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## **Integration after 2015. What can Sweden learn from Germany?**

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# Working Paper: Integration after 2015. What can Sweden learn from Germany?

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**Abstract:**

In 2015 and 2016 almost 2.7 million asylum seekers travelled to Europe in search of protection. More than half of them, 1.4 million people, sought refuge in Germany or Sweden. Germany received the most people by far but Sweden took in more as a share of its population. The big influx of refugees induced major changes in migration and integration in both countries. This paper compares the policies on labour market integration in both countries focusing on what Sweden can learn from Germany to improve integration.

**Keywords:** Labour market, Integration, Education and Social welfare.

**JEL Codes:** I24, I38, J15 and J61.

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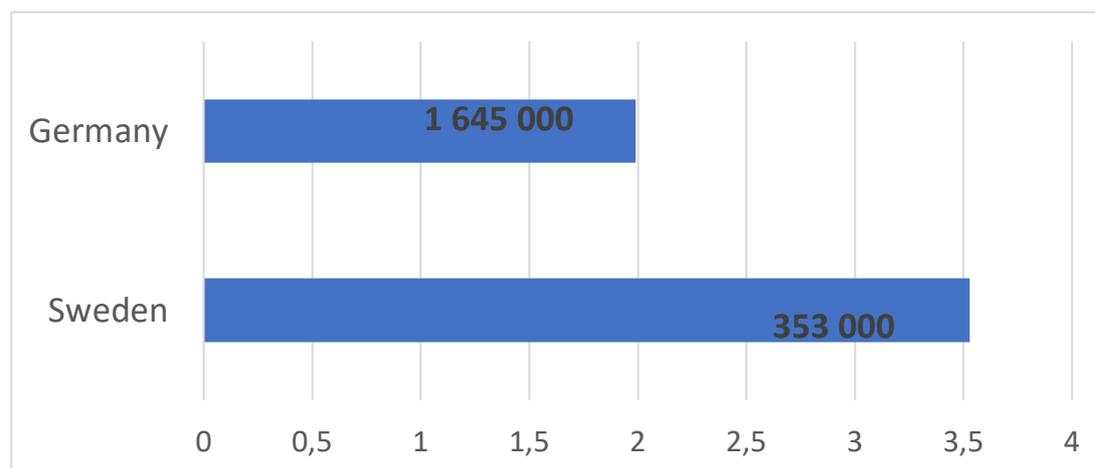
## Reassessing policies after 2015

### Introduction

In 2015 and 2016 nearly 2.7 million asylum seekers arrived in the European Union seeking protection. More than half of them - 1.4 million - chose to apply for asylum in Germany or Sweden. There were several reasons for this. Germany and Sweden are developed economies with strong labor markets and relatively high wages. Sweden had a long tradition as a receiver of refugees. Up until 2015 Germany and Sweden had more liberal asylum rules than the rest of the European Union.

The developments in 2015 and 2016 led Sweden and Germany to partially revise their policies migration and integration. Sweden introduced temporary residence permits for refugees. Germany lowered the economic benefits for asylum seekers. Both countries imposed border controls and temporarily suspended family reunions for most refugees. Germany imposed harder restrictions on where refugees could settle but also increased the efforts to help the new refugees find work. German integration policy which previously was build on equal help to unemployed regardless if they were migrants or native born was supplemented with special measures for refugees and their families.

**Chart 1 Asylum seekers in Sweden and Germany 2013 - 2017. Numbers and share of each country's population. Percent.**



Source: BAMF and Swedish Migration Agency

Refugees have a harder time finding work than other migrants in most developed countries. Those who receive large numbers of refugees - such as Sweden and Germany – have a harder time making integration work than those who mostly take in labour migrants. This

paper describes the systems for receiving and helping refugees find work in Germany and the labour market outcome for refugees in both countries. The main purpose is to see what Sweden can learn from Germany regarding integration. Germany and Sweden have many similarities but Germany's population is eight times larger than Sweden's and Germany received four times as many asylum seekers between 2013 and 2017.

## Definitions

*Humanitarian migrants* include:

- Refugees according to the UN convention who are those with a founded fear of persecution.
- Resettled refugees selected by the UNHCR.
- People in need of subsidiary protection who are victims of war or those who risk torture or execution.
- Families to those above.

For simplification the term refugee is used for all four groups in this paper.

*Integration* is a broad term covering many areas like migrants' economic positions in their new country or the social interaction between migrants and the native population or migrants' identification with the new country. This paper is solely focused on the integration of refugees into the labour market.

## Integration in Sweden and Germany

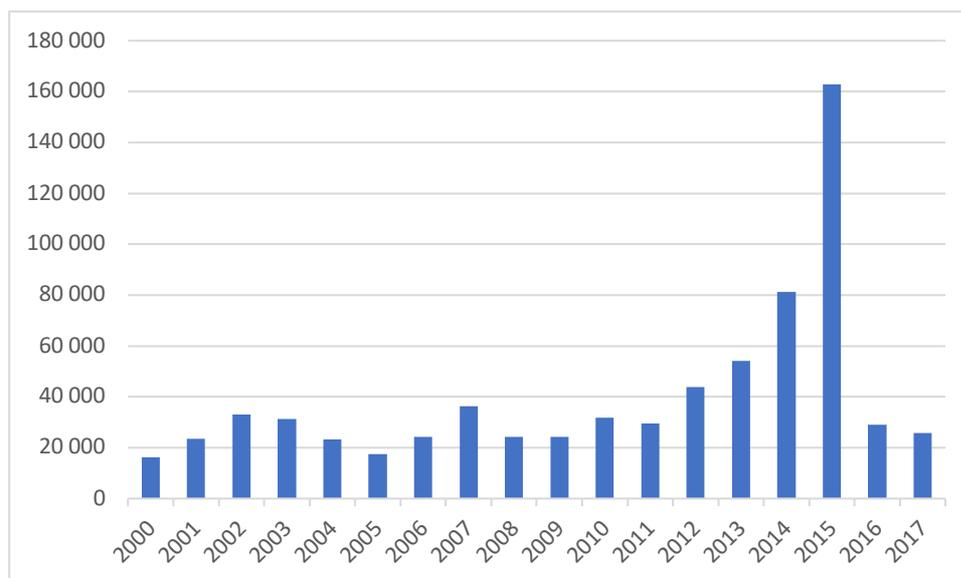
### Immigration and integration policy

Germany and Sweden took in more than half of all asylum seekers who made their way to the European Union during the autumn and winter of 2015 - 2016. Sweden has received large groups of refugees since the mid 1970s. Germany has a shorter history as a refugee country.

### *Sweden*

Sweden's history as a refugee country began in the mid-1970s with arrivals from Latin America and later from East Africa and the Middle East. Refugee migration remained at about 10 000 people a year, with a sharp temporary increase during the Balkan wars in the early 1990s. From the mid-2000s refugee migration to Sweden increased due to the civil wars in Iraq and later Syria. Migration culminated with the large influx of asylum seekers in the fall and winter of 2015-2016 which led to a sharp tightening of the Swedish Migration rules. Temporary residence permits with a 13 month duration were introduced. Family reunions were temporarily suspended for most refugees and were made conditional on supply requirements for the rest.

**Chart 2 First time asylum applications in Sweden 2000-2017**



Source: Swedish Migration Agency

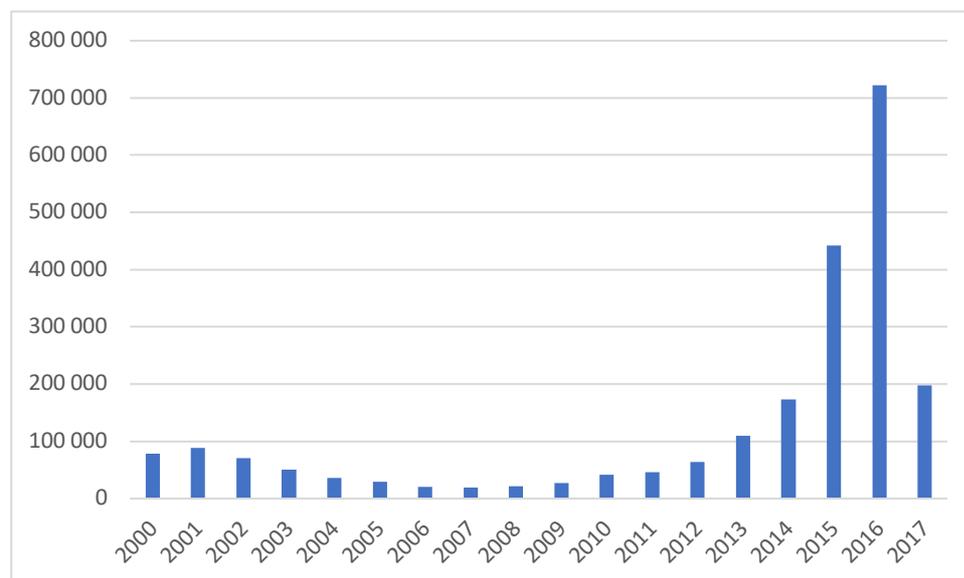
Immigrants have been entitled to tuition in Swedish since the late 1960s. Since the mid 1980s municipalities have been responsible for housing refugees and helping them to find

work. In 1997 the term integration policy replaced immigration policy in Swedish official documents. The purpose was to emphasize that the integration of immigrants was a two-way process relying on the immigrants and the Swedish society. Swedish municipalities were obliged to offer refugees language training, civic orientation and help to find work. The municipalities received special government grants for this. The design and the quality quality of the programs differed between municipalities though. In 2010 a two-year national integration program was introduced instead under the guidance of the Public Employment Agency with assistance from the municipalities.

### *Germany*

Germany has a shorter history as a refugee country than Sweden. Refugee migration to Germany was quite small for decades except for the nearly four million people of German background from Eastern Europe and the Soviet Union who migrated to Germany after WWII and the fall of Berlin Wall. The civil war in Yugoslavia led to a large influx of asylum seekers to Germany in the 1990s. Most of the Bosnians who were given temporary asylum in Germany did however return when the war ended.

**Chart 3 First time asylum applications in Germany 2000-2017**



Source: BAMF

Note: A large share of the registered asylum seekers in 2016 arrived in 2015.

Unrest in the EU's proximity after 2011 led to a sharp increase in asylum seekers to Germany. Between 2012 and 2016 the numbers rose tenfold from 70 000 a year to over 700

000. This led to several tightenings of German migration rules. Economic benefits for asylum seekers were reduced. The so-called safe countries - from which asylum seekers have little chance to get their applications granted – were increased and family reunions for those with subsidiary protection was temporarily removed.

For a long while the official policy remained that Germany was not an immigration country with the exception for people with German origins living abroad. Labour migrants were titled “guest workers” and were expected to return home after some time. Refugees were mostly given temporary residence permits. Many former guest workers remained though and gradually they and other immigrants were accepted as permanent residents and were granted German language training.

A shift in policy occurred in 2000, when people without German origin could become German citizens. In 2005, the new immigration law stated that the German government had a responsibility for integrating migrants. Publicly funded integration courses with language training and civic orientation were offered to all migrants from outside the European Union. The Federal employment service (BA) centres was put in charge of helping migrants find work. Migrants would receive the same help as other unemployed rather than special measures. In 2012 migrants were granted a legal right to have exams and professional qualifications acquired abroad formally recognized in Germany.

Between 2014 and 2017 German integration policy was revised to accommodate the growing numbers of refugees. Asylum seekers with a high probability of having their applications granted could start the integration process in the waiting time. The rules of where in Germany refugees had to settle became more strict. Compulsory integration courses and advanced courses in vocational German were expanded to make room for more pupils. The Employment Service brought in new specific measures to help refugees find work or education.

## Migrants in the labour market

### *Sweden*

Migrants have a weaker position in the labour market than native born in Sweden. This is particularly true among migrant women. Sweden has the second largest difference in employment between natives and foreign born in the EU after the Netherlands. Two major

reason are that Sweden has high employment among native born women and that Sweden has had a sizeable refugee migration for a long time.

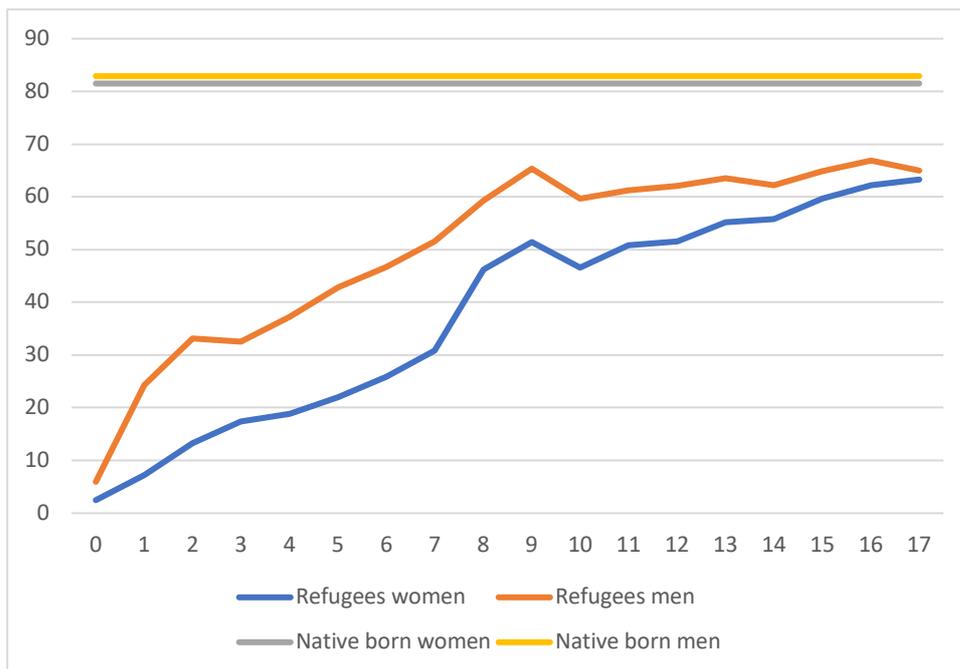
**Table 1 Employment and unemployment among natives and foreign born (15-64 years) in Sweden 2016. Percentages.**

	Men		Women	
	Native	Foreign born	Native	Foreign born
Employment	79.8	68.7	78.8	61.4
Unemployment	5.3	16.7	4.5	15.0

Source: Eurostat, Indicators of Immigrant Integration

Employment is low among refugees and their families during the first years in Sweden. After five years in Sweden 40 percent of the men and 20 percent of the women are working. The employment rate rises over time but never reaches the same level as among the native born.

**Chart 4 Employment rate among refugees (age 20-64) after years in Sweden 2014. Percentage.**



Source: Statistics Sweden (2016)

### Germany

Employment is lower and unemployment higher among migrants than among native born in Germany but the differences are smaller than in Sweden.

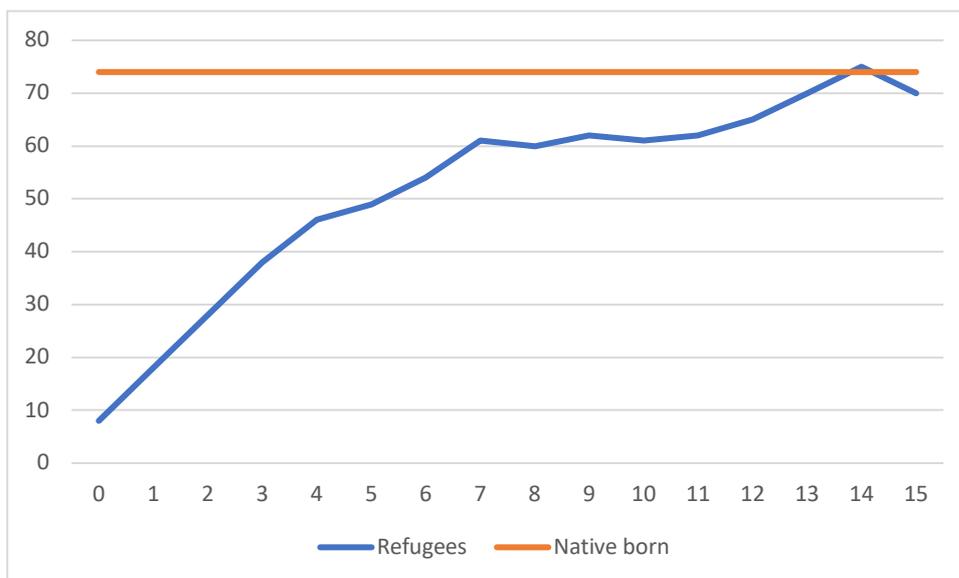
**Table 2 Employment and unemployment among natives and foreign born (15-64 years) in Germany 2016. Percentages.**

	Men		Women	
	Natives	Foreign born	Natives	Foreign born
Employment	79.2	75.3	73.2	60.5
Unemployment	3.9	7.3	3.3	6.2

Source: Eurostat, Indicators of Immigrant Integration

Employment is low among refugees the first years in Germany. After one year in Germany 20 percent of the refugees work. Employment rises over time and after 15 years 70 percent of refugees are working which is close to employment among natives. The data in figure 4 are based on the smaller groups of refugees arriving in the late 1990s and early 2000s. The much larger groups of who arrived in recent years might find integration harder.

**Chart 5 Employment rate among refugees (age 15-64) after years in Germany 2015. Percentage.**



Source: IAB (2015) and Eurostat.

### The responsible actors

Successful integration requires efforts from both the newcomers and the host society. The main responsibility rests on the public actors, state and local governments, but a commitment from employers, trade unions and the civil society is also required. In Germany, the civil society is more involved in the integration process than in Sweden.

## *Sweden*

The Swedish efforts to receive and integrate refugees rest primarily on government agencies even though social partners and civil society contribute.

*The State* has the primary responsibility for refugees during the first time in Sweden. The Migration Agency receives asylum seekers and provides housing to those who have not arranged their own accommodation. The government and regional administrative boards decide how many refugees each region and municipality have to receive and The Migration Agency assigns individual refugees to a specific municipality. The Public Employment Service leads a two-year integration program that all refugees are obliged to take part in. After completion of the program the Employment Service retains the responsibility for helping refugees to find work or training.

*The Municipalities* are responsible for settling refugees who have been assigned there. The municipalities handle language training and civic orientation and adult education.

Municipalities can if they wish offer labour market assistance to refugees.

*The social partners* provide some labour market assistance in cooperation with the state. “The fast tracks” provide quick routes into employment for refugees with certain skills in demand on the labour market.<sup>2</sup> The social partners have also agreed on creating specific introductory jobs for new refugees in 2019.<sup>3</sup>

*The civil society* offers activities to improve health and social activity among participants in the integration program and trains personal guides to help new refugees deal with the authorities. Civic organisations also organize language training in asylum centres. They usually receive public funding for their efforts.

## *Germany*

In Germany more parties share the responsibility for receiving and integrating refugees. Matters are complicated by Germany being a federal country where governance is shared between the federal government, 16 Bundesländer with large autonomy and 401 municipalities.

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<sup>2</sup> Snabbspår.

<sup>3</sup> Etableringsjobb.

The federal government handles the initial reception of asylum seekers and transfers them to the Länder. The federal sets laws on integration.

*Bundesagentur für Migration und Flüchtlinge (BAMF)* handles migration issues and designs the integration courses that are offered to all new arrivals. The integration courses are provided by local performers, mostly civic organisations and private language schools.

*Bundesagentur für Arbeit (BA)* has 156 employment agencies across the country. BA helps asylum seekers with labor market training. In addition there are 303 local *Jobcentres* that help refugees find work or training after they are settled in a municipality. The Jobcentres are run by the municipalities in cooperation with BA and in some cases by the municipalities alone.

*The Bundesländer* settle refugees in different municipalities and can decide on their own integration measures especially within the school system where the Bundesländer have large authority.

*The Municipalities* are responsible for providing accommodation, economic support and labour market training for refugees. The municipalities must follow the federal laws and the laws of their Bundesland but also can act relatively independent.

*Civic organizations* with connections to churches and trade unions have an important role in the German welfare system. They run facilities providing health care and social services with the help of employees and volunteers and receive public grants for their services.<sup>4</sup> They provided important social help during the big refugee and are major providers of integration courses for new arrivals.<sup>5</sup>

*The employers' organisations* have made crucial contributions to integration. The network *Unternehmen Integrieren Flüchtlinge* is run by the German Chamber of Commerce. It started in March 2016 and includes more than 1 700 small and medium-sized enterprises. The network provides legal assistance and information on the financial support available for companies that offer placings for refugees. A follow-up among 320 companies in the network in 2017 showed that they had arranged internships or apprenticeships for 2 200

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<sup>4</sup>Catholic Caritas, Protestant Diakonia, the Social Democratic Workers' Welfare, Jewish Welfare Council, the Red Cross and the non-denominational Welfare Council. In 2014, 1.7 million worked full-time employees and 2.5 million volunteers in the organizations 105 000 different institutions.

<sup>5</sup> OECD (2007b) and OECD (2017).

refugees. German vocational training is mainly done in the workplace so it is crucial to involve employers in the integration process.<sup>6</sup>

## Migration rules

### *Sweden*

Up until 2015 refugees and those with subsidiary protection were granted permanent residence in Sweden without requirements to be able to support themselves or their families. Since 2016 temporary residence permits are the norm. Refugees receive 3-year residence permits. Those with subsidiary protection get 13 month permits the first time and two year permits thereafter if they still need protection. Refugees who can provide for themselves economically can apply for permanent residence.

### *Germany*

Temporary residence permits are the norm in Germany. Refugees receive temporary permits for 3 years at a time and those with subsidiary protection for 1 year. Refugees can apply for permanent residence after 5 years if they pass a language test, have basic knowledge of German society and can provide for themselves.

## Early assistance for asylum seekers

Waiting times for asylum claims rose sharply after 2015 - 2016. Long waiting in suspense and insecurity creates stress and risks making integration more difficult once people have been granted residence. A faster handling of asylum claims is crucial as long as it can be done in a legally secure manner. If this is not possible the waiting time should be used for active measures. The latter is the case in Germany.

### *Sweden*

In 2016 the average waiting time for a first decision on an asylum claim in Sweden was 11 months. Since 2010 asylum seekers have had the right to work during the waiting time but very few manage to find work. Asylum seekers who find permanent work can apply for a work permit if their asylum claims are turned down.

Asylum seekers are entitled to some language training and civic orientation from civic organisations who in 2017 received extra government grants to increase their efforts. The tutorials were few and far between though.

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<sup>6</sup> Max Classen, German Chamber of Commerce 2018-02-27.

The Public Employment Services provide a simple mapping of asylum seekers' knowledge and skills through the digital tool "Jobskills" where asylum seekers can register their CV. These CVs can be translated into Swedish and made searchable by employers. They can also be used for decisions on which help they should be given after they have granted residence.

### *Germany*

In Germany, the average time for processing an asylum application was seven months in 2016.<sup>7</sup> The waiting time was in reality longer as asylum seekers have to wait in the country for several months before they can post a formal claim.<sup>8</sup>

Since 2014 asylum seekers can work in Germany after a 3 month waiting period. They may also start some apprenticeship and internship programs. If their asylum claim is rejected while they are in an apprenticeship they can complete the program and stay in Germany for two years to look for work.<sup>9</sup>

Since 2015 asylum seekers with a high probability of having their applications granted can participate in the same integration courses as those who have been granted residence.<sup>10</sup> They can also receive labour market guidance from the Employment Office (BA) and may in rare cases participate in vocational training programs.

The Employment Service (BA) has developed a digital tool where asylum applicants can register their education and skills. The information is used to choose further measures. The Employment Service has a tool to test vocational skills in 6 languages on 30 different professions. This tool will be available for asylum seekers at employment offices throughout Germany in 2018.<sup>11</sup>

When refugees they have been granted residence the responsibility for them is moved to the local Jobcentres which creates difficulties. Background data must be transferred to the municipalities and efforts initiated by the Employment Service may be stopped and not restarted until later.

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<sup>7</sup> OECD (2017).

<sup>8</sup> There are no statistics on how long the first waiting time.

<sup>9</sup> The so-called 3 + 2 program.

<sup>10</sup> Applicants from countries where more than half of the asylum seekers granted residence permits.

<sup>11</sup> BA (2017b).

## Settlement of refugees

Research strongly supports the fact that migrants are more likely to find work if they settle in regions where the labour market prospects are good.<sup>12</sup> Both Sweden and Germany try to control the geographical distribution of new refugees. The means of control are tougher in Germany.

### *Sweden*

In Sweden, asylum seekers are provided accommodation in public asylum centres. Asylum seekers may also arrange their own accommodation (EBO) where they wish but must then pay their own housing costs. Those who choose own accommodation usually move in with relatives or countrymen. On Jan 1st 2018 roughly half of the asylum seekers lived outside of the asylum centres.<sup>13</sup>

Those who choose to live in any of the public asylum centres will later be offered accommodation in a municipality. Refugees are distributed among the municipalities after a quota that is based on the population size of the municipality, the local labour market and how many refugees that already live there. Refugees are free to move from the municipality they are settled in.

In January 2018 almost 9 000 refugees with residence permits were still living in asylum centres waiting for a home. The long waiting times for housing in the municipalities is one reason that many refugees choose to arrange their own accommodation even if it means enduring overcrowding.

### *Germany*

In Germany asylum seekers are allocated to the 16 Bundesländer according to the so-called Königstein key that to one-third is based on the Länder's population and to two thirds on their tax revenues.<sup>14</sup> Länder with a good economy and a strong labor market will thus receive more asylum seekers.

Asylum seekers start out in reception centres where they have their identity and health checked. They are later moved to other types of accommodation. Some Länder allow asylum seekers to arrange their own lodgings at this stage. Asylum seekers must stay in the

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<sup>12</sup> Aslund and Rooth (2007).

<sup>13</sup> <https://www.migrationsverket.se/Om-Migrationsverket/Statistik.html>

<sup>14</sup> The Königstein key (Königsteinerschlüssel) has since 1949 been the accepted German way to distribute national commitments between the Länder since 1949.

Land while waiting for a decision. The Länder distribute refugees to their municipalities freely. Usually municipalities are assigned quotas based on their population size. Some Länder also take the local labor market and housing situation into account when the quotas are decided. The Integration law prohibits refugees being settled in municipalities where proper accommodation or integration support is not available.

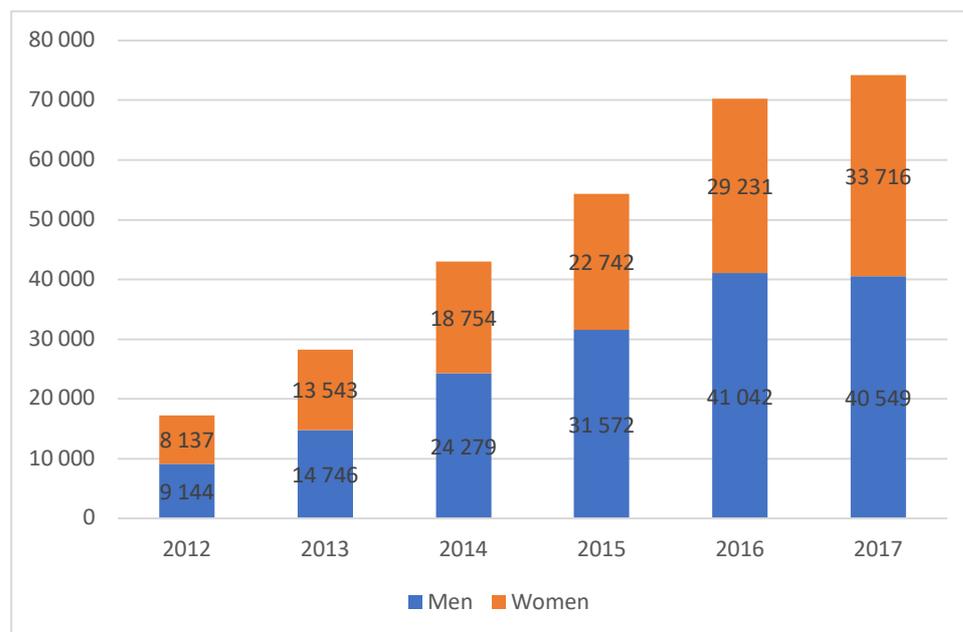
Refugees must remain in the Land they have been settled in for three years and Länder can decide that refugees have to stay in the municipality for that time. The purpose is to prevent refugees moving to cities with a high concentration of migrants. In 2017 five of Germany's sixteen Länder had rules preventing refugees from leaving the municipality they had been settled in. Those who moved despite the law could lose their welfare payments.

### Compulsory integration programs

#### Sweden

All adult refugees in need of protection and their families are entitled to a two-year full-time integration program. The program consists of language training, civic orientation and assistance to find work. Participation is a condition for receiving economic support but it does not affect the chance of permanent residence.

**Chart 6 Participants in the Swedish integration program 2012-2017**



Source: Swedish Public Employment Service

The Municipalities are responsible for language training (SFI) and civic orientation. Language training is provided on three different levels, depending on the participants' previous knowledge and schooling. Some municipalities provide special vocational language training. Civic Orientation consists of 60 hours of tuition on Swedish society in the participants' native language.

The Public Employment Service provides assistance to find work through counseling, job search and validation of previous professional skills.<sup>15</sup> Participants in the integration program can also take part in the Employment Service's regular offer of vocational training, internships, subsidized employment or activities that support health and social contacts.

All participants in the integration program are entitled to a fixed allowance. The allowance was 710 Euros per month in 2017.<sup>16</sup> Those who work outside of the program are allowed to keep any money they earn. Taking part in the integration program is a condition for economic support but it does not affect the right to obtain permanent residence in Sweden.

The participants are expected to move on to a job or regular education after completion of the program. In 2017 only one in three participants did that.<sup>17</sup> The share in work after the program is significantly lower among women. The gap between men and women can partly be explained by the fact that more men take part in the measures that lead to employment such as job training and subsidized jobs while more women take part in social activities.<sup>18</sup>

### *Germany*

Refugees who have settled in a municipality are sent to local Jobcentres that are responsible for helping them find work or education.<sup>19</sup> Refugees are entitled to the same help as other unemployed. In addition they receive language courses and special labour market measures for migrants. Unlike Sweden there is no coherent integration program for refugees in Germany. Integration is instead supported by a variety of courses and activities. The local Jobcentres make up a personal integration plan for each new refugee to hold the activities together.

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<sup>15</sup> Only 107 people had to be their professional skills validated in the establishment of the program in 2016.

<sup>16</sup> 6 800 SEK 2017.

<sup>17</sup> <https://www.arbetsformedlingen.se/Om-oss/Om-Arbetsformedlingen/Etablering-av-nyanlanda/Etableringen-i-siffror.html>

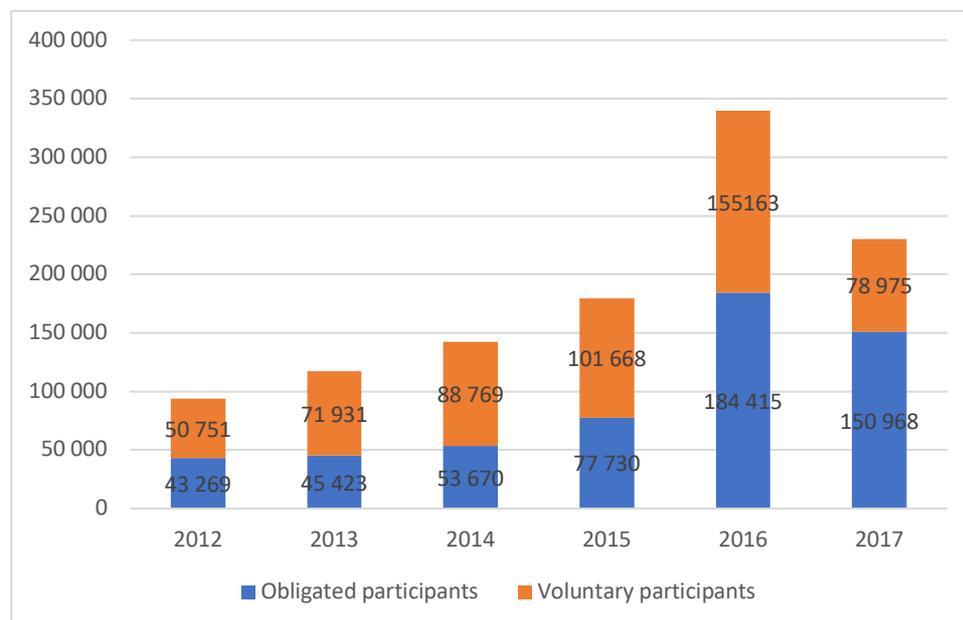
<sup>18</sup> Employment Service (2017). SOU 2012: 69th

<sup>19</sup> Job centers are run mostly by local authorities in cooperation with BA or municipalities alone.

The integration plan in most cases starts with a six-month full-time integration course with basic training in German and civic orientation. It is later followed by more in-depth language training where some labor activities are included. If the need arises, more labour market support is provided. The early part of the integration process is focused on language training because German employers require good language skills of their staff. It is therefore hard to organize vocational training or internships in workplaces unless the participants have basic command of German.

The first step in the integration plan is the mandatory integration course comprised of 600-900 hours of language training at three different levels, as well as 100 hours of civic orientation. The course takes 6-7 months of full-time studies to complete. The courses are designed by the Migration Agency (BAMF) and provided by different private providers and civic organisations. The Migration Agency (BAMF) sets quality requirements, accredits providers and authorise the teachers. The refugees have to choose a suitable provider on their own.

**Chart 7 New participants in German integration courses 2012 - 2017 (until Sept 30).**



Source: BAMF (2018)

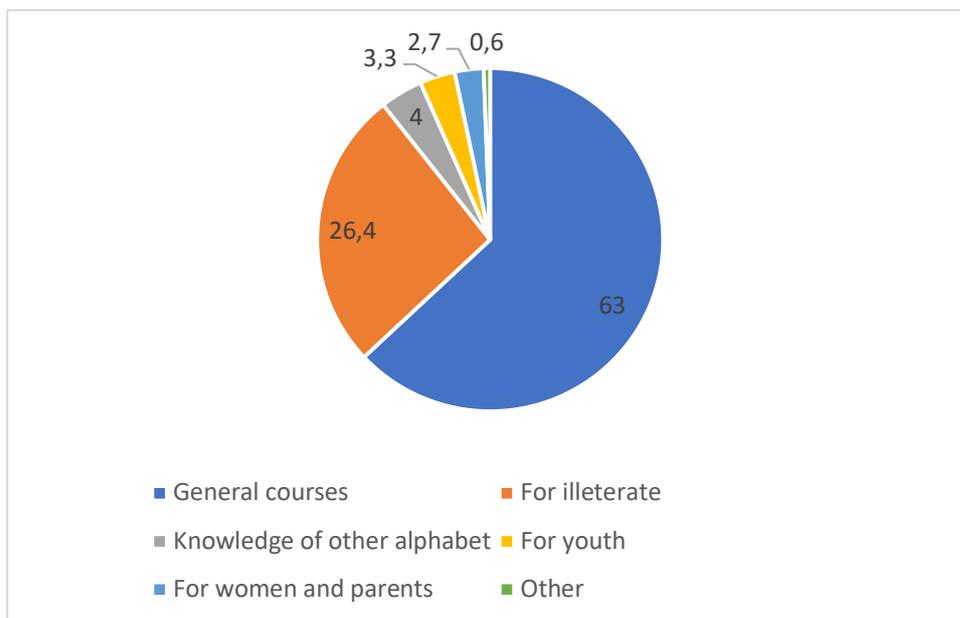
The basic integration courses are mandatory for migrants from non-EU countries that receive welfare payments - mainly refugees and their families. Completion of the course and a language test is required to apply for a permanent residence permit. Since 2016, welfare

payments can be reduced or withdrawn completely for non-attendance. The courses are subsidized and cost between 1 000 and 1 500 Euros in total. Those on social welfare pay no fee.<sup>20</sup>

During the first nine months of 2017 230 000 refugees started integration courses. Two thirds of the participants had a mandatory obligation to enrol while the rest signed up voluntarily. Almost 60 percent of the participants were men.

In addition to the general integration course covering special integration courses targeted to specific audiences are available. Most common are literacy courses aimed at illiterate migrants. BAMF has also developed special courses for migrants who are literate in other alphabets than the Latin alphabet. Experience from Finland has shown that this group can make rapid progress if they receive extra support at the beginning.<sup>21</sup>

**Chart 8 New participants in the different German integration courses 2017 (until 30 sept). Percent.**



Source: BAMF (2018)

There are special courses for young people where they in addition to language training also receive help to find apprenticeships. Integration courses with only female participants are available for women who feel uncomfortable among male students. These courses are mostly provided on a part-time basis with child-care included. Special integration courses for

<sup>20</sup> The fee is 1.50 Euro per hour and the prices are between 700 and 1000 hours of teaching.

<sup>21</sup> OECD (2017).

parents with information about the German school system are an option. There are also intensive courses for those with university education.

Evaluations of the integration courses show that they improve the knowledge of German significantly. The courses improved the language ability best among those with low education, refugees, and those who lived in an environment where German was not spoken. During the year after the course language skills continued to improve for more than half of the previous participants but they deteriorated for nearly as many. This suggests that further language training is necessary to maintain and deepen achieved knowledge.

Evaluations have showed that a completed integration course greatly increases the chance of finding work and that there is a link between acquired language skills and employment. The more the participants improved their language skills during the course, the greater the likelihood that they had a job afterwards.<sup>22</sup>

### [Help after the integration program](#)

#### *Sweden*

The majority of the participants do not work when the integration program is finished. Those who are still unemployed receive help from the Employment Service on the same terms as others without employment. Listed below are the labour market measures that are most common among unemployed migrants who have completed the integration program.

*Subsidized work* is a common measure for refugees and other long-term unemployed migrants. Evaluations show that labour market measures that resemble regular work have the highest probability of leading to employment.<sup>23</sup>

Step-in jobs are subsidized employment for newly arrived refugees that can last for two years.<sup>24</sup> Employers receive a wage subsidy of 80 percent but have to give the employee some time off to do language training. Evaluations have shown that Step-in-jobs do not increase the chance of a regular job, but they are a bridge to other subsidized jobs which can then lead to regular work.

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<sup>22</sup>Schuller et al. (2011) and Brücker et al (2016).

<sup>23</sup> A review of labor market policies for migrants in Sweden can be found in Joyce (2015).

<sup>24</sup> Instegsjobb.

New Start Jobs are subsidized employment for both newly arrived migrants and long-term unemployed that can last for two years.<sup>25</sup> Employers receive a wage subsidy of 50 percent. Migrants accounted for almost 70 percent of the participants. Evaluations have shown that migrants who have had New Start Jobs have a significantly higher chance of finding regular work afterwards. Evaluations have also shown that New Starts Jobs in part crowd out regular employment.

There are also different types of wage subsidies for long-term unemployed.<sup>26</sup> The positions usually lasts one to two years and the subsidy varies. Migrants make up more than half of the recipients. Older evaluations have shown that these subsidies increase the chances of finding regular work job but that they also crowd out regular employment.

*Vocational training programs* strengthen the participant's job opportunities and contribute to the provision of skills in occupations where there is a shortage of labour.<sup>27</sup> The courses can last from a few weeks to 6 months. Migrants make up half of the participants. Previous evaluations have shown that these training programs increase the likelihood of getting a job. The effect is particularly large for migrants outside of the Nordic countries. The positive impact has declined over the past ten years though.

*Work Practice* is practical training at a workplace for a maximum of six months.<sup>28</sup> The training provides work experience and the opportunity to gain professional skills and have them assessed. Migrants make up almost 60 percent of the participants. Evaluations have shown that participation increases the chances of finding regular work but the impact is greatest when there is a shortage of labour.

The Employment Service has recently launched two new programs for migrants that have yet not been evaluated.

*Validation* of training and skills are useful for people who have acquired skills abroad that are not documented. The Employment Service started validating migrants' skills as a special program in 2017 which is carried out by external actors in different sectors.

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<sup>25</sup> Nystartsjobb.

<sup>26</sup> Anställningsstöd.

<sup>27</sup> Arbetsmarknadsutbildningar.

<sup>28</sup> Arbetspraktik.

*Fast track to Employment* started in early 2016.<sup>29</sup> Its' purpose is to help migrants who have training or experience in fields where there is a shortage of labour to quickly get ready to start work. The fast track has three steps; mapping the migrant's skills, assessing these skills and if necessary enhance them through education and training. The fast track is regulated by agreements between the Employment Service, employers and trade unions in thirty different professions.<sup>30</sup>

### *Germany*

The most common second step in the German integration process is an advanced vocational language course with elements of job training.

The ESF-BAMF-language course has been in place since 2008. It is open to all migrants who have completed the basic integration course or completed a language test. The course consists of vocational German and takes about 6 months of full time studies to complete. The course includes visits to workplaces and some vocational training and help in looking for work. In 2016 the course had 29 000 participants. Evaluations show that completion of the course increases the probability of finding work with 30 percent.<sup>31</sup>

To meet the increasing demand a similar course was introduced in 2016. This course had 75 000 participants in 2017 and the aim is to reach 175 000 participants in 2018. The goal is to offer everyone who completed their integration course an in-depth language training with focus on a vocation.<sup>32</sup>

The large number of asylum seekers in 2015 and 2016 has made it necessary for the Employment Service (BA) to introduce new specific labour measures targeted at migrants.

*Perspectives for refugees* helps them have their skills assessed. It has been offered by both the Employment Office (BA) and the Jobcentres since 2015. Refugees receive help to have foreign diplomas recognized by a relevant authority. Those who have skills but no diplomas may show their skills by practicing in a workplace under supervision. Afterwards they receive a written evaluation of their skills and, if needed, receive suggestions on additional education or training.

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<sup>29</sup> Snabbspår.

<sup>30</sup> Among other things, cooks, truck drivers, painters, teachers and the identification of careers in health care.

<sup>31</sup> Brückner et al. (2016).

<sup>32</sup> Berufsbezogener Sprachkurs. OECD (2017).

*Perspectives for female refugees* started in July 2016 and is aimed at newly arrived refugee women and families with children. The program provides participants with guidance for job opportunities or training in Germany. The focus is to show which opportunities they have to receive language training or vocational training. The participants are offered child care during the training sessions if needed.

*Strong in the profession* is in-depth guiding for migrant mothers who want to take up gainful employment. The program started in 2015 and is offered by the Employment Office (BA) and the Jobcentres and is aimed primarily at female refugees. It consists of advice on combining family responsibilities with work, shorter vocational courses and internships. Childcare is offered during training.

*Perspectives for young refugees* started in 2016 and is aimed at refugees under age 25 who have basic schooling and knowledge of German but lack vocational training. The program is 4-6 months long and includes guiding on career and educational options in Germany and the opportunity to test skills in various practical professions, for example carpentry, repairs and painting. The purpose is to help the youngsters start an appropriate vocational training.

*The EQ-program* helps young people to prepare for apprenticeships. The program is open for all youngsters but it is especially helpful for refugees.<sup>33</sup> Vocational training in Germany is normally done through formal apprenticeships at an employer. The EQ-program lasts 6-12 months and mixes training with work. The state provides an economic benefit to the pupil and a subsidy to the employer. The EQ-program has been in place since 2004 and 60 percent of the participants move on to a regular apprenticeship afterwards.<sup>34</sup>

### [Economic benefits for refugees](#)

Refugees need temporary financial support while find a footing in the new country. Low benefits provide incentives to work but can cause social problems among those who can not find work. In Sweden refugees receive a fixed monthly benefit for two years and after that a low means-tested benefit. In Germany they receive a low means tested benefit from the start.

### *Sweden*

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<sup>33</sup> Einstiegsqualifizierungen (EQ).

<sup>34</sup> BA (2017a) and OECD (2017).

Refugees who participate in the integration program are entitled to a fixed monthly benefit for two years. In 2017 a full-time participant receive 710 Euros per month after tax which equals 49 percent of the starting wage for low skilled work.<sup>35</sup> Housing benefits are available and families with children receive extra allowances. Those who work on their spare time can keep any extra money earned.

Those who have completed the integration program without being able to provide for themselves are entitled to basic social welfare from their municipality. In 2017 the basic welfare for an adult without children was 418 Euros per month plus housing costs.<sup>36</sup> Social welfare is means tested and payments are cut down with an extra income which reduces the incentives to work. Long-term dependants on social welfare may temporarily retain a portion of an extra income.

### *Germany*

Refugees without other means of support receive a means-tested welfare benefit. In 2017 it amounted to 404 per month for an adult without children. Housing benefits and extra allowances for children are available. The benefit equaled 31 per cent of the national minimum wage after tax. Recipients can keep a part of the income if they find work.<sup>37</sup> The low welfare benefit strengthens the incentives to look for work. Low benefit make it harder for refugees to participate in longer training programs that may help them find skilled work.

## Three things Sweden can learn from Germany

### *Involve more actors*

Integration is a two-way process which requires effort from the migrants and the host country. The Swedish system of integration rests primarily on the state and the municipalities although civic organizations and social partners helps to some extent.<sup>38</sup> The German system rests on efforts from many more partners. Companies and civic organizations have an important role as providers of integration courses and giving social services to migrants. German business organizations conduct their own integration initiatives.

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<sup>35</sup> 6 800 SEK.

<sup>36</sup> 4 000 SEK.

<sup>37</sup> They are allowed to keep the first 100 Euros per month and 20 percent of the income above that.

<sup>38</sup> Employers organisations and trade unions make up the social partners.

- Civic organisations and social partners can do more in Sweden to promote integration. Social partners have cooperated with the government and the Employment service on the so-called fast track to employment. A next step is to put the planned introduction positions for new migrants in place.

#### *Importance of early intervention*

High numbers of asylum-applicants increase the waiting time for a residence permit. Year-long waiting in suspense create stress and has a negative impact on their chances to integrate. In Sweden asylum seekers receive some language training and basic civic orientation but the tutorials are few and far between. In Germany asylum seekers who have good prospects of being granted a residence permit are allowed to start their integration during the waiting time. They can take part in integration courses and other training activities under the same conditions as those who already have a residence permit.

- If waiting times for residence permit increases again in Sweden asylum seekers with a good chance of being allowed to stay should be allowed to start the integration program.

#### *Language tests for permanent residence*

Swedish and international research shows that a good command of the host country's language clearly increases the prospects in the labor market. Entry jobs are now mainly in the service sector and even simple jobs require some language skills. The German integration programs focus primarily on providing good language skills. The advanced courses who mix vocational German with the on the job training have shown very good results in helping migrants find work. Proved sufficient knowledge in German is a requirement in order to obtain permanent residence in Germany. Sweden has no similar language requirement.

- A requirement of sufficient skills in Swedish should be introduced for permanent residence.

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