

Mobility: Immigration alert

March 2024

Sweden

Major changes proposed to the work permit system

Executive summary

The Swedish authorities recently invited comments from relevant entities regarding a report on proposed changes to the current work permit system. Stakeholders can provide feedback until 16 May 2024. The proposed changes, if approved, are expected to go into effect on 1 June 2025.

Background

The Swedish legislative process generally starts with an investigative report analyzing and evaluating a proposal. On 30 June 2022, the then-incumbent government announced the creation of a committee tasked with preparing a report on how a labor market testing system for third-country nationals could replace the current work permit regulation. After the latest Swedish election (in September 2022), the new government changed the guidelines for the committee (in February 2023) and asked for the report to focus on a new work permit system requiring a certain salary level for applicants. The original deadline for submission of the report was 31 July 2023, but the new government [extended](#) it until 31 January 2024.

Key developments

The committee presented the final report to the Swedish Minister for Migration, Maria Malmer Stenergard, on 15 February 2024, and it was sent to relevant entities for comments. The report proposes the following changes:

- ▶ **New salary requirement.** The [existing](#) salary requirement for individuals who apply to obtain new work permits or renew their existing work permits is at least SEK 27,360 per month (i.e., 80% of the latest median salary published by Statistics Sweden). The report proposes that these

individuals' wage must correspond to at least 100% of the median salary (which is currently set at 34,200 SEK, as per 2022 statistics).

- ▶ **Exemptions from salary requirements.** The government or an appointed authority will retain the discretion to decide whether specific categories of applicants remain exempt from the salary requirement. The report also suggests initial exemptions for the following categories of individuals who apply to obtain their first work permit (i.e., these individuals will be subject to the salary requirement when changing employers or occupations or applying to extend their existing permit). However, these individuals must still earn a salary on par with that set by Swedish collective agreements or market rates within the industry:
 - ▶ Individuals in certain professions. The Migration Agency, in collaboration with the Swedish Public Employment Service, may identify (on an annual basis) professions experiencing labor shortage and suggest exemptions for individuals in these professions.
 - ▶ Third-country nationals who hold a residence permit for research, longer-stay mobility, higher education or internships related to higher education, or a residence permit granted after completing research or studies. To qualify for an exemption, individuals who hold a residence permit for higher education must possess a diploma or certificate based on a university course with at least two semesters.

- ▶ Applicants with a medical, nursing or dental degree obtained in another country who are employed in Sweden and working toward obtaining an equivalence certificate in Sweden (e.g., by taking Swedish language courses).
- ▶ *Highly skilled workers*
 - ▶ EU Blue Cards will be issued with a maximum validity of four years (up from two years currently). If the applicant's employment contract is valid for less than four years, the Blue Card will be issued for the validity period of the contract plus an additional three months, subject to a maximum of four years.
 - ▶ Individuals holding EU-related permits (e.g., Blue Cards, ICT Permits) will be able to apply for residence permits for their children born in Sweden without leaving the country. Currently, these individuals must exit Sweden to do so.
 - ▶ Researchers and students who hold a jobseeker permit will be able to apply for a residence permit for research or postgraduate studies from within Sweden without leaving the country. Currently, these individuals must exit Sweden to do so, and can apply only for work permits from within Sweden.
- ▶ *Employers*
 - ▶ Employers that hire third-country nationals must inform the Migration Agency in writing if: (i) a work permit holder's employment ends within three months and the individual does not obtain a new work permit or find a new job; (ii) an employment contract is not initiated within four months from the date a permit was granted.
 - ▶ The penalty for employers that are not compliant with relevant regulations will increase from the current one-time [price base amount](#) to one and a half times the annual price base amount. Employers that remain non-compliant for more than three months may be subject to penalties equaling triple the annual price base amount.
- ▶ *Eligibility*. The following categories will no longer be eligible to obtain work permits:
 - ▶ Individuals in certain occupations (e.g., berry pickers, personal assistants). The Migration Agency may annually revise the list of excluded occupations.
 - ▶ Individuals whose asylum applications are rejected.

Impact on employers

Overall, the proposed amendments are expected to streamline the immigration process by reducing application processing times, among other benefits. Employers may plan in advance to mitigate business disruptions due to these changes, identify employees who will be impacted and take necessary steps to ensure continued compliance.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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