Sweden

National report on the labour market position of vulnerable groups

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National report on the labour market position of vulnerable groups in Sweden


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The impact of the crisis on vulnerable groups

Country Report Sweden

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1. INTRODUCTION

When classifying countries into different social policy clusters or regimes types, Sweden is often described as belonging to the social democratic regime type (Esping-Andersen, 1990). Central features of this regime type are universalism, comprehensive programmes, income redistribution, high taxation and state-based structures of finance, provision and regulation. The Swedish welfare state promotes the principle that all citizens should be equally entitled to a decent standard of living and particularly supports those needing help to be able to participate in society. Sweden was and is known for comparatively low poverty rates.

Yet, two deep economic crises hit Sweden during the last 15 years, one in the mid 1990’s and one more recently. For a study on the impact of the recent economic crisis on vulnerable groups, a natural point of comparison is thus the even more dramatic crisis of the mid 1990’s and its impact on more exposed groups. A Welfare Commission appointed at the end of the 1990's by the Swedish Government described and assessed welfare development during that period. In a summarising report they stated “that the living conditions among the Swedish population underwent a number of major changes in the 1990s. The most noticeable change was the increase in the proportion of the population that encountered various kinds of disadvantage or illfare. Along with higher unemployment and reduced employment, conditions of employment altered in many respects. Negative psychosocial working conditions and short-term employment became more common. Progressively larger groups suffered financial difficulties and low incomes. In the health field, we find a significant decline in certain specific areas, especially as regards mental well-being. In the area of chronic disadvantage, the number of long-term social assistance recipients increased significantly” (Ds 2002:32, p9).

Three vulnerable groups were especially mentioned. One is single mothers. Single mothers were considerably worse off at the end of the 1990s than they were at the beginning of the period. A similar situation could be observed for people born outside Sweden. Like single mothers, immigrants went already into the decade with worse initial prospects than others in the many areas, such as health, mental well-being, employment, income, social ties and networks in the community, and political resources.
Again like single mothers, the relative position for people born outside Sweden was worse at the end of the 1990s. A third vulnerable group mentioned is youth. The age at which the young established themselves in the employment market rose sharply, resulting in losses of income for this group. Furthermore, a worrying trend among younger citizens was the sharp increase in mental ill-health and insecurity (Ds 2002:32). Two of these vulnerable groups coincide with those groups that are the focus of Inspires. Concerning disabled, a third vulnerable group identified for Inspires, it was summarised in the report that the extent to which people with disabilities lagged behind was as great at the end of the 1990’s as at the beginning of the decade (Ds 2002:32).

The changes in welfare which took place in the 1990s were intimately linked to people’s ability to work and to support themselves. The rapid rise in unemployment and fall in employment levels resembles the economic crisis in 2007, even if the extent of the crisis was more serious in the mid 1990’s. The aim of this report is to analyse and explain the impact of the current economic and financial crisis on the labour market position of vulnerable groups, that is the labour market position of migrants, disabled people, older workers and youth (under 25). The concept of labour market positions not only refers to the issue of unemployment, but also to job quality, content of the job and types of job contracts

The outline is that first some information on Sweden’s political and administrative structure will be provided that is important to understand the welfare system as such and main characteristics of labour market policy in special. We also emphasize some special institutional features of the Swedish labour market and central actors. After that follows a statistical overview. In a third part the pre-crisis situation for vulnerable groups on the labour market will be elaborated followed by a forth part that stress the post-crisis period. A final part will summarise important factors. Throughout the report the crisis in the 1990’s will serve as a point of comparison.

a. The national context

Identification of the territorial institutions and their development

The Swedish public sector comprises three levels of government: the national, regional and local level. At the national level, the parliament that is the highest political decision-
making body with legislative power and a general responsibility for forming national policy. At the regional level reside the county councils and regions. Their main task is healthcare, regional development and growth and public transport. Each county council/region contains of several local authorities, but there is no hierarchical ranking between the levels – both the local authorities and county councils/regions are entities for local self-government with responsibility for different activities. Finally at the local level, there are the municipalities with responsibility for among others social services and primary and secondary education (regeringen.se).

**The national level**
Sweden is a parliamentary democracy. The Constitution declares that all public power in Sweden proceeds from the people and that the Riksdag – the Swedish Parliament – is the foremost representative of the people. The members of the Riksdag are chosen in general elections every four years in accordance with a proportional election system. The Riksdag has legislative power and the National Government, which is accountable to the Riksdag, implements the decisions of the Riksdag and submits proposals for new laws or amendments to laws. Helping the Government in this task are the Government Offices and other central government agencies. Financial and administrative responsibility for the major social insurance programs in Sweden also lie with the state.

**The regional level**
At the regional level Sweden is divided into 21 counties. There are both elected county councils and county administrative boards. The county councils are responsible for administrating tasks that cannot be handled at the local level by municipalities but require coordination across a larger region, as for example health care. County councils levy income taxes to cover their costs. Taxes are levied as a percentage of the inhabitants’ income. The county councils/regions decide on the tax rate themselves. Tax revenues are the largest source of income for the local authorities and county councils/regions and constitute approximately two-thirds of their total income. The county administrative boards are the central government’s representatives at the regional level; they serve as a link between the national and the regional level. The head
of the county administrative board, the county governor, is appointed by the Government (Swedish Association of Local Authorities and Regions (SALAR), 2014).

**The local level**

At the local level, the entire territory of Sweden is divided into 290 municipalities, each with an elected assembly or council. Municipalities are responsible for a broad range of facilities and services: primary and secondary education, social services, housing, roads, water supply and wastewater processing. In recent years, municipalities have also assumed responsibility for a growing number of refugees from abroad, in exchange for special compensation from the national government. Municipalities have a fair amount of latitude in deciding what services they offer and in what manner. However, they are legally obliged to provide certain basic services.

Important is also to point to the autonomy in financing own activities. Swedish municipalities largely finance themselves by means of local and county council taxes and the fees paid by the citizens for various services. Taxes are levied as a percentage of the inhabitants’ income. The municipalities, county councils and regions decide on their own tax rates. The activities are also funded to some extent by government grants (Swedish Association of Local Authorities and Regions (SALAR), 2014).

**The relationship between the national and the municipal** governments is characterized by cooperation in a variety of areas and in different forms and by constant changes in the division of labour between these levels of government. Compared to other countries Swedish municipalities are rather large and autonomous; municipal discretion is laid down in the constitution. Nevertheless other regulations in the constitution give the parliament the rights to – by means of legislation – define the municipal scope of authority and to establish the range of local political influence. In this respect, national government has the ultimate power to decide how far decentralisation should be carried through (Bergmark and Minas, 2007).

*Institutional features of the Swedish labour market*

Sweden as well as the other Nordic countries has been relatively successful in combining high welfare with economic growth and high employment levels.
Several features in the Swedish economic policy deserve to be emphasised. One is the commitment to a policy of full employment. Swedish governments have not simply accepted unemployment as a consequence of monetary instability and lower growth (stagflation), oil chocks or structural change. Instead, especially during the 1970s and 80s, Swedish economic policies devaluated the Swedish currency (krona) as a way of sustaining a policy of full employment and avoiding the consequences of structural change and rising oil prices (Magnusson, 2007:2). Two institutional traits are also important in the context of full employment and for the ability to postpone a rise in unemployment and inequality (Korpi and Tåhlin, 2010). One is the strong expansion of public sector service employment (childcare, elderly care, health care, and education) and the growth in educational enrolment. The last aspect is of particular importance for the evolution of inequality. The second trait is the ‘solidaristic’ wage policy that was practiced by the leading blue-collar trade union confederation (Landsorganisationen, LO) aiming at equal pay for equal work, regardless of the profitability and productivity of the firm or industry. The result of the solidaristic wage policy was a relatively large wage increases at the low end of the wage structure (Korpi and Tåhlin, 2010).

The commitment to full employment cannot be understood without understanding the position of the unusual strong social partners. Centralized wage bargaining between the LO and the main confederation of private sector employers (Svenska Arbetsgivareföreningen, SAF) and between the LO and the employer organizations for central, provincial, and local government were central features of the Swedish model and led to a compressed wage structure. Important were further high union as well as employer organization density and extensions of the bargaining to non-members that assured that the agreements covered almost the whole labour market.

The content of individual labour contracts is to a high degree established in those collective agreements. No statutory minimum wage exists in Sweden. For many years, pay increases and other conditions of work have been regulated almost entirely by nation-wide collective agreements. Collective agreements also have a norm-creating function; i.e. a company and its unions are not allowed to stipulate conditions that are poorer than those fixed by the applicable contract. Given the strong trade unions, these agreements have effectively served as minimum wage regulations. But due to heavy
taxation, the inflation rate (although low since about 1992) and the lack of increases in real pay for many years, there was growing political interference in this area. In 1990 the employers withdrew from all formal tripartite cooperation. They decided to leave most of the institutions based on social partnership, such as the National Labour Market Board and the local employment committees (Svenningsson, 2003). They found it more beneficial to stay outside these arrangements arguing that the old solutions do not fit the requirements of a new flexible labour market. Lately, new negotiations between the social partners have started but so far without success.

Another corner stone of Swedish labour market policy the so called “work line”. The general idea behind the wok line is that it is essential to develop the productive capacities of the wage earners because they are central to productivity and adaptation processes. Labour market schemes were implemented that supported individual worker and reallocate labour and investment from less to more productive parts of the economy (Magnusson, 2007:3).

Collective bargaining and strong trade unions are still important features of the system, even if profound changes occurred over time. Regarding the former a trend towards a general decentralization of wage negotiations to the firm level has occurred; yet to varying extent. Firm level bargaining has thus spread, but industry level bargaining in many cases still plays an in important role (Korpi and Tåhlin, 2010) (see also below). Also the strength of the trade union changed, especially with the changes in 2007 that implied dramatically increased fees for union membership.

**Important actors**

First and foremost the government is the most important actor. The government regulates the policy area by formulating polices, goals and distribute resources. The Ministry of Employment e.g. is responsible for labour market policies and matters concerning employment offices, implementation of labour market policies, adaptation of work and rehabilitation focusing on working life, as well as other labour market issues relating, among other things, to people with disabilities and unemployment benefit.
The remit of each ministry includes responsibility for a number of government agencies. One of these is the Swedish Public Employment Service, Arbetsförmedlingen (before 2008 National Labour Market Administration). The organization is divided into 68 labour market regions, which in turn are organized in four labour market areas. The Public Employment Service is commissioned by Parliament and the Government detailing the tasks of the Employment Service. These tasks are further delineated in the annual budget proposal and in the appropriations document. The overall task of the Employment Service is to improve the functioning of the labour market. The Government, in other words, has quite substantial scope for steering the operations of government agencies. However, it has no powers to intervene in an agency’s decisions in specific matters relating to the application of the law or the due exercise of its authority (ministerial rule is prohibited).

The local employment services administer the activities by distributing personal recourses within the office. The discretion at the local level is both limited and large at the same time. It is limited through the detailed assignment regarding aims and finances, but it is still the individual officer who decides what kind of measure is appropriate for the unemployed and since the supply of various measures and programs is rather large, the officers have a lot to choose between.

As already mentioned above, trade unions play a strong role in Swedish labour market policy. In a comparative perspective, the level of union membership in Sweden is high – at 71 percent – although it has fallen from its peak of 86% in 1995. There are three main union confederations, LO, TCO and Saco, which are divided along occupational and educational lines in line with the traditional way in which Swedish employees are grouped, and there is considerable co-operation between them. One reason for Sweden’s high union membership figures compared to other countries is that since the 1930s, the unions run the country’s tax-financed unemployment benefit funds (Sjöberg, 2011).

The 33 formally independent (but in reality close connected to the unions) Unemployment Insurance Funds administrate and pay out the compensation to the unemployed. Unemployment insurance is financed mainly by the state budget, but also by the unemployment insurance funds. Trade union membership entails compulsory
membership of an unemployment fund, though the opposite is not necessary. A large part of all employees belong to an unemployment insurance fund. The voluntary insurance system is financed in part by individual membership fees. Members of the unemployment insurance funds pay membership fees to their respective funds. The membership dues cover the administrative overhead costs of the unemployment insurance funds and a statutory financing charge. The rest of the financing comes from government budget appropriations (tax revenues) (The Swedish Unemployment Insurance Board, 2007).

The Swedish Unemployment Insurance Board (IAF) is another governmental agency that has the task to supervise the Unemployment Insurance Funds and checks that the Public Employment Service performs its duties in questions affecting the right to unemployment benefits.

2. Statistical overview

We continue with a series of figures presenting partly results of the analysis on Eurostat data, but also relevant national and subnational statistics to explain the labor market position of vulnerable groups.

a. Overall view

The period since 1990 has been turbulent for Swedish labour market policy, in particular regarding employment policy regulation. Two large waves of reforms can be identified: the first in connection with the economic crisis in the early 1990s, and the second after the centre-right Alliance gained power following the 2006 election (Sjöberg, 2011).

In the early 1990s unemployment rate increased dramatically and remained high for several years; first after 1997 when the economy improved markedly unemployment exhibited a marked fall. The public budget had largely been restored, employment had been growing significantly in the private sector and was stable in the public sector, and, due to low inflation, nominal wage increases had led to real wage growth in sharp contrast to the 1980s (Korpi and Tåhlin, 2010). Yet, the positive development only last for some years before it stagnated. By the early years of the new millennium
employment growth came to a halt and unemployment remained at a higher level than before the deep recession a decade earlier. As Korpi and Tåhlín (2010) summarised a discussion emerged that stressed the aspect of an increasing insider–outsider problematic; a growing division between those established in the labour force and those not established (young, foreign-born, and those near retirement with accumulated health problems) (2010:10).

Table 1.1 reveals some of these distinctions by presenting labour market indicators for the general population and vulnerable groups in the first decade of the new millennium. Compared to many other countries, the employment ratio in Sweden is relatively high, yet far lower for e.g. youth. As outlined above, unemployment rose in the early 2000s and decreased again after 2005. With the financial crisis, unemployment rose again and has not come back to the level before the crisis even though employment is higher today than before the crisis. The Swedish unemployment rate is currently lower than the average for the EU-28. As will be elaborated further in, youth unemployment rates as well as unemployment rates among immigrants are much higher than the total unemployment rates. However, this does not necessarily mean that e.g. the group of unemployed persons aged between 15 and 24 is large. In fact, many young people are studying fulltime and are therefore neither working nor looking for a job (so they are not part of the labour force which is used as the denominator for calculating the unemployment rate). Looking at youth unemployment ratios, calculated as the number of unemployed persons aged 15 to 24 divided by the total population of the same age, the picture is different. The figures for Sweden are then 12.8 (2009) 13.0 (2010) and 12.0 (2011) (Eurostat, 2013).

<table>
<thead>
<tr>
<th>Vulnerable groups/Indicators</th>
<th>General population</th>
<th>Disabled</th>
<th>Migrants</th>
<th>Youth</th>
<th>Elderly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment rate</td>
<td>Age: 15-64</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age: 2013: 8,3</td>
<td></td>
<td>x</td>
<td>2013: 21,0</td>
<td>2013: 25</td>
<td>2009: 5,3</td>
</tr>
<tr>
<td>Employment rate</td>
<td>Age: 15-64</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age: 2009: 72,2</td>
<td></td>
<td></td>
<td></td>
<td>2004: 39,5</td>
<td>2009: 69,0</td>
</tr>
<tr>
<td>Age: 2013: 74,4</td>
<td></td>
<td>x</td>
<td></td>
<td>2009: 38,3</td>
<td>2013: 70,0</td>
</tr>
<tr>
<td>Long-term unemployment as % of total unemployment</td>
<td>Age: 15-64</td>
<td></td>
<td></td>
<td>2004: 15-24</td>
<td>2004: 55-64</td>
</tr>
<tr>
<td>Age: 2004: 17,8</td>
<td></td>
<td>x</td>
<td>2004: 22,8</td>
<td>2004: 5,6</td>
<td>2004: 37,5</td>
</tr>
</tbody>
</table>
### Inactivity rate as % of total population

<table>
<thead>
<tr>
<th>Year</th>
<th>15-64</th>
<th>Age: 15-24</th>
<th>Age: 55-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>13.2</td>
<td>18.4</td>
<td>27.1</td>
</tr>
<tr>
<td>2013</td>
<td>18.6</td>
<td>26.9</td>
<td>32.9</td>
</tr>
</tbody>
</table>

### Temporary employment as % of total employees

<table>
<thead>
<tr>
<th>Year</th>
<th>15-74</th>
<th>Age: 15-24</th>
<th>Age: 55-74</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>15.5</td>
<td>2004: 51.5</td>
<td>2004: 27.4</td>
</tr>
<tr>
<td>2009</td>
<td>14.9</td>
<td>2009: 49.0</td>
<td>2009: 29.6</td>
</tr>
<tr>
<td>2013</td>
<td>16.3</td>
<td>2013: 45.5</td>
<td>2013: 22.5</td>
</tr>
</tbody>
</table>

### Part-time employment as % of total employment

<table>
<thead>
<tr>
<th>Year</th>
<th>15-74</th>
<th>Age: 15-24</th>
<th>Age: 55-74</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>32.1</td>
<td>2004: 25.8</td>
<td>2004: 10.4</td>
</tr>
<tr>
<td>2009</td>
<td>26.0</td>
<td>2009: 27.5</td>
<td>2009: 10.4</td>
</tr>
<tr>
<td>2013</td>
<td>24.7</td>
<td>2013: 28.5</td>
<td>2013: 10.4</td>
</tr>
</tbody>
</table>

### b. Vulnerable groups

#### Disabled

There has been a dramatic increase in the number of people not working due to sickness during the last years in Sweden. From 1999 to 2003, the number of people on long-term sick-leave (460 days) and disability pension has increased from 520,000 to 764,000 (Selander, 2005).

About 20 percent of the population aged 16-64 report having a disability according to the Statistic Sweden Labour Force survey. The share has remained relatively stable over time. In 2004, 19.8 percent of men and 17.8 percent of women said they had a disability. The gender difference is small but statistically significant. The most common type of disability is mobility impairment followed by asthma / allergy and intolerance (Statistics Sweden, 2005).

#### Table 2.3: Persons with disabilities in the population (in %), 1996-2008.

<table>
<thead>
<tr>
<th>Year</th>
<th>Persons with disabilities in the population (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>19.2%</td>
</tr>
<tr>
<td>1998</td>
<td>17.1%</td>
</tr>
<tr>
<td>2000</td>
<td>21.4%</td>
</tr>
<tr>
<td>2002</td>
<td>20.8%</td>
</tr>
<tr>
<td>2004</td>
<td>18.8%</td>
</tr>
<tr>
<td>2006</td>
<td>15.7%</td>
</tr>
<tr>
<td>2008</td>
<td>15.5%</td>
</tr>
</tbody>
</table>

**Source:** Statistics Sweden 2013

After 2008 the method of gathering the data changed significantly (from a telephone survey to a paper form and a web survey) and the data is not possible to compare with the earlier time series (Statistics Sweden 2013a).
In an international perspective, the level of sickness absence in Sweden is often stated to be high (Bergendorff et al., 2002). One explanation for that is the extremely high share of long-term sickness absence and as often mentioned, the fact that Sweden – until recently - had no time limit on sickness benefit.

**Figure 2.1: Sickness absence rates are correlated with disability beneficiary rates. Incidence of sickness absence of full time employees in selected OECD countries, 2008a**

![Graph showing sickness absence rates](image)

**Migrants**
Sweden’s population amounted to 9 644 864 persons on 31 December 2013. This is an increase of 88 971 persons compared to the year before. The rise is the largest measured in numbers between two single years since 1946. As a result of significant immigration from countries in turmoil, among others Syria and Somalia, immigration to Sweden in 2013 was the highest ever at 115 845 immigrants (Statistics Sweden, 2013b).

In 2010, Sweden was in 10th place in the OECD in terms of the share of immigrants in its population, with the foreign-born accounting for 14 percent of the total population. Sweden is among the top/bottom five countries with the highest share of nationals...
among its foreign-born population. In 2010, 5.5 percent of its foreign population was naturalised, compared with 2.9 percent across OECD countries (OECD, 2012).

Figure 2.2: Total foreign-born population, 2000-01 and 2009-10
Percentage of the total population

<table>
<thead>
<tr>
<th></th>
<th>2009-10</th>
<th>2000-01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>32</td>
<td>34</td>
</tr>
<tr>
<td>Korea</td>
<td>26</td>
<td>25</td>
</tr>
<tr>
<td>Portugal</td>
<td>21</td>
<td>19</td>
</tr>
<tr>
<td>Italy</td>
<td>19</td>
<td>17</td>
</tr>
<tr>
<td>Germany</td>
<td>18</td>
<td>16</td>
</tr>
<tr>
<td>France</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td>Iceland</td>
<td>16</td>
<td>14</td>
</tr>
<tr>
<td>Sweden</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>USA</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Canada</td>
<td>13</td>
<td>11</td>
</tr>
<tr>
<td>New Zealand</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Australia</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>11</td>
<td>9</td>
</tr>
<tr>
<td>OECD average</td>
<td>15</td>
<td>11</td>
</tr>
</tbody>
</table>

Note: Total population (0+). Population with a foreign nationality as opposed to foreign-born in Japan and Korea.
* Information on data for Israel: http://dx.doi.org/10.1787/888932315602.
1 2 http://dx.doi.org/10.1787/888932734362

Youth
Youth unemployment is a central topic in Sweden. Unemployment among people age 15-24 totaled 2012 to 23.6 percent of the workforce; relate to the total population in the age group it is 12.3 percent. Over 40 percent of the young people who are classified as unemployed in the statistics are full-time students looking for work. Excluding these from the group of jobless unemployment would decrease to 14.7 percent of the labor force and 6.8 percent of the population.
Youth unemployment is high, both in comparison with the past and in comparison with the unemployment rate among the elderly. Youth unemployment rate is more cyclical than unemployment among older people because of the looser ties youth have to the labor market. It is particularly common among young people with fixed-term contracts, which is the form of employment that decreases in number in times of recessions. During the financial crisis in 2009, the youth unemployment rate increased by almost 5 percentage points to 25.0 percent. Young people, however, usually benefit from economic upturns. This is reflected in the strong labor market year of 2011, when unemployment fell most among the young, by 2.1 percentage points to 22.6 percent (Nilsson and Svärd, 2013).

**Elderly**
The proportion of people aged 55 and over who participate in the labour market has risen markedly over the past decade in Sweden, and is expected to increase further (The National Institute of Economic Research, NIER 2013). The participation rate is highest among those aged 25–54 and then decreases with age, in particularly with the age group of 60 to 65.

**Figure 2.4: Labour Force Participation Rate per Age Group (NIER 2013).**
Viewed over a longer period, older people have gradually increased their participation in the labour market. This is true for both women and older men since the turn of the century, from 2005 to 2012 the increase was approximately 4 percentage points in the 55–64 age group and 5 percentage points in the 65–74 age group. Several aspects can explain that trend such as better health and higher life expectancy, higher average levels of education, and fewer arduous jobs. Pension reforms and more recently the introduction of earned income tax credit have also played a role by strengthen the financial incentives for remaining in work (NIER, 2013).

3. THE PRE-CRISIS LABOUR MARKET position of vulnerable groups (2000-2008)

a. GENERAL INTRODUCTION
Understanding the Swedish case it is important to highlight two features: The first one is the economic downturn in the mid - 1990s. The economic crisis in the early 1990s hit Sweden extremely hard. Employment fell more dramatically than in other advanced industrial nations with the exception of Finland (Bergmark and Palme, 2003). Swedish labor market has by tradition been characterized by very low unemployment figures and high levels of labor market participation. However, when the deep economic
recession and massive increase in unemployment hit Sweden in these years, the preconditions for labor market policy were fundamentally altered.

Before the crisis in the 1990s, the focus of labour market policy had been to facilitate structural changes in the economy. People made redundant in no-longer profitable sectors should get help in order to qualify for a job in expanding sectors. Active labour market measures have served to facilitate the transition of individuals from one sector to another. Yet, with an open unemployment that increased from 1.7 to 8.3 percent of the workforce in merely three years (1990 and 1993) this could no longer be the dominating objective. A considerable part of the population was affected by unemployment at some point in the course of the decade. As many as 1.8 million people – almost 40 percent of everyone aged between 18 and 60 in 1991 – was registered as a jobseeker sometime between 1992 and 1999 (Bergmark, 2003). Almost 1.6 million people were openly unemployed at some time during those years, with the average period of unemployment being 17 months. In 1999 there was 5.6 percent open unemployment in Sweden, compared with 1.6 percent in 1990 (yearly average according to the Labour Force Surveys (AKU)). The situation was at its worst in 1993, when open unemployment reached 8.3 percent, or 350,000 people. The figures for labour market participation show a similar trend, with participation in the age group 16–64 just over 84 percent in 1990 and around 77 percent in 1999 (Bergmark and Palme, 2003).

Mentioning some socio-demographic patterns and trends one can emphasize that in 1990, 86 percent of the Swedish male population aged 15-64 was employed; a rate that decreased to 73.6 in 2004. For women, the respective trend was from 81 percent in 1990 to 70.5 percent in 2004. Most dramatically, however, is the pattern of the employment rate for youths. The employment rate for this group dropped from 66 percent (1990) to 37.6 percent (1995) (Åberg and Nordenmark, 2000; Bergmark and Palme, 2003). Correspondently, the rates for unemployment increased for all mentioned groups. Unemployment rose in particular rapidly in the first years of the 1990s; in 1993 nearly one in five 16–24-year-olds was unemployed. Noticeable is further that unemployment was a greater problem for young men from working class families. These not only “ran a greater risk than others of becoming unemployed, they remained
unemployed longer than others, and they were less likely than young people from other social classes to go on to further education” (Bergmark and Palme, 2003:118). The situation for young people improved noticeably in the second part of the 1990s but remained worse than it had been at the beginning of the decade. The “age of establishment” (the age at which 75 percent of everyone born in a particular year had found employment) rose in the 1990s from 21 to 26 for young men and from 21 to 30 for young women (Bergmark and Palme, 2003, Fritzell et al, 2007). Another important trend is that the share of immigrants, defined as born in a foreign country has increased dramatically from 7.5 percent in 1980 to 11.8 in 2002. Also for single mothers the 1990s showed a number of negative trends (the proportion of single mothers without cash margins increased from one third to one half, over 30 percent received social assistance).

A second comment refers to the importance of the shift in government in 2006. A wright-wing government (the so called Alliance, consisting of four parties) won the election in 2006. The Alliance promoted heavily the so called “work line” (“jobs instead of benefits”) and made no secret that major cuts in the system of unemployment protection, increased contributions from the insured together with substantial cuts in income taxes were the major means to achieve this. The work line politics has had consequences in many areas (as unemployment policies, taxes, sickness policies and social policy). The importance of this shift was highlighted in all expert interviews as equal or as more important than policy reforms that were enacted as reactions to the economic and financial crisis from 2008. Remarkably, the Alliance went to the polls and won the election by promising reductions in a major social insurance scheme during the height of an economic boom. The reforms implemented after the 2006 election however provoked massive opposition from the unions, for whom reduced replacement rates and increased financing fees and the differentiation of these fees between different unemployment insurance funds were perceived as an attack on the traditional Swedish model (Sjöberg, 2011). So when the financial crisis (2007/2008) finally hit Sweden, many reforms had very recently been introduced and the government remained relatively passive (and received heavily critic for that).
Reforms introduced before the crisis were for example a major income tax reform improving work incentives for low and middle-income earners, changes in the labour market insurance (stricter work requirements), and a reduction of the extent of active labour market programs. Sharply increased unemployment benefit fees launched by the then new government in 2007 caused a dramatic loss of members for most trade unions. The Swedish Trade Union Confederation lost through the last mentioned reform approx. 120,000 members in 2007 and the proportion of the Swedish employees who are members of trade unions decreased from nearly 85 to about 70 percent. Major reforms have also changed sick leave processes. In July 2008 a rehabilitation chain was introduced (containing a time limit, reduced benefit, earlier intervention), as well as a rehabilitation guarantee, promotion of private actors (2006-2010) and Nystartsjobb (2007).

Tomas Korpi (interview) stated that “The reforms launched and legislated directly when the new government took office, before the crisis actually hit Sweden such as unemployment, levels, financing, differentiated employer contributions, changes in sick pay scheme; these reforms were completely disconnected from the crisis. Youth unemployment is perhaps an issue that was talked most about since the crisis and possible may have strengthened by the crisis in terms of the focus on this. Regarding other actions and reforms, they were announced before the crisis and before the change of government.”

b. THE POSITION OF THE DISABLED ON THE LABOUR MARKET

This part of the report describes the labour market situation of individuals on sick leave and individuals having a disability that impairs their capacity to work\(^1\).

There has been a dramatic increase in the number of people not working due to sickness during the last years in Sweden. From 1999 to 2003, the number of people on long-term

\(^1\) Disability or long term sickness can be measured in varies ways. Statistics Sweden for example gathers information on the disabled position on the labor market regularly by a supplement to Statistics Sweden’s regular Labor Force Surveys (LFS) interviewing persons aged sixteen to sixty four. The figures are thus self-reported health problems and are higher than statistics building on administrative data on (long term) sickness. Another way to collect information is by gather data on people covered by the Act of Support and Service for Disabled (Lag (1993:387) om stöd och service till vissa funktionshindrade). These figures are the lowest.
sick-leave (460 days) and disability pension has increased from 520,000 to 764,000, which in 2003 was equivalent to 17 percent of the workforce (Selander, 2005).

**Sickness**

The increasing trend of absence from work due to sickness and disability is a key item on the agenda of Sweden policy as on many other countries; as is the shift from high levels of short-term sickness absence in the 1980s to more extensive long-term sick leave in the late 1990s (Lidwall et al., 2005). The increase in the 1990s was higher among women than men (see Figure 3.1). While six percent of women in working age in 1980 were either collecting a disability pension or sickness cash benefit for longer than one year the proportion had risen to 13 percent by 2003. During the same period, the corresponding proportion among men increased from six to nine percent (The Swedish National Insurance Board, 2004). In 2003, women accounted for 63 percent and men for 37 percent of days of sickness cash benefit paid out from sickness insurance. In a similar manner periods of sickness absence were on average longer for women than for men. The difference between the sickness absence rate of women and men has increased in all age groups since 1990.

**Figure 3.1: Number of sickness benefit recipients.**

![Number of sickness benefit recipients](source)

Source: SOCIAL INSURANCE IN FIGURES 2013

At 2002/03 the increasing number of sickness benefit recipients came to a halt and a downwards trend started reaching an all-time low in 2008 (Ighe and Edlund, 2008). The decline since 2003 coincides with stricter regulations and increased focus on fraud and overuse. This, together with the Social Insurance agency normative work that began in the early 2000s, may have contributed to sick leave went down. Sick leave in Sweden has long shown a pro-cyclical pattern, which means that sick leave was high in good
times and low in bad times. This pattern was broken around 2006 (Figure 3.2). Then, employment increased and sick leave continued going down (Hägglund and Skogman Thoursie, 2010; OECD, 2009). Several major institutional changes occurred to that time as the merger of the Swedish social insurance agency to one authority contributing to a more rigorous and consistent assessment of work capacity (2005); a merger of sickness and disability insurance (2003); the introduction of sick-leave guidelines (2005) and a tighter rehabilitation assessments. In addition, a debate on cheating and over-utilization of sick insurance emerged in the early 2000s.

**Figure 3.2. Long-term sickness absence (>59 days) and unemployment according to the Labour Force Survey 1974-2008.**

As indicated earlier, major changes occurred with the election of the right wing government in 2006/07 (an introduction of a time limit for receiving sickness benefit, the introduction of private actors, developmental jobs, the rehabilitation chain and guarantee) (OECD, 2009:23). However, as pointed out, it is difficult to determine how individual legislative amendments have affected long-term sickness absence (Lidwall and Marklund, 2011). Changes were numerous and were introduced simultaneously and furthermore any influence of such legislative adjustments might precede or lag behind the actual changes in absence over time, and it is also possible that there are cumulative effects of successive modifications in the insurance schemes.

When it comes to the **relation between age and long term sickness** a linear pattern is observable for men, showing increasing proportions long term sickness in older groups.
At the end of 2002 among women, sickness absence reached a peak at the age of 45–54, and dropped in the age group 55–64. That may in part have been the result of many leaving the workforce, in some cases with a disability pension (Lidwall and Marklund, 2001). Despite the fact that younger people are usually physically healthier and not a part of the workforce at the same extent as elderly people, the rate of long-term sick leave for young people more than doubled between 1998 and 2002 (Lidwall and Marklund, 2011). Factors associated with working conditions are one explanation. In a longitudinal study on long term sickness absence Lidwall and Marklund (2011) found a significant positive association with high work pace and long term sickness absence for both women and men, and for men a positive association was also found for disorders related to stress and strain at work. In recent decades, causes for longer sick leave changed for both women and men; an increasing proportion is on long-term sick leave for mental illnesses. This is mainly due mainly to increased long-term illness of depression and stress reactions and anxiety disorders (Lidwal and Marklund, 2011).

**Regional differences in sick leave**

In general; there is large regional variation in sickness rates in Sweden. For the period 2005 - 2006 sickness rates varied from approximately 35 days up to almost 50 days in the county that has the highest sickness rate. Sickness rate is highest in northern Sweden but also in rural municipalities in southern Sweden, even when differences in population structure, employment, education, etc. was taken into account. Differences in health between metropolitan municipalities are largely explained by demographic, socio-economic and labor market conditions in the municipality (Swedish Governments Official Reports, 2006:107).

**Sick leave levels and inflow into disability benefits**

Sickness absence levels are critical for the inflow into disability benefits. The increase in long-term sickness in Sweden resulted in an increase in the permanent exclusion from the labor market through sickness and activity compensation (before 2003 disability pension and sickness) (OECD, 2010). The number of newly granted disability pensions increased also from 1998 to 2002 for all age groups. Particularly high were new recipients in 2002, the year before disability insurance became part of the sick insurance (in 2003) and changed its name to sickness and activity compensation: sickness
compensation for those over 30 years and activity compensation for those under 30 years of age. From 2004, new grantings were significantly reduced for all age groups except for those 16-29 years old (Hägglund and Skogman Thoursie, 2010). The sharp increase in activity guarantee occurred primarily for psychiatric diagnoses (Figure 3.3).

**Figure 3.3. Development of number disability and sickness pension and sickness and activity compensation recipients for age group 16/19-29 in Sweden.**

Dotted line = total, dark line = disability and sickness pension, grey line = sickness and activity compensation


**Disabilities - the whole population and those with limited work capacity**

Nearly 58 percent of people with disabilities reported 2004 that their disability implies a reduction in their ability to work. The figure is significantly higher among women, 62 percent say that their disability leads to reduced work capacity compared with 53 percent of men (National Labour Market Board, 2006). People with disabilities are older than the average population; over 43 percent are in the age of 50-64 years (the corresponding figure is 28 percent for people without disabilities). Conversely, the proportion is lower in the youngest age group. The educational level is lower among people with disabilities, in particularly for those with limited work skills. Among persons without disabilities, 33 percent have a post-secondary education, while the corresponding percentage for persons with disabilities is 23 percent. Among disabled
people with reduced work capacity, 19 percent have a post-secondary education (National Labour Market Board, 2006).

**Employment and unemployment**

Labour market participation of disabled with limited work capacity decreased between 1998 and 2002. Since 2002, the labour force participation of the group has been relatively static and remained at about 54-57 percent (Swedish Governments Official Reports, 2012:31).

The rate of employment is significantly lower for disabled relative to the general population. In 2008 the employment rate for people with disabilities with reduced work capacity was 50 percent against 77 percent in the population without disabilities. The difference between the groups in terms of employment rate increased slightly from 1998 to 2008 (Swedish Governments Official Reports, 2012:31). Individuals who report mental disabilities have the lowest employment rate, 35 percent, whereas individuals with hearing impairment and visual impairment show the highest rates (73 and 63 percent).

In recent years, the number of people with disabilities looking for work through the Swedish Public Employment Service has increased significantly. One in four people, or 172 000 men and women, registered with the Public Employment Service currently has a documented disability. The main reason for this trend is the Swedish Public Employment Service’s extended mandate to help people on sick leave and people who are no longer on sickness insurance to return to working life. Nearly 27 000 people with a disability and reduced work capacity participated in a labor market program during January-August 2006. This represents 7.9 percent of the number of disabled people in the workforce. The unemployment rate among disabled with reduced work capacity increased between 2002-2008 despite a relatively strong economy in those years. In 2008, unemployment was twice as high compared with persons without disabilities.

c. **THE POSITION OF MIGRANTS ON THE LABOUR MARKET**

Foreign-born people in Sweden are a heterogeneous group and several waves of immigration can be observed over time. From World War II until the 1970s, labor
immigration from Finland and Southern Europe dominated while the number of refugees was low. These came mainly from Eastern Europe, such as Hungary and Poland. During the 1970s this pattern changed; labor migration then largely stopped while the number of refugees from Chile and Iran increased. During the 1980s, refugees from Iran, Lebanon and Iraq dominated, while many refugees in the 1990s came from the former Yugoslavia. After the 1990s, refugees mainly come from countries in Africa and Asia, Iraq, Iran, Afghanistan, Syria and Somalia. Permits on the basis of affiliation are the most common basis for a residence permit followed by permits because if humanitarian reasons (Petersson, 2014).

As already mentioned, migrants were a group that was more strongly affected by the crisis in the 1990s. Foreign-born, especially immigrants from non-European countries had even before the crisis (1990), a weak labour market position, with high unemployment and low wages (Fritzell et al, 2007). Parallel to the crisis, the refugee immigration to Sweden was very high. These refugees, who mainly came from Bosnia, Iraq, and Somalia (Statistics Sweden, 2007) had little chance to get a foothold in the labour market and were largely directed to live on social assistance. This means that the employment rate in the group of foreign-born overall dropped 70-55 percent, and the proportion of job seekers doubled and was at the end of the decade, about 15 percent (Swedish Governments Official Reports, 2001:79). Analysis shows the importance of the length of stay in the country to understand the variation in employment levels and income from work within the group of foreign-born.

Yet, it is important to highlight another issue. Sweden stands out as a country that over recent decades has accepted high levels of refugee immigration (Szulkin et al. 2013). As a result of this, the composition of the immigrant population has changed a lot with regard to motives for migration, countries of origin, level of education and knowledge of the destination country’s language varies. This is a form of migration for which labour market integration appears to be slower than for other forms of migration in all countries. It is natural that those who immigrant for labour market reasons many times already have a job upon arrival, or have reason to believe that they will get one soon. For refugees, the situation is quite different, and it would be surprising if the labour market entry not took longer for refugees than for labour migrants (Szulkin et al. 2013).
Despite the fact that the Swedish economy began to recover towards the end of the 1990s, levels of unemployment did not return to same low levels that had characterized the period prior to the crisis. A growing proportion of long-term unemployed found themselves outside the labour market.

Figure 3.4 below shows that the foreign born were hit very hard by the crisis of the 1990s. In the mid-1990s, the difference in employment between native and foreign-born was 20 percentage points. During the 2000s, the difference decreased, but the employment gap is still significant. However, two points should be added. First, foreign born were not hit harder than other groups during the current crisis (2008) and second, there are large regional differences in the foreign-born employment development (Eriksson 2011).

**Figure 3.4. Employment (16–64 year), 1987–2009**

![Graph showing employment rates for different groups]

In addition, the employment rate correlates highly with the individual’s region of birth where the lowest rates are found in groups who are born in Asia and Africa. As mentioned already earlier, the employment rate among foreign-born also varies with the duration period in Sweden. Those individuals who have spent a long time in Sweden has a higher employment rate than those who stayed here for a short time (however, that depends also on the economic situation in the time of arrival), but the difference between those with a long length of stay and the native-born is still significant. Unemployment increased both for foreign-born men and women since 2007, while it
decreased for native people born in the same period. Unemployment has fallen since 2010 in particular for foreign-born women and the group has experienced a strong employment growth (Petersson, 2014). Table 3.1 gives a further picture of the long-term development for migrants in Sweden showing high percentages in temporary employment and part-time employment for the period of 2004 to 2008.

**Table 3.1: National data on employment and unemployment for migrants in Sweden 2000 - 2013**

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Unemployment rate, age: 15-65</th>
<th>Temporary employment as % of total employees, age: 15-64</th>
<th>Part-time employment as % of total employment, age: 15-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>16.2</td>
<td>23.7</td>
<td>25.8</td>
</tr>
<tr>
<td>2005</td>
<td>15.4</td>
<td>22.2</td>
<td>24.5</td>
</tr>
<tr>
<td>2006</td>
<td>13.7</td>
<td>23.4</td>
<td>24.9</td>
</tr>
<tr>
<td>2007</td>
<td>13.0</td>
<td>22.3</td>
<td>24.9</td>
</tr>
<tr>
<td>2008</td>
<td>14.3</td>
<td>22.6</td>
<td>27.9</td>
</tr>
<tr>
<td>2009</td>
<td>16.8</td>
<td>21.7</td>
<td>27.5</td>
</tr>
<tr>
<td>2010</td>
<td>18.8</td>
<td>24.6</td>
<td>27.8</td>
</tr>
<tr>
<td>2011</td>
<td>20.7</td>
<td>27.8</td>
<td>26.8</td>
</tr>
<tr>
<td>2012</td>
<td>21.0</td>
<td>28.2</td>
<td>28.4</td>
</tr>
<tr>
<td>2013</td>
<td>21.0</td>
<td>28.6</td>
<td>28.5</td>
</tr>
</tbody>
</table>

Source: Eurostat

Since 2000 there have been a number of programmes introduced at the national level aimed at improving the integration of immigrants in the labour market. One example is the so-called “Work Place Introduction”. This was introduced as an experiment September 2003 to December 2005 by the Swedish Labour Market Board and was directed at persons of foreign origin. The program supported jobseeker and employer in early stages of employment with instructors mapping the job-seeker’s qualifications, matching employers and unemployed and assisting in training at the workplace for a period up to six months. During the Work Place Introduction Programme the employee was paid by the employer, except if the job started with a traineeship period, in which case the employee was paid through the job centre (OECD, 2007).

d. **THE POSITION OF YOUTH ON THE LABOUR MARKET**

Young people’s position on the labor market has seen an ongoing downwards trend in both occupation rate and unemployment figures during the 21st century. In the year 2004 unemployment among youth (16-24) was around 12.5 percent whereas unemployment among those 16-64 years of age was around 5 percent (Eriksson et al., 2007). Statistics also show that over a period of 10 years (1995- 2005) the unemployment figures for youth under 25 was on
average 4 times higher than among 25-64 year olds (Olofsson and Wadensjö, 2007). As often pointed out, the fluctuations in youth unemployment figures has largely to do with the fact that employment among young people is to a higher degree sensitive to ups and down over the consecutive cycle (Eriksson et al., 2007). This has to do with the labor market regulations stipulating the rules of last hired first fired, along with other facts such as young employees being too a higher degree employed by the hour rather than on permanent contraction (T. Korpi, interview). In addition, during an economic downturn with low demand for labor, any group or individual trying to enter the labor market for the first time will inevitably constitute a group suffering from a rise in unemployment. This is the result of increased competition for the decrease in positions available (Arnell-Gustafsson, 2003).

The graph below demonstrates the employment rate of youth contrasted to other age groups over time from 1983 to 2011.

**Figure 3.5. Employment rate by age groups over time**

![Graph demonstrating employment rate by age groups over time](image)


As described in the introduction of this report on the context of the Swedish labor market, it is important to keep in mind the effects of the crisis in the 90’s when aiming to understand the labor market situation for different groups in the earlier years of the 21st century. After this crisis, the changing structure of the labor market accelerated, with a growing service sector as well as an overall privatization trend which was facilitated and encouraged by legislative changes (T. Korpi, interview). This also implied a downsize in industrial jobs and other introductory jobs along with an increased competition on the labor market placing young people with little or no working experience at the end of the line (ibid.). Since the crisis in the 90's, the position and life-patterns of youth have developed toward an extended process of labor market entry and establishment, which essentially means that the entry in and establishment on the labor market occurs later in life (Olofsson and Panican, 2013;
Olofsson and Wadensjö, 2007). This is both an effect and a causation of prolonged education and training periods. All of this naturally effects the age of financial independence, and thus the possibilities of moving away from home and starting a family (Olofsson and Panican, 2013).

The definition of youth in terms of age brackets is something which has altered during the 21st century. From 2000-2007 youth was defined as those between the ages of 16-24. After 2007 Sweden adapted the ILO convention for gathering and measuring employment statistics, which among other things implied an expansion of the age group youth to covering the ages 15-24 (Oscarsson, 2013; Statistics Sweden, 2013:1). It also means that students willing and able to work alongside their studies are now categorized as unemployed, whereas before they were categorized as outside the labor force (ibid). This implies an increase of youth in the labor force in general and among the unemployed specifically after 2007.

The following table provides some longitudinal data for the age group 15-24 concerning unemployment, employment rate, inactivity rate and temporary and part-time employment. As can be seen, part-time and temporary employment is highly common among Swedish youth. This is true in a higher extent for young women than men and is often not voluntary (Swedish Governmental Report, 2007:18)

**Table 3.2: National data on employment and unemployment for youth in Sweden 2000 - 2008**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Unemployment rate, age: 15-24</th>
<th>Employment rate, age: 15-24</th>
<th>Inactivity rate, age: 15-24</th>
<th>Temporary employment as % of total employees, age: 15-24</th>
<th>Part-time employment as % of total employment, age: 15-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>18,5</td>
<td>39,5</td>
<td>51,5</td>
<td>53,1</td>
<td>48,6</td>
</tr>
<tr>
<td>2005</td>
<td>22,8</td>
<td>38,7</td>
<td>49,8</td>
<td>55,4</td>
<td>42,6</td>
</tr>
<tr>
<td>2006</td>
<td>21,5</td>
<td>40,3</td>
<td>48,7</td>
<td>59,0</td>
<td>42,2</td>
</tr>
<tr>
<td>2007</td>
<td>19,3</td>
<td>42,2</td>
<td>47,8</td>
<td>57,1</td>
<td>39,9</td>
</tr>
<tr>
<td>2008</td>
<td>20,2</td>
<td>42,2</td>
<td>47,2</td>
<td>53,6</td>
<td>45,7</td>
</tr>
</tbody>
</table>

From a geographical perspective the rate of unemployed youth registered at the Public Employment Service is higher in rural areas where the highest youth unemployment rate in 2012 measured 23 percent, while suburban areas of the larger cities displayed the lowest youth unemployment rate of 11 percent. The Swedish PES connects these figures with differences in structures for different branches of industry. Heavy industry jobs are more often dominating in rural areas, whereas service sector jobs, which are common entry-jobs into the labor market, are to a higher degree found in bigger cities (Oscarsson, 2013).
**Heterogeneity**

The younger age group of 16-19 years old displaying higher unemployment figures than those aged 20-24 is most likely explained by the fact that the older of the two age brackets have had longer time to procure a higher level of education as well as more labour market experience (Oscarsson, 2013). In 2002 16-19 year olds had an unemployment rate of 6.2 percent, a number which had risen to 16.5 percent in 2006. At 2007 when the ILO principles for measuring activity on the labour market were introduced, the youngest cohort of the group, 15-19 year olds, had an unemployment rate of 29.9 percent. The rise in unemployment figures for this group could to some extent be explained by the introduction of ILO standards, extending the group to include 15 years olds in the age bracket. As upper secondary education, while not mandatory, has become increasingly common among young the entry into this level of education is quite high. This implies that the inclusion of 15 year olds to the age bracket, most likely implies the add on of a group who are either not part of the labour force (full time students) or counted as unemployed thereby increasing the rate of unemployed youth in the lowest cohort. According to the Labour Force Survey of 2013, 15-19 year olds still display significantly higher unemployment rates than the age group 20-24 year olds (Statistics Sweden,2013; Labour Force Survey, 2013).

According to unemployment figures from Swedish Statistics, young men are overrepresented among unemployed youth aged 15-24, and have been so since the early 90’s. This gender differentiation has however increased since the financial crisis of 2008 (Oscarsson, 2013). A possible explanation according to a report from the Swedish Confederation of Professional Associations (ibid.) is the fact that the crisis had different impact on different sectors, the construction industry being one of the hardest hit. As this is a sector where men are highly overrepresented among employees, it may be one of the explanations for the steeper rise in unemployment among young men as opposed to young women after the financial crisis (ibid.).

**Youth unemployment & Education**

One of the sub-groups among youth having been hit the hardest by economic downturns and a changed labor market structure is the group with a low education level (below upper secondary school graduates). Looking at unemployment figures connected to education level, those with the lowest unemployment levels are young academics with an unemployment rate of 10 percent. They are followed by young high-school graduates with an unemployment rate of 19 percent, and those faring worst are youth with merely a pre-
high school degree (Olofsson and Panican, 2013). It is worth mentioning that this group also overlaps with belonging to the younger cohort (15-19) of the group youth which may be overrepresented not only due to low level of education but lack of work experience as they've had less time to become established and experienced on the labor market. It also means that youth in this group may very well go on to further education in years to come. The fact that upper secondary school education, while not mandatory, became so common during the 21st century has also likely made employers increasingly skeptical towards hiring youth with no more than a primary school degree. Going back to the later half of the 1990’s, a substantive reform of upper secondary school was carried out, affecting both its content and governance structure. But it was accompanied by increasing the posts for higher education, and introducing a goal of 50 percent completion of higher education per youth cohort. The school reform in the 1990’s was perpetrated by liberal values in terms of teaching practice and governance, shifting main responsibility for running the schools from state to municipalities. Shortly thereafter the free-school reform of 1992 was implemented, introducing a pupil-grant which followed the student to which ever school he or she attended, facilitating the establishment of private schools. The number of private schools has since expanded, and quite rapidly so during the 21st century. These reforms have shown to be a contributing factor to social stratification in the form of spatial segregation as well as a growing division in school achievements. For pupils leaving primary school without complete grades, the 90's reformed upper secondary school had an obligation to accept them in what was to be named the individual program, which was supposed to get them up to speed with lacking prerequisites in order to proceed with completing an upper secondary school education (ibid). This attempt has however shown to yield little results, with a high proportion of drop-out among students in the individual program (T. Korpi, interview).

**Overlapping marginalized groups**

The group youth is diverse in many ways, some of which have been presented above (gender, age brackets, education level). Other aspects of heterogeneity among the group are the overlapping of youth and other marginalized or vulnerable groups on the labor market. In particular youth who are also disabled and youth with an immigrant background have stood out in unemployment figures and studies on the labor market stance of young people.

**Disabled youth**

While people with disabilities are a highly diverse group, those with reduced working capacity due to any type of disability have always had a difficult time on the labor market.
However, changes to the labor market structure naturally affect this group as well. It is primarily the number and share of people with mental health disabilities which has increased during the 21st century (Kaltenbrunner Bernitz et al., 2013). Around 50 percent of those under the age of 20 receive activity compensation qualifying for this measure due to a prolonged school attendance, during which time there is no re-evaluation of individual working capacity as is common practice with other activity compensation beneficiaries (ibid). In terms of gender, young girls are overrepresented among those with mental health problems, while young men are more frequent among those with activity compensation due to other disabilities (Thomas Korpi, interview, Kaltenbrunner Bernitz et al., 2013).

**Immigrant youth**

According to the study of youth Not in Employment Education or Training (NEET) undertaken by the Working group on Youth on the Labor Market (2013), 7-8 percent of NEET are first year newly arrived immigrants. However, foreign born youth are overrepresented among young unemployed in general. Different studies point to different reasons for this, such as labour market discrimination (Arai et al., 2000), social segregation of schools as an effect of the free-school choice, lack of social networks etc. (Susanne Zander, interview).

**Relevant actors**

The labor market position of young people and issues inadvertently connected to it concerns numerous aspects beyond merely the employment status. As an unemployed youth in Sweden during the pre-crisis years of the 21st century, different authorities, policies and regulations held responsibilities and possibilities of aiding young people with finding work, securing income, providing education, activation services etc. The main responsibility of aiding an unemployed youth in the search for employment, mapping of skills and competences and other services directly aiding in the process of finding employment is that of the Swedish Public Employment Service.

During the search of employment different means of securing an income are available. Unemployment benefits are essentially granted according to qualification requirements stipulating minimum time of employment over a specified period of time, as well as membership fees to any of the unemployment benefit registers as well as being a registered unemployed at
the PES and willing to take work which they may offer or assign to you. Until 2006, young people who generally have a hard time meeting the working time requirement could be granted unemployment benefits had they been full time students for a sufficient time-period prior to their unemployment spell, provided they fulfill the other requirements. In 2006 this possibility was exempt from the regulations for unemployment benefits.

If a young person is deemed to have a permanent or time-limited reduced working capacity due to sickness or disability, income substitution should be sought through the Social Insurance Agency (SIA). They have the possibility of granting sickness benefits, as well as activity or development compensation aimed at strengthening activation during time away from the labor market so as to facilitate an easier and speedier return to it. Receiving of these compensation types may be conditioned upon participation in an appointed labor market program.

Concerning education, there have been two major reforms of both primary upper secondary school affecting the governance content and direction of education, affecting youth during the 21st century. The first reform took place during the early 90’s, whereas the second took place after the change in government in 2006 (Skolverket, 2012).

**Explaining youth unemployment**

Young people's labor market situation has been strenuous with high unemployment figures and a precarious stance on the labor market. Even before the financial crisis, in fact throughout the 21st century, unemployment figures for this group have been ranging from 3-4 times higher than unemployment figures for the rest of the working age population. The average age of being considered established on the labor market has also gone up and many young people move back and forth between education and employment for several years. This is something which can be attributed to a number of things (Susanne Zander, interview, Working group on Youth on the Labor Market, 2013).

Youth cohorts have expanded at a faster pace during the 21st century than job growth, meaning an increased competition for the jobs available. This fact in relation to the lack in experience in relation to middle-aged workers being already established on the labor market, young people are at a clear disadvantage (Tomas Korpi, interview, Olofsson and Panican, 2013). Concerning the increased risks for certain young people within the group

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3[http://www.forsakringskassan.se/privatpers](http://www.forsakringskassan.se/privatpers)

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youth, the general increase in education level along with exceeding demands in terms of educated labor naturally puts those with a lack of post upper secondary education, and specifically those with merely a primary education at an increased risk. Among those having been hit by unemployment-spells during the 90’s a, as an effect if the financial crisis, the way back on to the labor market and yesterday employment has been difficult (Susanne Zander, interview). In terms of gender differences in the unemployment figures for young people, the gender segregated labor market has the effect that when certain sectors are hit harder than others by an economic downturn it also has a significant effect on gender. Another factor is as mentioned the geographical variations, where industry structures dominating in rural areas have been hit harder by the financial crisis.

**e. THE POSITION OF ELDERLY WORKERS ON THE LABOUR MARKET**

In the scientific debate one often does a distinction between pensions and to stop working. In many pension schemes (but not all) it is possible to take out pension but continue to work but many people also leave the labor market before they start to receive a pension. In Sweden, for example, the average age of retirement pensions is nearly 65 years, whereas the average exit-age from the labor force is about two years earlier (Sjögren Lindquist and Wadensjö, 2009).

In general, Sweden belongs to a group of countries with high average exit-age. As this table from a OECD report shows, labour force participation has increased from 1994 to 2007 among men and women aged 55-64 years in many countries; with the exceptions of Iceland, Switzerland and Japan that showed already very high numbers in 1994 (Sjögren Lindquist and Wadensjö, 2009).

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th></th>
<th>Women</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>63.8</td>
<td>66.9</td>
<td>43.1</td>
<td>55.7</td>
</tr>
<tr>
<td>Finland</td>
<td>43.9</td>
<td>59.2</td>
<td>38.9</td>
<td>58.3</td>
</tr>
<tr>
<td>Island</td>
<td>95.9</td>
<td>90.4</td>
<td>80.5</td>
<td>80.7</td>
</tr>
<tr>
<td>Norway</td>
<td>71.5</td>
<td>74.7</td>
<td>55.4</td>
<td>64.6</td>
</tr>
<tr>
<td><strong>Sweden</strong></td>
<td><strong>70.5</strong></td>
<td><strong>76.4</strong></td>
<td><strong>62.6</strong></td>
<td><strong>69.6</strong></td>
</tr>
<tr>
<td>France</td>
<td>42.1</td>
<td>42.6</td>
<td>30.1</td>
<td>38.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>41.8</td>
<td>63.3</td>
<td>18.5</td>
<td>41.1</td>
</tr>
<tr>
<td>Switzerland</td>
<td>82.9</td>
<td>78.4</td>
<td>47.2</td>
<td>60.3</td>
</tr>
<tr>
<td>UK</td>
<td>64.0</td>
<td>68.9</td>
<td>40.7</td>
<td>50.1</td>
</tr>
<tr>
<td>Germany</td>
<td>53.1</td>
<td>66.5</td>
<td>28.3</td>
<td>49.8</td>
</tr>
<tr>
<td>Austria</td>
<td>41.3</td>
<td>51.3</td>
<td>18.4</td>
<td>28.9</td>
</tr>
<tr>
<td>USA</td>
<td>65.5</td>
<td>69.6</td>
<td>48.9</td>
<td>58.3</td>
</tr>
<tr>
<td>Canada</td>
<td>59.5</td>
<td>67.1</td>
<td>36.9</td>
<td>53.3</td>
</tr>
<tr>
<td>Japan</td>
<td>85.0</td>
<td>84.9</td>
<td>48.1</td>
<td>52.5</td>
</tr>
</tbody>
</table>
Looking at the labor market participation rate in Sweden 1990-2008 (using the Swedish Labor Force Surveys) reveals that for men (16-64) a decline in labor force participation. There is however a slight increase among those aged 55-59 and a sharp rise in labor force participation among those aged 60-64 (Sjögren Lindquist and Wadensjö, 2009).

Table 3.4: Labor market participation rate (%) 1990-2008 in Sweden among men aged 55-64

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>55-59</td>
<td>87.4</td>
<td>82.2</td>
<td>83.9</td>
<td>83.8</td>
<td>84.9</td>
<td>85.2</td>
<td>86.7</td>
</tr>
<tr>
<td>60</td>
<td>74.2</td>
<td>71.6</td>
<td>73.7</td>
<td>76.1</td>
<td>78.9</td>
<td>78.8</td>
<td>77.6</td>
</tr>
<tr>
<td>61</td>
<td>70.9</td>
<td>64.9</td>
<td>66.5</td>
<td>72.5</td>
<td>71.6</td>
<td>76.3</td>
<td>73.0</td>
</tr>
<tr>
<td>62</td>
<td>65.9</td>
<td>55.9</td>
<td>57.4</td>
<td>66.1</td>
<td>67.1</td>
<td>68.4</td>
<td>71.0</td>
</tr>
<tr>
<td>63</td>
<td>58.0</td>
<td>51.3</td>
<td>43.6</td>
<td>58.9</td>
<td>58.0</td>
<td>63.0</td>
<td>62.8</td>
</tr>
<tr>
<td>64</td>
<td>48.8</td>
<td>41.9</td>
<td>38.0</td>
<td>48.2</td>
<td>52.1</td>
<td>51.2</td>
<td>53.2</td>
</tr>
</tbody>
</table>

The pattern for labor force participation of women looks quite similar as the one for men; however, the rise between 1995 and 2008 is in fact somewhat stronger among women than among men aged 60-64.

Table 3.5: Labor market participation rate (%) 1990-2008 in Sweden among women aged 55-64

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>55-59</td>
<td>78.8</td>
<td>77.3</td>
<td>79.1</td>
<td>79.4</td>
<td>79.9</td>
<td>80.2</td>
<td>80.6</td>
</tr>
<tr>
<td>60</td>
<td>69.0</td>
<td>65.7</td>
<td>67.1</td>
<td>69.9</td>
<td>70.2</td>
<td>72.2</td>
<td>72.1</td>
</tr>
<tr>
<td>61</td>
<td>62.2</td>
<td>59.5</td>
<td>58.7</td>
<td>67.0</td>
<td>65.8</td>
<td>65.2</td>
<td>66.4</td>
</tr>
<tr>
<td>62</td>
<td>54.5</td>
<td>48.6</td>
<td>52.1</td>
<td>58.0</td>
<td>59.7</td>
<td>59.1</td>
<td>60.2</td>
</tr>
<tr>
<td>63</td>
<td>46.7</td>
<td>37.7</td>
<td>35.1</td>
<td>49.3</td>
<td>51.1</td>
<td>52.5</td>
<td>50.0</td>
</tr>
<tr>
<td>64</td>
<td>37.3</td>
<td>31.2</td>
<td>25.2</td>
<td>40.7</td>
<td>40.7</td>
<td>46.0</td>
<td>44.4</td>
</tr>
</tbody>
</table>

Broadening the picture to include those even older, e.g. those above 64 years old reveals that there is a marked difference between those who are 64 years and those aged 65 years. For men labor market participation drops drastically from the age of 64 to the age of 65 (in 2006 from 52 to 22.5 percent, in 2007 from 51.2 to 28.9 percent and in 2008 from 51.7 to 29.1 percent). For women the drop is even more pronounced (in 2006 from 40.7 to 18.6 percent in 2007 from 40 to 17.3 percent and in 2008 from 44.4 to 19.1 percent). As Sjögren Lindquist and Wadensjö (2009) point out, it is hardly that health or work ability deteriorates at just 65 years of age. On contrary, elderly people become increasingly healthier. The proportion aged 55-74 years with good or very good health has increased from 57 percent in 1980 to 64 percent in 2004 (Swedish Governmental
Official Report, 2012:28); a factor that contributes to a longer working life. It rather seems that the notion of retirement age of 65 is still important. The proportion that remains in the labor force between 65 and 67 years of age is increasing among men and women. In 2008, 12.5 percent of men at the age of 69 were still in the labor force against 6.4 percent of women (Sjögren Lindquist and Wadensjö, 2009).

Adding the same indictors as for the other vulnerable groups before, Table 3.6 reveals slightly increasing employment rates and high degrees of part-time employment.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Unemployment rate, age: 55-64</th>
<th>Employment rate, age 55-64</th>
<th>Inactivity rate, age 55-64</th>
<th>Temporary employment as % of total employees, age: 55-74</th>
<th>Part-time employment as % of total employment, age: 55-74</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>5.0</td>
<td>69.0</td>
<td>27.4</td>
<td>7.9</td>
<td>29.3</td>
</tr>
<tr>
<td>2005</td>
<td>4.5</td>
<td>69.4</td>
<td>27.4</td>
<td>7.9</td>
<td>30.4</td>
</tr>
<tr>
<td>2006</td>
<td>4.4</td>
<td>69.6</td>
<td>27.2</td>
<td>8.8</td>
<td>32.0</td>
</tr>
<tr>
<td>2007</td>
<td>4.0</td>
<td>70.0</td>
<td>27.2</td>
<td>8.9</td>
<td>32.0</td>
</tr>
<tr>
<td>2008</td>
<td>3.8</td>
<td>70.1</td>
<td>27.2</td>
<td>8.3</td>
<td>32.8</td>
</tr>
</tbody>
</table>

Source: Eurostat

Social security reforms and pension scheme and retirement

Sweden opted in 1992/94 for a radical reform of its national old-age pension system. Most of the legislation on the new system was passed in 1998. Parliament adopted the final legislation, providing for the automatic balance mechanism, in May 2001 (Settergren, 2001). The pension reform had as a main objective to create a stronger link between what is paid into the system and the pension paid out. Retirement age is flexible, and benefits can be withdrawn from age 61. The pension is calculated at retirement based on life expectancy, which means that the pension at increased life expectancy but unchanged retirement age will gradually become lower and lower in

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4 The national pension system consists of the income pension and the premium pension. The income and premium pensions are completely independent of the national budget, and financing is linked to the contributions paid in by employers each month as part of the pension income of employees. There is a safety net for people who are entitled to a pension but who do not have sufficient income - the guarantee pension. This is financed through the national budget and is independent of the income and premium pension system. In addition to this are occupational pensions or contractual pensions, arranged for employees by employers, often through a collective agreement, as well as voluntary pensions, which are pension schemes entered on a voluntary basis.

Although there is no formal retirement age, there are several statutory age limits that in different ways affect the choice of exit age and date of retirement. General pension (income and premium) can earliest be lifted at the age of 61. Since the pension is calculated based on the expected remaining life of the age group a withdrawal at age 61 implies a significantly lower pension than at later withdrawal. Guarantee pension (basic protection for those who have little or no earned income during life) can earliest be taken out/lifted at the age of 65. The right to remain in employment is regulated under the Act of Employment Protection and applies to the age of 67 and the age limit can be raised further. Private pension and certain occupational pension can begin to be charged at the age of 55 (Swedish Government Official Report, 2012:28).

Reforms of the sickness and disability schemes implying more rigorous and consistent assessment of work capacity (2005), a merger of sickness and disability insurance (2003), the introduction of sick-leave guidelines (2005) and a tighter rehabilitation assessments resulted in a significant decline of sickness leave and inflow into early retirement (see page 16).

In 2007, the Swedish government introduced two different labor tax credits for workers aged 65 or above at the beginning of the tax year, with the purpose to promote work at older ages. The first was an earned income tax credit introduced for all workers that was substantially larger for workers above age 65. The additional tax credit for a worker at the 25th percentile of the earnings distribution, aged 65 at the beginning of 2007, amounted to about 9 percent of net earnings. The second was a payroll tax credit that reduced the payroll tax rate by about 16 percentage points. The earned income tax credit was expanded in 2008, 2009 and 2010 (Swedish Government Official Report, 2012:28).

Also other measures have been implemented in labor market policies to facilitate longer employment of older people. E.g. the right to remain in employment was raised 2002 from 65 to 67 years, since 2007 people aged 55-64 can get “new start jobs” in more than
10 years, which is twice as long as younger people, qualification time for new start for people who are 55 or older has temporarily reduced from 12 months to 6 months and rules against discrimination on grounds of age were introduced in 2009 (Swedish Government Official Report, 2012:28).

f. ADDITIONAL INFORMATION ON THE POSITION OF OTHER RELEVANT VULNERABLE GROUPS ON THE LABOUR MARKET

Besides young people and immigrants single mothers are often pointed out as a disadvantaged group. After the crisis in the 1990s the general development has been positive with clear improvements for the economic situation. For example the employment rates have risen slightly during the period 1998/1999-2004/2005 while the share of unemployed and temporary employment fell slightly. More people have gained access to a financial buffer, fewer have had problems coping with the ongoing expenses in the last year and earned income as well as disposable income has risen sharply (Fritzell et al, 2007). However, looking at the situation for single mothers reveals another picture. One of four households with a single mother as breadwinner has for their livelihood fully to rely on other sources of income than employment. Despite this, there attachment to the labor market has improved. A decreasing proportion is unemployed and in temporary employment. However, the fall in unemployment is accompanied by a corresponding increase in early retirees. More has also acquired a financial cushion while fewer had difficulties managing current expenses during the past year. Although the disposable income has increased it has increased markedly lower than for the population as a whole, both relatively and absolutely. Health development has also been clearly less favorable for single mothers than for other groups, for example, significantly more people who report that their health is not good (Fritzell et al, 2007). In 2003, approx. 22 percent of all single women with children received social assistance, which is a higher proportion than in all other household types. However, the number of beneficiary women with children decreased by three percent compared with 2002 (National Board of Health and Welfare, 2004).

More general reforms of the right –wing government
With the unemployment insurance reform in 2007, the replacement rate of the income-dependent unemployment benefits was made dependent on unemployment duration and a gradually falling replacement rate was introduced. In theory an unemployed worker has a before-tax replacement rate of 80 percent for the first 200 days that is lowered to 70 percent for the next 100 days and finally to 65 percent within the job and activity guarantee. Yet, the maximum benefit level has been held constant in nominal terms since 2002, which implied a gradual reduction of the replacement rate for high-income earners as their wages have increased. The same mechanism applies for those who are not members of an unemployment insurance fund and therefore do not receive an income-dependent benefit (Bennmarker et al 2011:5).

Looking at the replacement rate over a long time period shows that since the mid-1990s, the difference between the actual level of compensation in the Swedish unemployment insurance (red line) and the OECD average (blue line) dropped significantly (for a typical industrial worker). Towards the end of the period 1930-2010, the net replacement rate level in Sweden is even slightly below that average (Ferrarini et al 2010).

Figure 3.6. Net replacement rate, unemployment insurance compensation for Sweden and OECD countries 1930-2010

![Graph showing net replacement rate over time](image.png)

Dotted line: Sweden, dark line: OECD countries
Source: Ferrarini et al 2010

Seen in a comparative perspective, the drop in actual benefit level by as much as 13 percent of a production worker’s net pay, is even more remarkable. From the second highest replacement rate in unemployment insurance in the mid-2000s Sweden can now
be found at the bottom half of the ranking of countries benefit levels in unemployment insurance (Ferrarini et al 2010).

**Figure 3.7. Net replacement rate, unemployment insurance, Sweden 2005-2010.**

[Graph showing net replacement rate for different countries]

Source: Ferrarini et al 2010

### 4. THE CRISIS, POLICIES IN THE CRISIS AND THE EFFECT OF THE CRISIS ON THE VULNERABLE GROUPS.

**Some general notes**

In the fourth quarter of 2008, Sweden entered a recession. Heavily dependent on exports of cars, telecommunications, construction equipment, and other investment goods, Sweden was hit hard by the contraction in external demand due to the global financial and economic crisis. The GDP fall by nearly 7 percent from the peak in the first quarter 2008 to the fourth quarter of 2009 (The National Institute of Economic Research, 2010).

Over 8,000 people in Sweden received redundancy notices in September 2008, mostly those working in the car industry (Bergström 2009). Volvo, the largest employer in Sweden’s car manufacturing industry, issued redundancy notices to some 6,000 people, most of whom were based in Sweden. The decision of Volvo to reduce their production turnover, had of course consequences for their subcontractors; often small and medium-
sized enterprises (SMEs) in the private sector that also had to downsize their production and make hundreds of people redundant. But also paper and pulp companies have been among the worst affected by Sweden’s declining economy.

The redundancies in the Swedish labour market have been regionally concentrated, mostly in the western part of the country. This is due to the fact that both Volvo and many of its subcontractors operate from this region.

However, not only the number of redundancy notices has increased dramatically, but also the number of new job vacancies continued to fall. Firms reduced employment by nearly 3 percent in 2009 to bring the number of employees to the weaker demand. Also employment in the public sector stagnated and the total employment declined by about 2 percent in 2009 (The National Institute of Economic Research, 2008). The sharp drop in demand in the wake of the financial crisis has meant that employment has declined sharply since mid-2008, while unemployment has increased by about 3 percentage points to about 9 percent at the beginning of 2010.

**Strong public finances**

Strong public finances was an important issue during the financial crisis from 2008. In 2009, Sweden had a fiscal deficit of only 0.9 percent of GDP that is a stark contrast to the fiscal crisis that Sweden experienced in the 1990s (Calmfors, 2011). What has happened in-between?

The severe macroeconomic crisis in the 1990s led to the adoption of a tough fiscal consolidation program. It was *unconditional*, meaning that fiscal balance had to be achieved irrespective of macroeconomic developments. The program builds on a broad political consensus that Sweden never again should end up in a similar situation. Some central elements of this program were that government expenditure and its allocation between the various areas are determined and fixed (decisions are taken on individual expenditure items, e.g. higher expenditures in one item cause a correspondent reduction in another one), a fiscal surplus target of 1 percent of GDP over a business cycle, a ceiling
for central government expenditure set three years in advance, a balanced budget requirement for local governments (Calmfors, 2011).

However, the question asked in the light of the new crisis was if the surplus target is not too rigid and if a better alternative would be to reformulate the goal to a requirement of a balanced budget over the economic cycle (Calmfors, 2011). The current regulation makes strong fiscal stimuli difficult since they stand in conflict with the surplus target for the public finances. The room for fiscal stimulus in the 2009-2010 downturn was one point of conflict between the government and several other main actors. E.g. the Swedish Fiscal Policy Council (FPC), an agency under the Government, recommended *more* stimulus than the Government thought appropriate. The Government in turn referred to the budget surplus target and claimed that additional investment during the crisis was not possible.

In December 2008, the Central Bank of Sweden (Sveriges Riksbank), became the first of many banks in Europe to make a large cut in its repo rate by 1.75 percentage points down to 2 percent.

**Governmental measures**

The Swedish Trade Union Confederation (Landsorganisationen i Sverige, LO) criticized the government for failing to take adequate measures to deal with the turbulent labour market and claimed that the labour market policies implemented after the 2006 elections did not prove to be efficient. Given the economic downturn, their demand, the government need to introduce new measures – such as raising children’s allowance and study grants to satisfy the demands of the public5. The critics was joined by the Swedish Confederation of Professional Employees (Tjänstemännens Centralorganisation, TCO) and the Swedish Confederation of Professional Associations, they all demanded stronger measures from the government.

In response to mounting pressure to react to the economic recession and downturn in the labor market, the Swedish government finally presented a crisis package in

5 [http://www.eurofound.europa.eu/eiro/2008/12/articles/se0812019l.htm#contentpage#contentpage](http://www.eurofound.europa.eu/eiro/2008/12/articles/se0812019l.htm#contentpage#contentpage)
December 2008. The action plan intended to stimulate employment and ease the effects of the recession. However, it generated widespread criticism. The crisis package contained a number of proposals and included enhanced support for newly unemployed and short-term unemployment, enhanced support for long-term unemployed, reinforcements of the polytechnic and vocational secondary education. The package also included enhanced focus on infrastructure and enhanced tax deduction for household services such as repairs, alterations and maintenance of buildings, known as tax deductions.

Yet, again the government’s action plan generated widespread criticisms from the country’s major actors, which all declared the package not being sufficient for reducing the effects of the economic recession. Such criticisms were put forward by the government opposition parties, along with trade union organisations but also the employer organisation the Confederation of Swedish Enterprise (Svensk Näringsliv), the National Institute of Economic Research (Konjunkturinstitutet,) and representatives from the country’s different banks. The Swedish Municipal Workers’ Union (Svenska Kommunalarbetareförbundet, Kommunal) also expressed its disappointment with the fact that the public sector was being completely excluded from the package. It pointed to the need to raise the number of grants available to the municipalities as well as to lower the fee for the unemployment fund.

In conjunction with the 2009 Spring Fiscal Policy Bill, the Government proposes further measures for combating the crisis. The Government presented measures in two areas: increased grants to municipalities and county councils and more resources for labour market policy. A financial assistance for the local government sector in the form of a temporary counter-cyclical support of SEK 7 billion for 2010 and an increase of SEK 5 billion in the central government grant to municipalities and county councils in 2011 and 2012. Furthermore, resources for labour market policy were being strengthened in order to prevent persistent high unemployment.

**Responses to the crisis from social partners**

At the local level, the social partners made departure from collective agreements; unions and social partner at different branches introduced short-time work and part-time layoffs (the possibility had already existed in the 1970 but were than abolished). E.g. IF
Metall⁶, the employers’ organisation for engineering companies (Teknikföretagen), The Swedish Association of Plumbing and HVAC Contractors (Metallgruppen och Industri- och kemigruppen) reached an agreement on a framework for layoff and training. The agreement was valid until 31 March 2010 and has a notice period of three months.

**g. THE POSITION OF THE DISABLED ON THE LABOUR MARKET**

Statistics Sweden got in 2012 an assignment to study the conditions for persons with disabilities on the labor market (Statistics Sweden, 2013)⁷. About 71 percent of the survey’s respondents state that they have work (as an employee, self-employed or they are on parental leave). Among those with reduced work capacity, the corresponding share is about 44 percent. Men with reduced work capacity have work to a greater extent than women (51 percent to 39 percent). Among people who have work, those with a disability report that they have permanent or temporary employment to the same extent as the non-disabled. Of those with a reduced work ability, nearly 30 percent work between 20–34 hours a week. For the non-disabled population, 13 percent work between 20–34 hours a week. It is more common for women to have part-time employment than men.

An evaluation of the earlier introduced rehabilitation guarantee was performed in 2012 (Hägglund et al, 2012). The report analyzes the impact of cognitive behavioral therapy (CBT) and multimodal rehabilitation (MMR) treatments as part of the rehabilitation guarantee in one region in Sweden on sick leave, health care consumption and drug use. The results show that the CBT treatment for patients who are not on sick leave when the treatment begins, both sickness absence and the number of drug prescriptions is reduced in the year after the treatment began, while the number of health care visits increased slightly. For CBT patients who were on sick leave at the baseline, no effect on sick leave could be observed. However, there is a reduction in the prescription of drugs and an increased number of health care visits. For MMR patients, the results are

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⁶ IF Metall is a trade union work for workers in mechanical engineering and plastics, pharmaceuticals, textiles and clothing, ironworks and glassworks, building materials, mines, vehicle repair and in sheltered employment. The union organizes over 350,000 members at nearly 12,000 workplaces all over Sweden.

⁷ Statistics Sweden has previously conducted surveys within the same subject area on behalf of the Swedish Public Employment Service, most recently in 2008. However, the survey from 2012 and the survey of 2008 differ significantly in terms of implementation and their respective results, which is why they should not be compared with each other. The earlier surveys were conducted by telephone and in connection with Statistics Sweden's Labour Force Survey (LFS).
disappointing. They show an increase in sick leave, an increased number of health care visits and no effect on the number of drug prescriptions in the year after treatment began.

After the crisis a stricter focus on the individual and his/her employability was observed. Some of our interview partner expressed it as a shift away from a structural perspective towards a perspective on the individual. Rafael Lindquist (interview) and also Sonja Wallbom (interview) point to a shift in attitude towards disabled. Motivation is stressed in a higher degree; individuals became more involved in and responsible for their own activation process. This is seen not only in a general attitude but also in the description of the public employment services efforts: individual plans, participation, motivation, coaching and so forth.

h. THE POSITION OF MIGRANTS ON THE LABOUR MARKET

During 2007-2010 approximately 100 000 individuals per year immigrated to Sweden. Some of those immigrants are returning individuals born in Sweden (approx 15 percent). Of the foreign-born who immigrated the same year, 9 percent were born in other Nordic countries, 32 percent were born in the rest of Europe and 59 percent were born outside Europe (Ekberg 2012). At the turn of 2009/2010, the number of foreign-born had increased to more than 1.3 million, representing 14.3 percent of the population. Demographic projections show that this share is expected to continue to increase in the future. As already mentioned, many of the people who have come to Sweden in recent years are refugees or relatives of refugees.

The rate unemployment immigrants in Sweden was approx. 12 percent (year 2000) increasing to slightly over 15 percent in 2010 (Szulkin et al 2014), to 16 percent for men and 15 percent for women in 2012 (Petersson 2014). The difference between the foreign-born and native-born populations lay at seven percentage points in 2000 and nine percentage points in 2010 (Figure below).
In a study performed in 2010, Sweden shows very low levels of employment among immigrants who have migrated to the country within the last ten years. This is true for both males and females. The problematic situation for recent immigrants becomes even clearer when their employment rate is compared to that of the native-born population. Labor market integration appears to function poorly. For those who have been resident in the country for more than ten years, the gap to the native-born population is generally smaller (Szulkin et al, 2014). “It is easy to come into the country, but it is difficult to enter the labor market”, Ryzsard Szulkin (interview).

Native-born have higher average salaries than those born abroad, even when differences in education and work experience considered. The income gap has increased between 2007 and 2011, most especially for women. Foreign born have more often temporary jobs than native-born people, especially younger people, women and people born outside Europe. (This percentage decreases with time spent in Sweden.) Foreign born are additionally over-represented in the staffing/recruitment industry. Positions with this industry are sometimes claimed to be "second choice" to direct employment at workplaces (Szulkin et al, 2014).
There are many different reasons why relatively recent immigrants find it difficult to obtain the means to an independent income. What is often mentioned is that the proportion of unqualified jobs, which are viewed as an access in to the labor market is relatively low on the Swedish labour market. But perhaps the most important difference between Sweden and the majority of European countries is that Sweden receives a large number of refugees and their families. According to data from Eurostat, 25 percent of Swedish immigrants (aged 15 to 64) have arrived in the country as refugees. The corresponding figures for the Netherlands, Germany and Norway, who also follow relatively open policies, are 13, 14 and 18 percent respectively. In the majority of other countries, the proportion of refugees among immigrants is around or under ten percent. By comparison with the rest of Europe, Sweden appears to be a relatively open country in relation to immigration for political and humanitarian reasons. The thresholds for gaining access to the country are fairly low. At the same time, the thresholds for gaining access to the labour market and to earning an independent income are high (Szulkin et al, 2014).

### Table 4.1: National data on employment and unemployment for migrants in Sweden 2009 - 2013

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Unemployment rate, age: 15-65</th>
<th>Temporary employment as % of total employees, age: 15-74</th>
<th>Part-time employment as % of total employment, age: 15-65</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>16.8</td>
<td>21.7</td>
<td>27.5</td>
</tr>
<tr>
<td>2010</td>
<td>18.8</td>
<td>24.6</td>
<td>27.8</td>
</tr>
<tr>
<td>2011</td>
<td>20.7</td>
<td>27.8</td>
<td>26.8</td>
</tr>
<tr>
<td>2012</td>
<td>21.0</td>
<td>28.2</td>
<td>28.4</td>
</tr>
<tr>
<td>2013</td>
<td>21.0</td>
<td>28.6</td>
<td>28.5</td>
</tr>
</tbody>
</table>

Source: Eurostat

**Comparing the two crises**

The relative employment trend for people born outside Europe has been better during the recent crisis than during previous downturns. One reason is that jobs are mostly lost in manufacturing and construction sectors where foreign-born are underrepresented. Sectors where foreign-born are overrepresented, such as health care and hotels and restaurants, fared better in the recession 2008 (Olli Segendorf and Teljosuo, 2011). Ekberg (2012) compared the recent crisis with the development of the crisis in the early 1990s; in a first step between natives and immigrants. The employment gap between immigrants and natives increased by 8 percentage points during 1991-1994, compared with 3 percentage points during 2007-2010. For those born outside Europe, the
corresponding change was 12 percentage points and 5 percentage points. Thus, for immigrants from outside Europe, the labour market position compared with natives ones deteriorated more during the crisis in the early 1990s than during the recent crisis.

Ekberg (2012) also compares the employment rate for immigrants born in Europe with the native ones showing that employment rate is only affected to a small extent by the crisis 2008-2010 (this goes for both men and women). The situation is different for immigrants born outside Europe. For these employment rate was 27 percent lower in the first half of 2008 compared with native ones but has increased to 32 percent lower in the first half of 2010. The change has been greater for women than men. From the second half of 2010 the situation has stabilized.

Policy Responses

A so called establishment reform entered into force on 1 December 2010. With that, the state overtook the overall responsibility of the municipalities to facilitate the establishment of newly arrived immigrants in work. The shift in responsibility should provide a faster start in the labor market with a clearer labor market perspective from day one. Immediately after granted residence permit, an establishment plan shall be formulated mapping out the competences and preferences of the individual. The next 24 months should contain: Swedish for immigrants (SFI), social orientation and other social and/or labour market preparatory measures. The individual is guided by an establishment-counsellor and may also be granted establishment benefits upon relocating or finding a steady residence. A special SFI-Bonus was granted to those who pass the course within one year after start (however, this bonus has recently been abolished).

i. THE POSITION OF YOUTH ON THE LABOUR MARKET

The position of youth on the labor market in 2012 was 23.7 percent (Oscarsson, 2013). Compared to the years just after the crisis, 2008-2009, the unemployment figures among youth rose quite steeply from around 18 percent in 2008 to roughly the same unemployment rate in 2009 as in 2012. In other words, while the unemployment figures showed a significant increase just after the crisis, attempts to decrease the unemployment
rate among young haven’t proved very successful over the past 4-5 years. It should however be noted that part of the steep rise in unemployment seen after 2008 continued on to finally peak in 2010 after which time there has been a slight decline in the figures. As previously noted, the unemployment figures have undergone a change in how and what to categorize as within or outside of the labor force as well as being labelled unemployed or employed. This naturally affects unemployment figures in the national labor force surveys (ibid).

Table 4.2: National data on employment and unemployment for youth in Sweden 2000 - 2013

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Unemployment rate, age: 15-24</th>
<th>Employment rate, age 15-24</th>
<th>Inactivity rate, age 15-24</th>
<th>Temporary employment as % of total employees, age: 15-24</th>
<th>Part-time employment as % of total employment, age: 15-24</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>25,0</td>
<td>38,3</td>
<td>49,0</td>
<td>53,4</td>
<td>49,3</td>
</tr>
<tr>
<td>2010</td>
<td>24,8</td>
<td>38,8</td>
<td>48,4</td>
<td>56,7</td>
<td>49,6</td>
</tr>
<tr>
<td>2011</td>
<td>22,8</td>
<td>40,9</td>
<td>47,0</td>
<td>56,8</td>
<td>47,3</td>
</tr>
<tr>
<td>2012</td>
<td>23,6</td>
<td>40,2</td>
<td>47,4</td>
<td>55,7</td>
<td>48,5</td>
</tr>
<tr>
<td>2013</td>
<td>23,5</td>
<td>41,7</td>
<td>45,5</td>
<td>55,8</td>
<td>48,6</td>
</tr>
</tbody>
</table>

Source: Eurostat

**Policies and other responses**

Keeping in mind that the changes in how labor force participation and employment vs unemployment is registered impacts the figures presented, the labor force surveys do reflect how the labor market situation for youth is developing. Policies and legislation in this area have been subject to several reforms during the past 6-7 years. Since the shift in government 2006 from the social democrats to the right wing alliance, social policies in have undergone a myriad of changes under the work first policy slogan. Knowing precisely which part of policy reforms introduced post crisis are a response to it and which is part of the continued shift in policy direction initiated in 2006 is difficult to say with certainty. Although, most of the policies introduced by the new government were part of their platforms during the 2006 election campaign, and many of them were also pushed through quite rapidly after the alliance took office in the fall of 2006. Going over the introduced policies concerning youth and their stance on the labor market, the changes introduced concern changes to the unemployment benefits, introduction of activation measures and programs for unemployed youth, major education reforms of both primary and upper secondary school and subsidies and tax-cuts for employers in an attempt to increase labor demand. Most of the policies introduced a have been so with a seemingly implicit long term agenda in mind, rather than a short term reform as a form of crisis management, as the policies introduced are promoted in line with the governments election platforms and political direction since 2006.

**Stimulating job growth & job creation for young people**
As stated, the government politics since 2006 have been explicitly focused on supply, however there are a few policies aimed at job creation and labor demand. The cut payroll taxes for hiring young people, as well as the VAT tax break, are policies aiming for increase in demand for youth labor. The cut payroll tax was specifically geared toward young people, and gradually expanded both in terms of the amount subsidies and the age bracket affected (Government Bill 2006/07:84). In spite of this, evaluations show expects on youth unemployment being quite small, especially in relation to the cost of the measure over the past 6 years since its implementation in 2007. The VAT tax break was introduced in hopes of the reduced costs for restaurant and fast food enterprises resulting in expansions, hence an increased demand in labor mostly affecting young and immigrant workers (Government Bill 2011/12:1). The results of this measure have however been very scarce. Once again it should be emphasized that these are policies introduced before the actual crisis, and while the cut payroll tax was gradually expanded after the crisis it is more accurate to describe these policies as part of the right wing Alliance policy agenda since entering office in 2006 than a post-crisis related policy response. In addition, these policies aimed at job-creation are not part of the core policy direction of the government which is more oriented around making the individual employable than on encouraging employers to create job-possibilities for the unemployed (Susanne Zander, interview).

**Human capital investment**

Another area which the government has made a prominent part of its platforms is education and encompassing reforms of both primary school and upper secondary education. Though the primary school affects all young people as this is part of the mandatory education, the upper secondary education has the closest direct effect and affiliation with unemployment figures for young people as it is mainly directed to those in the ages of 16-19/20 years old and thus part of the younger age cohort of those included in the group youth on the labour market. This can be described as human capital investments with a main focus on the introduced vocational training programs which the government is aiming to have the effect of speedier labour market entrance for the group of youth who have previously not fared well in the national higher education preparatory programs (Skolverket, 2013). This has however not had the desired effect so far, just in terms of applicants for the vocational programs these have been much fewer than anticipated. According to an evaluation from X there have also been difficulties in terms of assuring quality of training and education during the APL, both the competence and knowledge of what and how to teach the students is often lacking among workplace tutors. This results in a very shifting quality
of education in the vocational training programs between different schools across the country. 

**ALMPs**

The main types of labor market policies enforced by the government have in general been active labor market measures. As previously stated this is part of the government's general labor market policy direction, aiming to reduce the number of people receiving cash-benefits and focusing on the individual responsibility and possibilities of making oneself employable. Part of the Active Labor Market Policy tool kit introduced by the government revolves around making the individual an active participant in this process. The main activation measures geared specifically toward youth is the framework program called "A Job guarantee for young people" combining tools such as reinforced job-search activity, matching of skills against available jobs on the labor market and complemented with reinforcing efforts such as training or education (Government Bill 2006/07:118). There are also compensation programs such as the Activity guarantee, Development compensation and Activity compensation, geared toward different age brackets and with a variation of requirements to part-take in activation measures in order to receive benefits.

A surge in labor market programs took place during the years immediately after 2008 and close to a quarter of a million people participated in labor market programs. The proportion of the workforce in the program was on par with what it was in the 1990s. The trend could be interpreted as a conscious effort on active labor market policies, in order to meet the growing unemployment. Yet, the development is in great extent a result of long-term unemployed entering the so-called guaranty programs, such as job and development guarantee and the job guarantee for young people. Since 2008 guaranty programs constitute about 70 percent of all seats in programs with activity support. More important, with the introduction of the guaranty programs, the content of the labor market programs has changed and a growing part of the program content has come to consist of what essentially is considered as mediation efforts, whereas only one of four unemployed benefiting from active or investing efforts. The active labor market policy is voluminous but very weak (The Swedish Trade Union Confederation (LO) 2013).

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8 http://www.skolinspektionen.se/sv/Tillsyn--granskning/Kvalitetsgranskning/Genomforda-kvalitetsgranskningar/Larlingsutbildning-for-vuxna/#
j. THE POSITION OF ELDERLY WORKERS ON THE LABOUR MARKET

On 1 January 2009, a new anti-discrimination law was put in force including age, defined as the length of life, as one ground of discrimination in employment and education. Yet, Kadefors and Johansson Hanse (2012) showed that negative attitudes towards older workers are still common. Attitudes have not improved significantly over the past decades and negative attitudes are a barrier for older people who wish to remain in or return to work. Positive aspects of aging, such as increased knowledge, experience, social skills, reliability and accuracy are sometimes ignored as well as that chronological age is a poor indicator of work capacity. Also a report from the Equality Ombudsman (Equality Ombudsman, 2012) confirms that older workers are discriminated against on the Swedish labor market. Age discrimination against older people in the labor market is mainly about recruiting, but also layoffs and wage differentials. Older workers are assigned less resources to enable qualification and development equally as to young workers. Although the report showed that attitudes towards older workers are improving it also points to the fact that a lot of knowledge about age discrimination in Sweden is missed.

Table 4.3: National data on employment and unemployment for elderly in Sweden 2009 - 2013

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Unemployment rate, age: 55-64</th>
<th>Employment rate, age 55-64</th>
<th>Inactivity rate, age 55-64</th>
<th>Temporary employment as % of total employees, age: 55-74</th>
<th>Part-time employment as % of total employment, age: 55-74</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>5,3</td>
<td>7,0</td>
<td>26,1</td>
<td>8,0</td>
<td>33,0</td>
</tr>
<tr>
<td>2010</td>
<td>5,8</td>
<td>7,0</td>
<td>25,2</td>
<td>9,1</td>
<td>33,6</td>
</tr>
<tr>
<td>2011</td>
<td>5,2</td>
<td>7,2</td>
<td>24,0</td>
<td>9,8</td>
<td>33,6</td>
</tr>
<tr>
<td>2012</td>
<td>5,2</td>
<td>7,3</td>
<td>23,0</td>
<td>9,7</td>
<td>33,6</td>
</tr>
<tr>
<td>2013</td>
<td>5,1</td>
<td>7,3</td>
<td>22,5</td>
<td>10,4</td>
<td>32,4</td>
</tr>
</tbody>
</table>

Source: Eurostat

5. FACTORS AFFECTING THE POSITION OF VULNERABLE GROUPS

As might became clear the period since 1990 has been turbulent for Swedish labour market policy in general and unemployment protection in particular. Two large waves of reforms can be identified: the first in connection with the economic crisis in the early 1990s, and the second after the centre-right Alliance gained power following the 2006 election.

Some factors shall be highlighted:

Changed structure of the labor market
After the crisis in the 1990s, the changing structure of the labor market accelerated, with a growing service sector as well as an overall privatization trend which was facilitated and encouraged by legislative changes (T. Korpi, interview). This also implied a downsize in industrial jobs and other introductory jobs along with an increased competition on the labor market placing young people with little or no working experience at the end of the line (ibid.).

**Shift in government, work line and the role of unemployment insurance as a transition insurance**

Both the Social Democratic party and the centre-right parties have increasingly come to argue that unemployment insurance must play the role of a transition insurance, providing temporary economic help in case of unemployment. While all political parties in Sweden have long embraced the work approach, this has come to today have a rather different meaning than before the recession of the early 1990s.

The right-wing government made no secret that major cuts in the system of unemployment protection, increased contributions from the insured together with substantial cuts in income taxes were the major means to achieve the work line. The work line politics has had consequences in many areas (as unemployment policies, taxes, sickness policies and social policy). Control and discipline, manifested through increased monitoring of people’s working capacity and restricted access to unemployment benefits, are emphasized (Sjöberg 2011). Li Jansson (labour market expert from Almega, an employer and trade organisation for the Swedish service sector) emphasizes however, that the earlier generous unemployment benefit had a negative impact on job seeking attitudes and with the removal of that barrier job seekers changed their job search behavior.

Many reforms were launched and legislated directly when the new government takes office, before the crisis actually hit Sweden: unemployment, levels, financing, differentiated employer contributions, changes in sick pay scheme. These reforms were completely disconnected from the crisis.

**Weakening position of outsider**
Since the 1970s, restructuring processes at the company level are in Sweden accompanied by so called “job security councils” which are based on collective agreements and support processes of professional reorganization and/or transition (Andrén 2014). According to Andrén over 90 per cent of Swedish employees are affected by collective agreements. The collectively agreed payments and insurances cover all employees in workplaces where the employer has concluded a collective agreement. To be covered by a collective bargaining agreement requires the employee does not itself be a member of a union. In all collective agreements are agreements on supplementary compensation for sickness and unemployment. The measures provided are flexible and the support activities tailored to the needs of each individual, taking into account their qualifications, professional interests and personal preferences and concerns. The support measures offered by the Job Security Councils may take several forms, including severance payments and complementary unemployment compensation above the standard unemployment benefit, in order to guarantee a decent level of income during the transitional period. These councils are not new but have had a very important role after the crisis as a supplement to security systems (Li Jansson, interview). However, help is only given to those already in the labour market whereas those outside the labour market (or with a weaker position on the labour market) are dependent on the PES.

The National labour market agency has been heavily criticized as ineffective (Li Jansson, interview). The system of “establishment coaches” employed by the National labour market services did not work and the reform (shifting the responsibility for newly arrived immigrants from the local to the national level) destroyed earlier well-functioning local activities. The public confidence in the agency is very low. Unemployment is high and companies are crying out for the right skilled workforce, matching is not working, the unemployed feel humiliated in the meeting with the PES and the staff is deteriorating. In 2013 the General and Head of the Employment Service was fired from the government.
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Ungdomar på och utanför arbetsmarknaden – fokus på unga som varken arbetar eller studerar. Stockholm. Arbetsförmedlingen

The Integration of Immigrants into the Labour Market: the Case of Sweden. OECD SOCIAL, EMPLOYMENT AND MIGRATION WORKING PAPERS No. 48. http://www.oecd.org/els

Sickness, Disability and Work. BREAKING THE BARRIERS SWEDEN: WILL THE RECENT REFORMS MAKE IT?

Sickness, Disability and Work: Breaking the Barriers. A SYNTHESIS OF FINDINGS ACROSS OECD COUNTRIES


Utrikes födda på arbetsmarknaden – En forskningsöversikt. Stockholms universitets Linnecentrum för integrationsstudier (SULCIS).


Interviews

Susanne Zander, Coordinator Swedish Board for Youth Affairs
Rafael Lindquist, prof, Department of Sociology, Uppsala University
Eskil Wadensjö, prof, Swedish Institute for Social Research, Stockholm University
Tomas Korpi, prof, Swedish Institute for Social Research, Stockholm University
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