**ENGLISH** only

A demand driven approach to labour migration - the new Swedish rules to meet the employers' demands for labour

Statement by Ms. Christina Springfeldt, Director,
Ministry of Justice, Sweden, to OSCE seminar on
Migration management and its linkages with economic,
social and environmental policies to the benefit of
stability and security in the OSCE region - Session 2

Mr. Secretary-General,

Distinguished guests,

Ladies and Gentlemen,

I am honoured to address this important Forum, and I look forward to sharing with you Sweden's views and experiences with regard to labour migration.

On 15 December last year - just over a month ago - new rules for labour immigration to Sweden entered into force. Through this reform, Sweden has created what we believe is one of the most flexible and efficient systems for labour migration in the world today. It is entirely demand driven and it welcomes labour migrants of all skills levels. Migrants that are admitted to Sweden will be given full access to equal rights and they may bring their family members with them from day one. The spouse of the labour migrant will also be granted access to the labour market.

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Our reform is designed to create an effective and flexible system which will make it easier for people to come to Sweden to work, and for Swedish companies to recruit labour from outside Europe.

The main incentives for this reform is the recognition that there are labour shortages in Sweden that cannot be filled by people living in Sweden or other EU countries. Another motive is the fact that our population is getting older, and that fewer and fewer people of working age will have to support an increasing percentage of the population in the years to come – which may threaten economic growth and the sustainability of our welfare system in the long term. Of course, labour migration is only one of several instruments needed to prevent labour shortages. But it is certainly an important complement to measures which aim to use the labour already in the country.

Now that the new legislation has entered into force, it is possible to grant work permits to third country nationals who are offered employment, provided labour needs cannot be met through recruitment within Sweden or the EU, and provided that terms of employment and wage conditions are in accordance with Swedish standards as established in so-called collective agreements. This is a cornerstone in the new legislation, and ensures that both labour migrants' and employers' rights are protected - and that wage or social dumping is prevented.

With the new legislation, every temporary work permit can be replaced by a permanent residency after four years, provided the migrant in question still has a job contract.

A key difference, compared to the previous legislation, is that now, the Swedish employers themselves, and not the Swedish Public Employment Agency (as was the case previously), decide whether or not there is a need to recruit someone from outside Sweden or the EU to fill a particular vacancy. Thus, the system is completely demand-driven and consequently more flexible and effective in meeting labour shortages.

In addition to being demand-driven, the new system embraces a non-sectoral approach to labour migration. In Sweden, we recognize that we need foreign workers with all kind of skills and in many different sectors, not only in so called high skilled sectors, and with this new system the same rules and conditions for entering and staying in Sweden apply to all migrants, regardless of skills.

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I would now like to say a few words about the concept of circular migration, which is a prioritized issue for our Government. There are indeed many interesting parallels between labour migration and the concept of circular migration.

Sweden regards circular migration as a positive and naturally occurring phenomenon (or "pattern of mobility") that can promote development in countries of origin, serve the labor market needs of countries of destination, and benefit migrants themselves. We also feel that promoting greater "circularity" by facilitating mobility and expanding opportunities for legal migration can contribute to reducing illegal migration and mitigate the effects of brain drain by facilitating "brain circulation."

We feel it important to recognize, however, that circular migration is not a new concept or phenomenon. In our view, the increased "circularity" of migration that we are witnessing is a natural consequence of an increasingly globalized labour market and reflects an increasing trend towards shorter-term migration as a livelihood strategy for many migrants.

Although our new system for labour migration allows for a path to permanent residency, it is expected that many migrants will choose to return or to migrate again after a period of work in Sweden. Under a 12 month period it will be possible to leave Sweden and as long as the person in question still has a valid employment contract in Sweden, he or she is welcome to come back. This security may help to promote mobility and circularity of migrants, both for those who intend to stay for only a short period and for those who wish to stay and work in Sweden for longer periods.

Sweden is very interested in learning more about the potential positive development impacts of circular migration. There is a recognition that we need more data regarding this phenomenon in order to make more informed policy decisions. Future analysis of the phenomenon might include, for example:

- mapping and analyzing examples of circular migration to and from countries of origin and destination, both today and in a historical perspective.

- examining legislation relevant to labour migration in order to identify factors that affect migrants' prospects for mobility.
- looking at the development effects of circular migration in countries of origin,
- looking into circular migration systems and/or legislative frameworks in other countries

With that, I would like to thank you for your attention.