

## Foreign born persons on the Swedish labour market

### Background

For a reasonably long period employment rates among foreign born persons in Sweden has been lower than among Swedish born. Employment statistics are normally based on period data. One problem with these types of data is that they usually do not take into account that foreign born persons in Sweden are a heterogeneous group and the composition of the group changes over time. In this study we therefore take a cohort perspective describing employment rates among foreign born persons in Sweden.

### Aim of study

The purpose of the study is to describe the situation of foreign-born persons on the Swedish labour market. This has been done by following the entry into employment each year among foreign-born persons who immigrated to Sweden in the years 1997, 2000 or 2003.

### Data

Since the purpose of the study is to describe the situation on the labour market for the three cohorts we only included persons that were in the ages 20-55 when they immigrated. We also restricted the study to include only first time immigrants. Data comes from Statistics Sweden's register-based employment statistics, information on employment are available up until the year 2007 and contains information on the whole population. The cohort that immigrated in 1997 can therefore be followed 10 years from time of immigration, the cohort that immigrated in 2000 can be followed for 7 years and the cohort that immigrated can be followed for only 4 years.

### Results

#### Employment rates

The results show that employment<sup>1</sup> rates vary with both country of birth, reason for settlement in Sweden and level of education. Chart 1 describes employment rates for the three cohorts by reason for settlement. It is clear that difference in employment is especially great during the first few years in the country. Persons who came to Sweden to work have the highest employment rates. Persons that are not registered with reason for settlement, this group consists mostly of persons born in one of the other Nordic countries, are also employed to a relatively large extent. It is clear that the cohort of 2000, in the group that do not have a reason for settlement lack behind the other two cohorts regarding entry into employment. The reason for this is probably the opening of the Öresundsbridge which makes it easy for

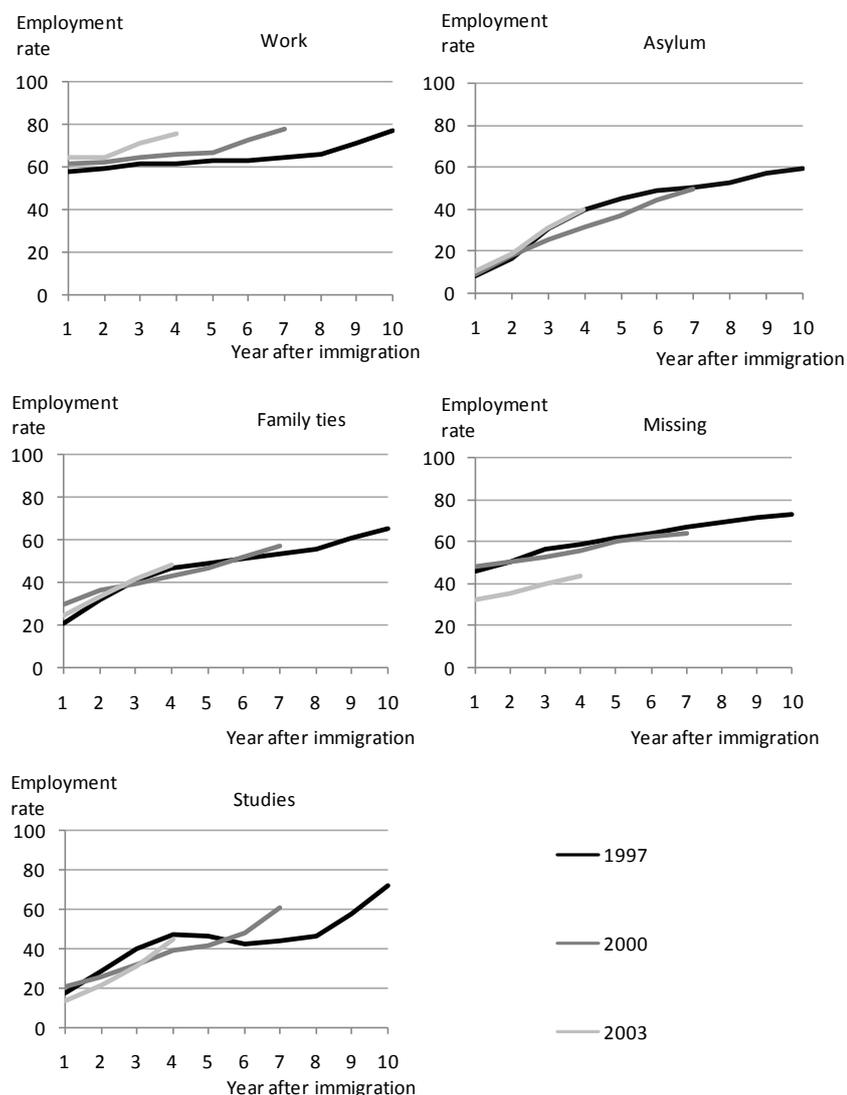
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<sup>1</sup>According to Statistics Sweden's register based employment statistics, being employed refers to one who has been gainfully employed at least one hour per week in the month of November. Information on employment is received from information from the Swedish tax authorities.

persons to commute between Denmark and Sweden to work. Persons that are employed in Denmark and live in Sweden are not regarded as employed in the Swedish registers.

It's the group that has received asylum that has the lowest employment rates, less than 10 percent are employed the first year after immigration. However employment rates consistently increases with the amount of time in Sweden. After 10 years 60 percent of the group is employed.

**Chart 1. Employment rates each year since immigration by reason for settlement. The cohorts 1997, 2000 and 2003**



**Re - emigration**

In chart 1 employment rates are calculated by dividing the number of employed persons by the number of persons still living in Sweden in the group each year. Since emigration varies by reason for settlement the share of the original group that still lives in Sweden each year after immigration are very different in the groups described in chart 1. Chart 2 shows the share

of emigrated, employed at least one year after immigration and the share never employed in the original group by reason for settlement.

The largest re-emigration exists in the groups that come to Sweden to work or study and in the group that has no reason for settlement (i.e. persons born in one of the other Nordic countries). Only one half of the persons that immigrates for these reasons still live in Sweden after 10 years.

In the group that has received asylum or has come to Sweden with family ties as ground for settlement around 90 percent still lives in the country after 10 years. It is worth noticing that there are a share of around 20 respectively 15 percent in these groups that never been employed 10 years after immigration.

**Chart 2. The share of persons ever employed, never employed and the share of persons that emigrated each year since immigration. The cohort of 1997**

