

GMS Flash Alert

Immigration

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Sweden – New Proposals Would Limit Hiring of Unskilled Labour, but Attract Those with Skills

Sweden's government received the report "New Rules for Labour Immigration" on 15 February 2024.¹ During the press conference on that day, the investigator, along with Minister for Migration Maria Malmer Stenergard, presented the changes arising from the investigation that underpinned the report to come into force from 1 June 2025.

The report covers several proposals for stricter rules regarding work permits, as well as actions to promote highly-skilled labour immigration to Sweden. These new proposals align with the government's aim to reduce low-skilled labour migration to Sweden while attracting highly-skilled labour.

WHY THIS MATTERS

For some industries, the opportunity to apply for work permits will be significantly limited.

With respect to some positions, the hiring of foreign labour could become more expensive if the proposal to raise the minimum salary is enacted.

However, the rules regarding the holding of EU Blue Cards, and their period of validity, and the rules around residence permits for new graduates could become more flexible, thereby promoting the appeal of Sweden as a destination for highly-skilled workers.

More Details

Higher Minimum Salary

According to the investigation, a significant part of current labour immigration concerns occupations with low salary levels and no requirements on higher education. This is something that the investigation has been tasked to counteract. Therefore, the investigator proposes an increase in the minimum salary level for work permits.

Under the current regulations, individuals applying for work permits need to have a monthly salary equivalent to 80 percent of the Swedish median wage, currently SEK 27,360. The investigation suggests raising this level so that the salary for those applying for work permits corresponds to the Swedish median wage, currently SEK 34,200. This level will be adjusted annually based on statistics from SCB (Statistics Sweden).

The investigator proposes for certain groups to be exempted from the new minimum salary requirement. Such exemptions could apply to individuals who just graduated from a Swedish university applying for work permits, those with residence permits for research, and also for occupations where there is a need for labour that cannot be filled by the domestic labour pool. Exceptions may also be made if there is a need for a certain type of labour that cannot be met in specific parts of Sweden.

The government will decide on such exemptions based on data from the Migration Agency and the Public Employment Service.

Individuals exempt from the new salary requirement will still have to get a salary in line with collective agreements or industry practices for their relevant profession.

Exclusions from Work Permit Attainment

Further measures proposed to limit low-skilled labour immigration include the exclusion of certain occupations from the possibility of applying for work permits. The occupations listed by the investigation are personal assistants and berry pickers.

Limiting Status Changes, Higher Special Fee, Health Insurance Requirement, Employer Information Reporting Obligation

The investigation also aims to abolish the possibility of so-called "status changes" from asylum to work permit and to increase the special fee for employers hiring foreign nationals who are not permitted to reside or work in Sweden.

Additionally, it is proposed to introduce a requirement for comprehensive health insurance for foreign nationals granted work permits with a validity of less than one year.

Employers would also be obligated to notify the Migration Agency if an employee with a work permit terminates his/her employment or if the employment never commences, to enable the Swedish Migration Agency to revoke the work permit.

Promoting Appeal of Sweden to Highly-Skilled Labour

The investigation also includes proposals to promote highly-skilled labour immigration. Among other things, the investigator wants to introduce the possibility of granting a permit called "Blue Card" with a validity period of four years, instead of the current two years. They also want to give individuals with residence permits to seek employment after completing university studies the opportunity to apply for residence permits for research from within Sweden, which is not possible under current regulations.

KPMG INSIGHTS

Many of the new proposals have been anticipated and in line with the government's desire to tighten the regulations on labour immigration to Sweden and promote highly-skilled labour.

Applying for the Blue Card compared to other types of work permits may become more attractive due to the longer validity period.

The matter of needs-based exemptions from the new minimum salary for certain occupations and areas in Sweden is an important addition to support business, especially in the northern parts of Sweden; but it remains to be seen how this assessment will be practically conducted.

KPMG continues to monitor the developments regarding a new regulatory framework for labour immigration to Sweden.

FOOTNOTE:

1 For the announcement (in Swedish) "Nya regler för arbetskraftsinvandring m.m. SOU 2024:15", see: <https://www.regeringen.se/rattsliga-dokument/statens-offentliga-utredningar/2024/02/sou-202415/>.

For the report (in Swedish), see:

<https://www.regeringen.se/contentassets/1115e79951804387b824f3df5088a40b/nya-regler-for-arbetskraftsinvandring-sou-202415.pdf>.

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RELATED RESOURCE

This article is excerpted, with permission, from "Stricter Rules for Labour Immigration -- Sweden" (16 February 2024), an online publication of the KPMG International member firm in Sweden.

In English, click [here](#).

In Swedish, click [here](#).

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