

Integration in the Labour Market, Skills Supply and the Recognition of Foreign Qualifications



Integration in the Labour Market, Skills Supply and the Recognition of Foreign Qualifications

Integration in the Labour Market, Skills Supply and the Recognition of Foreign Qualifications

Swedish Council for Higher Education, November 2023

Contact: Sara Ahlstedt

Cover image: Gabriel Wentz

ISBN 978-91-7561-118-1

For more information about the Council and our publications, see **www.uhr.se**.

Contents

Integration in the Labour Market, Skills Supply and the Recognition of Foreign Qualifications	7
Integration in the labour market	8
Skills supply and foreign qualifications	9
The importance of a recognition statement for employers	10
Societal integration and the statement of recognition	12
Conclusions: recognition of foreign qualifications – a piece in the puzzle of integration and skills supply	13
References	14

Integration in the Labour Market, Skills Supply and the Recognition of Foreign Qualifications

For many immigrants, obtaining a recognition statement of their foreign qualifications opens the door to the Swedish labour market. It also contributes to Sweden's future skills supply. One of the tasks assigned to the Swedish Council for Higher Education (UHR) is the assessment of foreign qualifications from upper-secondary school, post-secondary vocational education and higher education.¹ The Council has investigated the labour market integration of immigrants who have received such an assessment. This report summarises the results from the study. It is aimed at employer organisations and other relevant organisations and government agencies. Its purpose is to contribute to knowledge about what the recognition of foreign qualifications means for work towards social integration, recruitment to shortage occupations, and the future provision of skills and expertise.

The Swedish Council for Higher Education's recognition of formal foreign qualifications includes verifying that the foreign educational document was issued correctly, that the education was carried out by a recognised education provider in the country of education, and that it has been completed.

The assessment leads to either a statement of recognition or a rejection. A statement is a national recognition of the qualification and describes which qualification in the Swedish education system the foreign qualification is equivalent to.

A statement provides guidance for employers, higher education institutions and other education providers.

Those who receive statements recognising their foreign qualifications constitute a major skills base for Sweden. For example, in 2022, the Coun-

1 The procedure of recognising foreign qualifications is based on Lisbon Recognition Convention. The 'recognition' in question means that a foreign qualification must be recognised unless the recognising authority can demonstrate that the qualification is substantially different from a corresponding qualification in the host country.

cil issued 7,048 statements of foreign upper-secondary qualifications, more than the 6,319 students who completed their upper-secondary education in Gothenburg Municipality in the school year of 2021/2022.² In the same year, more statements on foreign higher education (7,729) were issued than the number of students who graduated from Lund University, the higher education institution in Sweden with the most graduates in 2022 (7,549).³

Integration in the labour market

Integration is an important and complex issue. It involves creating an inclusive and cohesive social structure, in which everyone can actively participate in the opportunities offered by Swedish society.⁴ The term includes social, political and economic integration, language, education, housing and employment.

A fundamental starting point for labour market integration is the evaluation and recognition of the skills that immigrants bring to Sweden. The aim is to ensure that everyone, regardless of their origin, can use their professional experience and education in a way that benefits themselves as well as the Swedish society.

A previous study identified education as the single most important quantifiable factor for skills matching.⁵

Skills matching, or matching, means that the demands placed on a person's occupation match their level of education and sometimes also their area of study.

The Council's study shows that a statement of recognition appears to be an advantage for those who have one, compared to those without. This is the case both when they enter the labour market and in terms of skills matching. This was true in the short term as well as the long term for all three levels of education which the Council issues statements for.⁶ Regardless of level of education, women have a greater chance than men of entering the labour market and being skills matched if they have a statement.

2 Swedish National Agency for Education, Sök statistik om förskola, skola och vuxenutbildning - Skolverket (Accessed 5 October 2023)

3 Swedish Higher Education Authority. *Högskolan i siffror*, <https://www.uka.se/vararesultat/statistik/hogskolan-i-siffror> (Accessed 12 September 2023)

4 Jose Alberto Diaz 1993. Robert D. Putnam 1993.

5 Region Skåne 2020.

6 Swedish Council for Higher Education 2022:6. Swedish Council for Higher Education 2023:6



Skills supply and foreign qualifications

The provision of skills and competences is an important strategic issue that relates to Sweden's economic growth, innovation and welfare. It entails ensuring that Sweden has the right combination of skills and talent to respond to challenges in the labour market and in society as a whole, now and in the future, Sweden is dependent on labour from other countries to fill certain skills gaps.⁷

Ensuring that the skills of immigrants are utilised is beneficial for individuals, employers and Swedish society as a whole. Individuals will not be required to invest time and money in studying in Sweden, and are able to continue working in the fields they already have professional experience from abroad. Immigrants' skills allow employers to fill gaps, particularly in shortage occupations. The society also benefits from how the available competence in Sweden, in the shape of people with education that was not paid for by Swedish society, continues to contribute to the supply of skills and expertise.

Improved skills matching would increase the benefits for society through, for example, higher levels of participation in the labour market and improved welfare services.⁸ This is particularly important in shortage occupations. Examples of these include health and social care professions and service industry jobs requiring completed upper-secondary education, trade and IT

⁷ Charlotte Wikholm et al. 2018, Confederation of Swedish Enterprise 2018, Region Skåne 2019, Swedish Association of Local Authorities and Regions 2022.

⁸ Louisa Vogiazides et al. 2021.

professions requiring post-secondary vocational qualifications, and health-care and engineering jobs requiring higher education.⁹

Teachers are also in short supply. Participants in the Council's study who are teachers are more likely than others to identify with their profession – they feel like they “are” teachers. It is important to make the most of this professional pride so that as many people as possible with foreign teacher degrees have the opportunity and want to supplement their education to become certified teachers in Sweden.

Although a statement of recognition appears to have positive effects on entry to the labour market and skills matching, many are overqualified for their jobs – only 42 per cent were in qualified employment eight years after receiving their statement. However, this should be compared to that 27 per cent of those without statements had qualified employment at that time. There is no direct causal link between qualified employment on the one hand and the statement on the other, but it does indicate that the statement is a building block for immigrants' ability to find work matching their level of education.

Because work life is changing rapidly, lifelong learning is essential in ensuring that workers are equipped for new challenges. This may include continuing education courses, retraining and other methods to support skills development throughout working life. The Council's survey shows that there are groups, particularly among people who have received a statement recognising their post-secondary education, who have retrained for occupations where there are labour shortages. This is done rather than trying to find a qualified employment where they can use their foreign qualifications. This group has primarily retrained to be guaranteed employment. Retraining could be viewed as a unused resource and an extra cost for Sweden, but it contributes to covering the need for labour in cases where people start working in shortage occupations.

In some regulated professions, it is not possible to work without supplementing foreign qualifications. For example, to receive a nursing licence in Sweden, a foreign nursing qualification must be at the higher education level; in many countries, nursing is upper-secondary or post-secondary vocational education and does not provide a higher education qualification.

The importance of a recognition statement for employers

In order to secure the skills supply for the future, it is vital that employers find and hire people with the right qualifications. However, foreign qualifications and work experience generally have a lower value in the Swedish labour market.¹⁰ Employers play an important role in promoting integration

9 Statistics Sweden 2022. Arbetsförmedlingen: <https://arbetsformedlingen.se/forarbetssookande/yrken-och-framtid/hitta-yrkesprognoser/yrkesomraden> (Accessed 11 October 2023)

10 Andreas Damelang et al. 2020

and contributing to skills supply by being open to diversity and actively seeking expertise, regardless of a person's origin. Immigrants with foreign qualifications are an important resource to utilise.

It has been established that employers' willingness to hire someone with foreign qualifications is affected by the proximity principle.¹¹ The closer the country from which the immigrant migrated is to Sweden, geographically as well as culturally, the more confidence employers have in that person's qualifications.¹² This is partly because they have more trust in countries that they feel they are familiar with.

Furthermore, it is well documented that discrimination based on ethnicity and skin colour occurs in recruitment processes¹³, and how place of birth affects a person's skills matching¹⁴. In terms of education, the Council's study shows that employers have the least confidence in African qualifications, followed by Latin American and Middle Eastern qualifications.¹⁵ Other studies have shown that people with Swedish-sounding or Arab-sounding names are treated differently in recruitment processes.¹⁶ For example, job seekers with Arabic-sounding names receive fewer calls for job interviews.¹⁷ This is particularly relevant because depending on year of study, between 25-50% of the people included in the Council's study had an assessed qualification from a Middle Eastern country.

Even though employers rank the Swedish language as the most important aspect when hiring a person with a foreign qualification, the Council's study demonstrated that aspects related to education and thus the statement of recognition came a close second. This was mainly related to the level of education and area of study, combined with an assurance of the authenticity of the documents. These aspects increase employer confidence when hiring. Employers mainly use the statement at the beginning of the recruitment process, and the statement can be decisive in whether a person is called to interview or not.

Discrimination, whether it concerns the country of education or ethnicity and skin colour, affects both an individual's entry to the labour market and Sweden's future skills supply. Failure to take advantage of education acquired abroad is a waste of potentially useful resources, particularly in shortage occupations. Employers have a great deal of confidence in the statement and the hope is that this will help reduce discrimination in the labour market.

11 Damelang et al. 2020

12 Jämför World Values Study 2023 <https://www.worldvaluessurvey.org/wvs.jsp> (Hämtad 2023-10-11)

13 DO 2023. Länsstyrelsen Stockholm 2018

14 Region Skåne 2020. DO 2023.

15 UHR 2023: 3.

16 Sima Wolgast 2017

17 DO 2023



Societal integration and the statement of recognition

While skills supply is about the needs of society as a whole, integration is about both society and the individual – not only about integration in the labour market. Having their qualification recognised is one piece of the puzzle that helps a person who has immigrated to Sweden to find their place.

Regardless of how long they had lived in Sweden, a significant proportion of the participants in the Council's study expressed that the statement recognising their qualifications was important when planning their future. It is no surprise that people who had lived in Sweden for a longer time also felt this way, as integration processes can be long and complex.

Most people with a foreign higher education qualification¹⁸ stated the importance of being able to use their foreign qualification when working in Sweden. Their reasons vary and are complex, but largely relate to what segment of the labour market they think they belong to. They express a professional identity and professional pride, but they also link the recognition of their education and qualified employment to their self-esteem and being accepted in Sweden. They say that it would be a waste of resources if they did not work in their field of education or in a position that requires higher education.

Additionally, these people feel that they themselves gained a certain value through the recognition of their qualifications. It is important to them to receive some form of confirmation from Sweden, to know that the education to which they dedicated years, and in many cases also paid for, is appreciated and useful in the Swedish society. Due to the value they feel they received

18 Det här avsnittet baseras på intervjuer som gjordes som del av UHR:s undersökning. Bara personer som har fått ett utlåtande över en högskoleutbildning intervjuades.

when their qualifications were recognised, the statement became a step on the ladder in their social integration process.

Conclusions: recognition of foreign qualifications – a piece in the puzzle of integration and skills supply

By investing in education, research and diversity, and by promoting lifelong learning, Sweden can remain competitive and ensure sustainable economic development in the future. The Council's study shows that recognition statements of foreign qualifications contribute to integration in the labour market, to an individual sense of belonging and to the future supply of skills.

The statement appears to be beneficial for those with foreign qualifications, both in terms of becoming established in the labour market and finding qualified employment. There is no explicit link between the statement and entry to the labour market, but the overall conclusion is clear: the statement is an important and useful instrument and an important piece of the puzzle in the wider context of integration and skills supply.

The reports that form the basis of this summarising report can be downloaded from the Council's website.

Bedömning – ett redskap för integration? Bedömning av invandrade personers utländska utbildning och deras etablering och kvalifikationsmatchning på arbetsmarknaden (rapport 2022: 6)

Arbetsgivares syn på utlåtanden över utländsk utbildning (rapport 2023: 3)

Erkännande av utländsk utbildning och vidare studier – en väg till arbete? (rapport 2023:5)

Hur har det gått på arbetsmarknaden för invandrade personer med utländsk högskoleutbildning? Utlåtanden över utländsk högskoleutbildning och integration på arbetsmarknaden på längre sikt (rapport 2023:6)

References

- Confederation of Swedish Enterprise. (Svenskt Näringsliv) *Kompetensgapet på arbetsmarknaden. Tillgång och efterfrågan på internationell kompetens*. Svenskt Näringsliv: Stockholm, 2018.
- County Administrative Board of Stockholm. (Länsstyrelsen Stockholm) *Antisvart rasism och diskriminering på arbetsmarknaden*. Rapport 2018:2. Länsstyrelsen Stockholm: Stockholm, 2018.
- Damelang, Andreas, Ebensperger, Sabine and Stumpf, Felix. "Foreign Credential Recognition and Immigrants' Chances of Being Hired for Skilled Jobs—Evidence from a Survey Experiment Among Employers." *Social Forces*, vol.99, no. 2, pp. 648-671, 2020.
- Diaz, Jose Alberto. *Choosing Integration: A Theoretical and Empirical Study of the Immigrant Integration in Sweden*. Diss., Uppsala University, 1993.
- Equality Ombudsman. (Diskrimineringsombudsmannen) *Rekrytera utan att diskriminera. Vad visar forskning?* Rapport 2023:5. DO: Stockholm, 2023.
- Putnam, Robert D.: *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press, 1993.
- Region Skåne. *Högutbildade flykting- och anhöriginvandrades kvalifikationsmatchning på arbetsmarknaden*. Malmö: Region Skåne, 2020.
- Region Skåne. *Invandringens betydelse för kompetensförsörjningen i Skånes arbetsliv*. Region Skåne: Kristianstad, 2019.
- Statistics Sweden. (SCB) *Störst brist på nyutexaminerade, 2021*. <https://www.scb.se/hitta-statistik/statistik-efter-amne/utbildning-och-forskning/analyser-och-prognoser-om-utbildning-och-arbetsmarknad/arbetskraftsbarometern/pong/tabell-och-diagram/storst-brist-pa-nyutexaminerade/> 2022. (Accessed 11 October 2023).
- Swedish Association of Local Authorities and Regions. (Sveriges Kommuner och Regioner) *Välfärdens kompetensförsörjning. Personalprognos 2021-2031 och hur välfärden kan möta kompetensutmaningen*. Sveriges Kommuner och Regioner: Stockholm, 2022.
- Swedish Council for Higher Education. (UHR) *Arbetsgivares syn på utlåtan över utländsk utbildning*. Rapport 2023:3. UHR: Stockholm, 2023.
- Swedish Council for Higher Education. (UHR) *Erkännande av utländsk utbildning och vidare studier – en väg till arbete?* Rapport 2023:5. UHR: Stockholm, 2023.
- Swedish Council for Higher Education. (UHR) *Hur har det gått på arbetsmarknaden för invandrade personer med utländsk högskoleutbildning?*

Utlåtanden över utländsk högskoleutbildning och integration på arbetsmarknaden på längre sikt Rapport 2023:6. UHR: Stockholm, 2023.

Swedish Council for Higher Education. (UHR) *Bedömning – ett redskap för integration? Bedömning av invandrade personers utländska utbildning och deras etablering och kvalifikationsmatchning på arbetsmarknaden*. Rapport 2022:6. UHR: Stockholm, 2022.

Vogiazides, Louisa, Bengtsson, Henrik and Axelsson, Linn. *Geographies of Occupational Mismatch: The Case of Highly Educated Refugees and Family Migrants in Sweden*. Kulturgeografiskt seminarium 2021:1. Stockholm: Kulturgeografiska institutionen, Stockholms universitet, 2021.

Wikholm Charlotte, Sparrhoff Gun, Jarebrant Caroline, Wallo Andreas and Kock Henrik. *Strategisk kompetensförsörjning för hållbart arbetsliv: En kunskapsöversikt och analys av utvalda ESF-projekt*. Uppdragsrapport 27033, 27528. Swerea IVF: Mölndal, 2018.

Wolgast, Sima. *How Does the Job Applicant's Ethnicity Affect the Selection Process? Norms, Preferred Competencies and Expected Fit*. Diss., Lund University, 2017.



Education, exchange, enrichment – helping you take the next step

The Swedish Council for Higher Education is a government agency whose responsibilities span across the education sector. The Council is located in Stockholm and Visby.

The Council's five main areas of responsibility are:

- Information prior to entering higher education, managing the Swedish Scholastic Aptitude Test, producing regulations and coordinating the process for admissions to higher education.
- Developing and managing IT systems and e-services for the education sector.
- Facilitating international exchanges and training across the entire educational spectrum.
- Recognition of foreign qualifications.
- Promoting information and analyses of issues within the Council's areas of responsibility.