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Does 'Swedish For Immigrants' (SFI) matter? A longitudinal assessment of the impact of SFI on migrants' position in the Swedish labour market.

Sara Bonfanti and Madelene Nordlund

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Sara Bonfanti* Madelene Nordlund^[1]

* University of Florence
^ Umeå University

Abstract

Young adults with a migrant background living in Sweden are particularly exposed to the risk of social exclusion, which results in their overrepresentation among the unemployed and low-income workers. A basic requirement to strengthen their employability is the command of the Swedish language. Swedish governments have acknowledged the fundamental role of this skill for a long time, by incorporating Swedish For Immigrants (SFI) in the system of public education. However, no formal assessment of the impact of SFI on its participants' integration in the labour market has been conducted so far. This study aims to fill this gap by investigating whether SFI functions as a protection against the risk of unemployment or confinement to marginal jobs. Our longitudinal analysis shows clearly that going through SFI has a positive effect both on immigrants' chance of finding a job and of reaching a certain minimum income. Moreover, SFIs' effects are very stable, since they remain substantially unchanged, irrespective of the other covariates and controls we added progressively in our Cox regression models. This indicates that, for young unemployed or low-income earners with a migrant background, higher education is less important than skills in the Swedish language for improving their situation in the Swedish labour market.

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1. Introduction

The concept of social exclusion has been introduced into the Swedish political debate by the term *utanförskap*, which can be translated roughly as 'outsidedness' and usually refers to the segment of the population with weak labour market attachment, characterised by long-term welfare dependency, as well as by a tendency to concentrate on specific problematic areas *(utanförskapsområden)* (see Davidsson 2010). As a result, work has been identified as the most effective antidote to migrants' social exclusion. In turn, the possibility to work is seen as directly connected to the worker's employability, which must be strengthened throughout life in a process where individuals need to improve their competitiveness by updating their qualifications, investing in further education/training, and so on (see Dahlstedt, 2009).

A basic requirement for migrants to be employable in the Swedish labour market is knowledge of the Swedish language. Language problems are often singled out as the reason why the employment of migrants is avoided (Rydgren 2004). Furthermore, mastering Swedish is often preparatory to the possibility of increasing one's educational level. In sum, it represents a crucial gateway into the Swedish labour market and Swedish society.

The importance that Sweden places on the teaching of Swedish as a foreign language, also outside the system of compulsory education, is signalled by the inclusion of the latter within the system of public adult education. *'Svenskundervisning för invandrare'* (SFI) is a free, national Swedish language course offered to any immigrant, regardless of their grounds for settlement, who lacks a basic knowledge of Swedish and has a minimum age of sixteen.

In spite of being in place since 1972 (Lundh and Ohlsson 1999), only a few assessments of the effectiveness of SFI have been conducted so far.[1]

In this paper we aim to assess the impact of SFI on young adult participants' likelihood of finding a job, or reaching a certain minimum income, by answering the following question: *How does completing the SFI course affect the chance of young adult participants in finding a job or in reaching a certain minimum income?* To this purpose, we use STATIV, a register-based dataset, compiled by Statistics Sweden, which allows us to follow all migrants aged between 18 and 30, who attended SFI between 1997 and 1999, over a time span of 10 years.

2. Young adults with a migrant background and Swedish language

Sweden is one of the North Atlantic societies that has most migrants and inhabitants of recent 'foreign background' in its population. It is estimated that 15 per cent of Sweden's population was born abroad.

People with a foreign background are often referred to as a homogeneous group; that is, of migrants. This is, of course, not appropriate since individuals that immigrate in Sweden arrive from many different countries, for different purposes, have different individual characteristics and abilities, thus positioning themselves into different strata of Swedish society. However, a considerable number of them live in the suburbs of the main Swedish metropolitan areas, i.e. Stockholm, Gothenburg and Malmö. As pointed out by Schierup and Ålund (2011), in these areas patterns of poverty, ethnic and spatial segregation correlate with each other in several aspects, such as educational opportunities and achievement in the labour market. Up to 30 per cent of young people living in areas of housing deprivation are neither in education, nor in the formal labour market. A cross-country comparison reveals that the youth unemployment rate in Sweden is among the highest in the EU-15. Among young people living in disadvantaged urban areas, unemployment is considerably higher than the official average of 27 per cent for those aged between 20 and 25 (measured as those registered as jobseekers in employment offices). Young women and young people born in Africa and Western Asia report the most alarming outcomes.

The low employment rates of young people with a migrant background are a result of the characteristics of the Swedish labour market, as well as the mechanisms triggered by some of their characteristics, be they alleged or real. The fact that the Swedish labour market has become more and more polarised, with high thresholds of entry into the protected primary tier, makes it difficult for any youngster to find a stable job in Sweden, regardless of their background. However, young migrants who received their education in their country of origin often have to face further obstacles. They are supposed to have, or do have, a lower endowment of human capital, do not have the so-called 'Sweden-specific' human capital factors (e.g. knowledge of the Swedish language), and often face discriminatory practices. Rydgren (2004) points out how difficult it is to distinguish the effect of Sweden-specific human capital from discrimination effects, and that language requirements are one of the main areas where this ambiguity takes place. Indeed, knowledge of Swedish does represent a 'Sweden-specific' human capital factor, without which it is not possible to carry out certain jobs. However, command of Swedish is often at the base of statistical and institutional discrimination practices. As far as the former is concerned, the 'fact' that migrants applying for jobs

cannot speak Swedish well is taken for granted, rather than as a possibility to be verified. As for institutional discrimination, the most common type of this kind of discrimination has to do with requirements for good spoken and written Swedish, even for jobs that do not require such skills, such as cleaning jobs.

3. Swedish for immigrants (SFI)

'Swedish for immigrants', the national free Swedish language course offered to any immigrant who lacks a basic knowledge of Swedish and has a minimum age of sixteen, is one of the main areas of Swedish public adult education.[2] It is paid for by the municipality in which the immigrant lives and should normally begin within three months of registration of residence in the municipality. The SFI test is equivalent to stage B1 in the Common European Framework and is meant to provide migrants, even illiterate ones, with the opportunity to develop their ability to communicate in Swedish — orally and in writing — in everyday situations, social settings and working life, as well as the chance to be prepared for further studies. Indeed, depending on the learner's educational background and previous knowledge, they should be placed in one of the three differently paced study tracks, with the right to progress to the most advanced level, regardless of which track they started on. After gaining initial knowledge of Swedish, many migrants enrol in upper secondary, vocationally oriented courses though the municipal adult education framework. There are also many initial vocational programmes for adults, specially targeted at migrants, which combine vocational education with Swedish language training that is relevant for their intended occupation (Cedefop 2011). Furthermore, SFI is meant to provide its participants with information about Swedish laws, decrees, codes of practice, sets of values, culture and traditions, thus also carrying out the function of an integration course.

4. Previous Research

The body of literature concerning the relationship between migrants' language skills and their achievement in the labour market has grown considerably in the last three decades, thanks to both economic and sociological contributions. Studies dealing with the benefits deriving from migrants' mastery of the language of their destination country are the most relevant to our work. Characterised by a human capital perspective, this research has shown that acquiring such command of language contributes positively to a higher level of attainment in the labour market and, in particular, to achieving a higher income (Chiswick and Miller 2008). Most of this literature focuses on immigration in the United States and on Hispanic migrants (see Davila and Mora 2000). There

are, however, some studies on other well-known recipient countries, such as Canada, Australia, the United Kingdom (see Shields and Wheatley Price 2001) and Germany (Dustmann 1994). All these studies conclude that fluency in the 'host language' implies premiums in pay, the latter being higher in the United States' labour market than in the European one.

As far as Sweden is concerned, analysing the differential impact of Second Chance Education (SCE) on the income growth of native Swedes and non-Nordic migrants, Nordlund and colleagues (forthcoming) show that non-Nordic migrants obtain an additional advantage from participation in this kind of educational activity, compared to Nordic migrants. In order to explain such added value, the authors argue that SCE provides non-Nordic students with 'Sweden-specific human capital'. For instance, it lets them develop a command of the Swedish language, or obtain a qualification recognised by Swedish employers. However, Nordlund's paper focuses on different kinds of SCE but does not target participation in SFI in particular.

Research about the impact of language or integration courses offered to adult migrants by central government, state schools, municipalities and NGOs is much sparser. An important exception is represented by an in-depth longitudinal study, which assesses the effectiveness and sustainability of the integration courses offered to migrants settled in Germany. This study, which adopts a multidimensional approach, shows that the greater the improvement in the command of German between the first and the second survey, the higher the probability that the participant has a full-time or part-time job one year after the end of the course (Schuller et al. 2011).

5. Methods and Data

In order to investigate the effect of SFI we use micro-level data that provide enough cases to create two groups of migrants who attended SFI between 1997 and 1999, whether they completed it or not, and that we can follow over ten years.

We use a register-based longitudinal dataset, STATIV, which was created with the purpose of investigating integration, segregation, gender equality and migration issues. STATIV is collected from different registers of Statistics Sweden, the Migration Board and the Employment Service. All people who have been registered in the Population Registration System at any turn of the year since 31/12/1997 are included in this register.[3] Because of our focus on young adults with a migrant background, we have selected all individuals who were born in a country other than Sweden, who were aged between 20 and 30 years old in 1997, and who took SFI between 1997 and 1999, our selection years.[4] The outcome of this selection is a group of 12,445 individuals that we follow until

2009, when they have an age between 32 and 42.[5] Considering the load of work implied by SFI (i.e. attendance of classes and homework), we expect SFI to negatively select migrants, attracting mainly unemployed or part-time working migrants. Our data confirm such hypothesis. Moreover, this selection effect is expected to be stronger in municipalities with a small catchment area, which finds it more difficult to offer timetables customised to migrants' needs.

5.1 The dependent variables

In order to answer our research question, '*How does completing the SFI course affect the chance of young adult participants in finding a job or in reaching a certain minimum income?*' we apply cox regression techniques that allow us to estimate the effect of the completion of SFI, and other independent and control variables described below, upon the time that two events take to happen in the time span 2000–2009. The first event is represented by the variable 'getting a job' which records the year in which individuals, who were unemployed between 1997 and 1999, find an occupation for the first time. The second event variable is 'minimum income', which records the year in which individuals in our population reached the monthly income of 13,000 SEK. 13,000 SEK is the minimum amount of money that a migrant must earn before tax, in order to apply for work permit in 2012.[6] We then indexed this amount using the Consumer Price Index (CPI) for the years 2000–2009.[7] We argue that the two outcome variables, getting a job and reaching a minimum income, are good measures of the extent to which SFI enhances the employability of migrants.

5.2 The main independent variables

Similar to the research presented above, our empirical investigation is informed by a human capital approach; namely, that investment education is the main predictor of labour market outcomes. As a result, we use three variables related to the educational sphere as main predictors.

'SFI completion' is a dichotomous variable which indicates whether the individual has gone through SFI in one of the three selection years (1997–1999) or not.

The variable 'increase in education' points out whether the individual has increased their level of formal education during the 10 years over which we can follow them. We are not able to distinguish between the different kinds of changes in the educational level — i.e. shift from primary to secondary education school, and from secondary to higher education — because of the poor quality of the data concerning the level of education achieved by migrants in their country of origin. This piece of information is recorded initially by the unemployment office or by the municipalities

when migrants enrol in SFI, but when a new and better source for level or type is available, the information is changed. Owing to this problem of data collection, we find that about 10 per cent of our population experienced a decrease in their educational level over time. To cope with this difficulty we code as shift =1 all positive changes (about 14 per cent of the cases), and as shift=0 when there was no change, or the latter appeared to be negative (86 per cent of the cases).

'Educational Starting Level' is a categorical variable which records the highest educational level reported by each individual during the three selection years. In this respect, our population appears quite evenly distributed in the three categories we consider: 29 per cent has a primary education qualification; 37 per cent a secondary one; and 20 per cent a higher education qualification. However, the educational level of 14 per cent of our individuals is unknown.

Since our focus is on migrants, we also include among the main covariates the variable 'area of birth'. In this respect we can rely on a detailed variable which distinguishes among the following categories: Balkans, Central and South America, EU1995 (our reference category), EU2004, EU2007, Asia, Former Soviet Union, Middle East, Africa, Turkey, Unknown, Western Non-European Countries.[8] Such a covariate, coded into its own categories, is of crucial importance for our study. If one buys the argument of the 'cultural distance theory' (see Broomé *et al.* 1996; Broomé and Bäcklund 1998), area of birth is a proxy of the facility with which an immigrant is able to learn the Swedish language, values, attitudes. The concept of 'cultural distance' involves factors such as social norms, and how distant the migrant's language is from Swedish. Non-European migrants, except for those from Western-Non European Countries, are seen as the most 'culturally distant', thus experiencing higher difficulties in learning Swedish language, norms, attitudes, values and ways of life, all which are believed to result in their lower productivity in the Swedish labour market. On the other hand, in the lack of information about people's ethnicity, religion or native language in the official statistics, area of birth represents the best — although not the optimal — indicator of the likelihood that an immigrant is a victim of discrimination in the labour market, owing to their phenotype or culture. Data presented in Table 1 show that most of the participants in SFI are from non-European countries and, although several alternative explanations can be found for their poor performances, they seem to confirm the hypothesis advanced by the 'cultural distance theory'. Indeed, migrants from Asia, Africa and the Middle East are overrepresented among those who did not go through SFI

Table 1: SFI completion by participants' area of birth

Area of Birth	Group size	SFI completed
Balkans	20.64	53.52
Central and South America	5.05	51.11
EU1995	3.57	57.88
EU2004	3.25	72.35
EU2007	1.16	68.75
Asia	12.20	38.08
Former Soviet Union	2.47	75.65
Middle East	29.29	39.12
Africa	13.26	30.91
Turkey	6.59	32.32
Unknown	0.05	16.67
Western non-European Countries	2.47	42.86
Total	100	44.11

5.3 Controls

Basic control variables used in this study are gender (man ref.), age, place of residence, which in previous research has been found to relate to income (see Arulampalam 2001; Heckman 1999; Hjerm 2002; Korpi 2001; Loek et al 1990; Okeke 2001; Rones 1983; Shapiro and Sandell 1985; The Swedish Integration Board 2003; Vilhelmsson 2002; Åberg 2001).

The control 'place of residence' has been constructed by aggregating the variable *Kommun* (municipality) into Lands: i.e. Götaland, Svealand, Norrland, but isolating the municipalities that, together with the three largest Swedish towns, are characterised by high population concentrations of with a foreign background: Stockholm Area (ref) (Stockholm, Södertälje, Nacka, Sundbyberg, Solna); Malmö Area (Malmö, Lund, Landskrona, Helsingborg), and Gothenburg Area (Gothenburg, Möldaln). This control variable is particularly relevant as since the mid-1980s and officially until the early 1990s, and even later in practice, a new strategy for the resettlement of refugee migrants — the 'whole Sweden strategy' — was implemented with the purpose of spreading the newly-arrived refugees all over Sweden, thus avoiding their concentration in a few localities, and thereby facilitating their integration process. However, since refugees were, to a large extent, placed in municipalities that had available dwellings but not a favourable labour market situation, this displacement made it more difficult for many refugees to find a job (Ekberg and Hammarstedt 2002)We have also included among basic background controls the variable civil status, distinguishing among three categories: not being in a stable relationship; being in a stable relationship, i.e. being married or in a common law relationship (ref); other, i.e. being divorced

from one's spouse or common law spouse, being a widow or widower, and other unspecified situations.

To this list of control variables, we have added some controls peculiar to the status of migrants. The variable 'days in Sweden' records the number of days each immigrant has been registered as residing in Sweden. It is relevant to control for such variable since, for some migrants, time might represent a factor that increases exposure to Swedish language (see Ekberg and Hammarstedt (2002); Schröder (2000)) and that widens migrants' social capital, while, for others, it might be a factor that enhances the accumulation of welfare problems. The effect of the control 'grounds for settlement' is worth a closer look because, on one side, one might hypothesise that migrants for humanitarian reasons and for family reunification are more likely to go through SFI, since they are either enrolled in an introduction programme for newly arrived immigrants, or they can rely on the income of the family member they have joined. However, on the other hand, we know from previous studies that, regardless of their level of education, refugee migrants are those who report the worst performances in the Swedish labour market (Rydgren 2004).

Finally, controlling for the backgrounds of the partner of the individual, we take into account both the positive effect on proficiency in Swedish of being exposed to this language in everyday life (Miyar and Mato 2010), as well as the advantage connected to the wider social capital that having a Swedish partner might imply. The background of the partner is categorised as follows: born abroad; born in Sweden to two non-Swedish parents; born in Sweden to one Swedish parent and one non-Swedish parent; born in Sweden to two Swedish parents (ref).

5.4 Methods

Cox regression (or proportional hazards regression) is a method for analysing the effect of several risk factors, namely the independent and control variables, upon the time a specified event takes to happen. The probability of the endpoint, in our case represented by the events 'finding a job' and 'reaching a minimum income' is called the hazard ratio. The method does not assume any specific pattern of survival, but it is not truly non-parametric because it does assume that the effects of the predictor variables upon survival are constant over time, and are additive in one scale.

We follow a stepwise procedure both for the group of models predicting the hazard to find a job, and the group of models predicting the hazard to reach a minimum income. We start off with a model where only the predictor 'SFI completion' is included. In the second model we include the

predictor 'increase in education'. In the third model, we add the predictor 'Educational Starting level', namely the educational level reported by the individual during the selection years. If the inclusion of the second and third covariates removed much of the effect of SFI (from model one) this would indicate that the increased chances of finding a job/reaching a minimum income after SFI are actually related to differences in the initial educational level, and/or to the increase in educational level observed after the completion of SFI, rather than to other mechanisms related to participation in SFI.[9] In the fourth model we add the predictor 'country of birth'. Finally, in the fifth model we incorporate all the controls described in section 4.3: gender, age, place of residence, civil status, grounds for settlement, time in Sweden, and the background of the immigrant's partner. Since our focus is on the effect of SFI and the education related variables, the controls as such will not be commented on in detail, and will not be shown fully in Table 2. For the interested reader the full regressions are presented in Appendices 2 and 3.

In the next section, we present the models reporting the hazard ratios of the events under examination, namely the anti-log of a parameter estimate. Hazard ratios provide the information about the unique over- or under-risk at each point of measurement. In this case, we measure the over- or under-risk of getting a job and of reaching a minimum income each year, between 2000 and 2009. Thus, the hazard ratios should be interpreted as the relative risk of event occurrence for a certain group of interests, compared with their reference group. The over- or under-risks are presented in percentages, in order to facilitate the interpretation of hazard ratios. Furthermore, using a Cox regression we assume that the hazard ratio is proportional over time. In other words, the displayed hazard represents the yearly average effect over the time span 2000–2009.

Since data represent the total population, the effects are real for the population. Therefore, in the tables reported in the next section we display the standard errors (SE) rather than significance levels.

6. Results

Owing to a range of factors, young adults with a migrant background living in Sweden are particularly exposed to the risk of *utanförskap*; namely to the risk of a weak attachment to the labour market. Since a command of the Swedish language is a basic requirement for migrants to be employable in the Swedish labour market, as well as and to increase their educational level, in this study we aim to assess the impact of SFI on the young adult participants' likelihood of finding a job if unemployed, or of reaching a certain minimum income in the 10 years following the completion

of SFI (2000–2009). According to our data, out of the 12,445 individuals who attended SFI between 1997 and 1999, about 44% (5,490 people) were able to complete it in such time span.

6.1 The impact of SFI on finding a job

Table 2 shows that people who did not go though SFI are overrepresented among those who did not find a job in the 10 years after the completion of SFI (44 per cent, against 32 per cent of those who completed the language course). Furthermore, those who were able to find a job tended to obtain it in the first two years after the completion of SFI. This can be explained by considering that labour offices will not generally accept an applicant for services or labour market measures if the immigrant is not considered ready for the labour market in terms of language ability (Lemaître 2007).

Table 2: SFI completion and employment rates

Getting a Job	SFI COMPLETION		
	Not Completed	**Completed**	**Total**
Never	44.38	31.79	38.83
2000	30.17	41.41	35.13
2001	9.67	12.41	10.88
2002	5.50	5.83	5.65
2003			
2004	5.03	4.61	4.85
2005	1.91	1.60	1.77
2006	1.65	1.30	1.50
2007	0.97	0.59	0.80
2008	0.50	0.34	0.43
2009	0.21	0.11	0.17
TOT	100	100	100

Studying the relation between these two variables through a range of cox-regression models confirms that completing the SFI course increases the chance of finding a job substantially. For the group who completed SFI, the hazard ratio of entering the labour market was almost 60% greater each year, than for the group who did not complete SFI during the years of study. Table 2 sums up the outputs of the five models we have run.

Table 3: Cox regressions estimating the effect of completing SFI between 1997 and 1999 on the chance of finding a job between 2000 and 2009.

	Model 1		Model 2		Model 3		Model 4		Model 5	
	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE
SFI completion	1.595	.0380	1.579	.043	1.506	.044	1.468	.038	1.495	.053
Increase in Education			1.123	.041	1.157	.045	1.188	.039	1.083	.053
Educational Starting Level (Secondary)					1.136	.039	1.171	.0361	1.164	.056
Educational Starting Level (Higher)					1.178	.050	1.271	.049	1.184	.067
Educational Starting Level (Unknown)					.976	.043	.980	.039	.937	.051
Balkans							1.747	.167	2.00	.324
Central SouthAmerica							1.417	.159	1.466	.255
EU2004							1.320	.147	1.276	.232
EU2007							1.492	.204	1.457	.311
Asia							1.685	.164	1.667	.265
Former Soviet Union							1.317	.150	1.241	.227
Middle East							1.196	.112	1.177	.186
Africa							1.183	.117	1.176	.192
Turkey							1.735	.177	1.617	.269
Unknown							1.415	.713	3.171	2.303
Western Non-European							1.527	.183	1.276	.244

What emerges at a first glance is that the positive effect of SFI remains substantially unchanged, regardless of the other independent variables that we have added progressively. This positive relation is already detected in the first model where, however, the actual contribution of SFI is not unambiguous. As mentioned above, its positive effect might be related to the fact that it is preparatory to other kinds of Second Chance Education activities. Indeed, the logistic regression A, displayed in the Appendix 1, confirms that completing SFI does increase migrants' likelihood of improving their educational level in the following years. However, the output of Model 2 shows that controlling for the interaction between the covariates 'SFI completion' and 'Increase in Education' does not reduce the positive effect of SFI. This finding suggests that for the unemployed increasing their educational level is much less important for job chances than acquiring skills in the Swedish language. In the third model we also control for the highest level of education that participants to SFI owned during the selection years. Indeed, the logistic regression B displayed in the Appendix 1 indicates that participants with a higher level of education are more likely to go

through SFI. However, from Table 2 (model 3) we can see that the positive effect of the initial level of education does not reduce the positive impact of our main predictor substantially. In the following model (model 4), we have included the key variable 'area of birth'. EU1995 is our reference group. Since it is the group to which Sweden belongs to, although no Swedes are in this dataset, migrants from EU1995 are expected to integrate more easily in the Swedish labour market, as predicted by the aforementioned 'cultural distance theory'. After the inclusion of this variable we find that the effect of SFI completion on job chances remains strong, thus confirming the paramount importance of Swedish-specific human capital for migrants' inclusion in the Swedish labour market. Nevertheless, controlling for this variable has produced some unexpected outcomes. The hazard ratios of Model 4 (see Table 2) indicate that coming from any area other than EU1995 represents an advantage in order to find a job. .

In sum, SFI does have a positive and stable effect on the chances of unemployed migrants getting a job. Indeed, it appears more powerful than other kind of educational activities for promoting migrants' employment, and none of the control included in the five presented models decrease its impact substantially.

6.2 The impact of SFI on minimum income

When we focus on the effects of SFI on the likelihood of its 'successful' participants reaching a minimum income we can see that, also in this case, SFI has a positive effect. The output of the five cox-regression models, displayed in Table 3, suggests that those who go through SFI are 30 per cent more likely, each year, to reach the minimum income. This is a stable result. Indeed, none of the controls added progressively in the different models changes this significantly.

Table 4: Cox regressions estimating the effect of completing SFI between 1997 and 1999 on the chance of reaching a minimum income between 2000 and 2009.

	Model 1		Model 2		Model 3		Model 4		Model 5	
	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE	Haz. Ratio	Rob. SE
SFI completion	1.319	.018	1.319	0.025	1.277	.025	1.268	.025	1.284	.0315
Increase in Education			1.005	0.263	1.024	.029	1.031	.029	.979	.034
Educational Starting Level (Secondary)					1.101	.0261	1.108	.026	1.088	.033
Educational Starting Level (Higher)					1.123	.0324	1.155	.035	1.058	.041
Educational Starting Level (Unknown)					.957	.030	.960	.030	.934	.037
Balkans							.970	.053	1.142	.108
Central SouthAmerica							1.014	.065	1.050	.107
EU2004							.828	.059	.867	.094
EU2007							.942	.093	1.029	.134
Asia							1.013	.058	1.064	.099
Former Soviet Union							.798	.061	.799	.090
Middle East							.746	.040	.781	.072
Africa							.946	.054	1.00	.095
Turkey							1.087	.067	1.040	.102
Unknown							.583	.262	.848	.605
Western Non-European							1.018	.078	.965	.109

Model 2 and 3 show that the covariates 'increase in education' and 'initial educational level' play a minor role in the likelihood of reaching the minimum income.

The variable 'area of birth' is added in model four. Table 3 shows that migrants from the former Soviet Union have about 20 per cent less chance than people from EU95 of reaching the minimum income, while for migrants from Africa such a disadvantage is about five per cent. These might be due to the fact that, since migrants from Africa report among the lowest SFI completion rates we can observe, their disadvantage is mostly picked up by the variable SFI completion. On the contrary, the group of migrants from former Soviet Union is the most successful in completing SFI (see Table 1). Therefore, their difficulty to reach the minimum income, which is apparently connected to other causes, is captured by the variable 'area of birth'.

7. Conclusions

Owing to a range of factors, young adults with a migrant background living in Sweden are particularly exposed to the risk of *utanförskap*, which results in their overrepresentation among the unemployed and low-income workers. A basic requirement for migrants to be employable in the Swedish labour market, and to improve their educational level, is knowledge of the Swedish language (Rydgren 2004). The Swedish government seems to have acknowledged the fundamental role of this skill for a long time. Indeed, SFI has been incorporated into the system of public education, but no formal assessment of the impact of SFI on its participants' integration in the labour market has been conducted. With this study we intended to fill this gap by finding out whether SFI functions for people with a migrant background as a protection against the risk of unemployment, or against confinement to jobs where the salary prevents them from making ends meet. We verify this hypothesis adopting a long-term perspective since, as with any other investment in education, it may take several years before investment in SFI can unfold its potential.

What emerges clearly from our analysis is that, similar to what emerged from the study about the effectiveness and sustainability of German integration courses (Schuller *et al.* 2011), going through SFI has a positive effect on the chance of finding a job for unemployed migrants. Likewise, it has a positive effect on migrants' chance of reaching a certain minimum income. More specifically, the chance to get out of the condition of unemployment is 50 per cent greater each year, for individuals who went through SFI between 1997 and 1999, than for individuals who left SFI beforehand. The chance of reaching a minimum income is 30 per cent greater each year, for SFI completers than for individuals who quit SFI.

Furthermore, we observe that these are stable effects, since they remain substantially unchangedg irrespective of the other independent variables that we have added progressively in our regression models. The fact that including other education related variables in our models does not withdraw the positive effect of SFI confirms that, for unemployed or low-income earners with a migrant background, a higher education is much less important than skills in the Swedish language to improve their situation in the labour market.

This confirms the outcomes of Nordlund *et al.*'*s* study (forthcoming) which emphasises the crucial importance of Sweden-specific human capital factors for migrants' integration in the Swedish labour market. Indeed, SFI not only offers the possibility of acquiring linguistic competences, but also conveys information about Swedish laws, codes of practice, sets of values,

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traditions, which might help to develop what Rydgren (2004: 702) defines as 'country-specific social competence'.

In the light of such a key role played by 'Swedish-specific' human capital factors, the positive effect of SFI is worth being scrutinised critically, since, as discussed above, these factors often turn into the basis of discrimination practices,. Thus, SFI can be regarded as a tool that 'protects' migrants from some forms of discrimination because it successfully fosters their assimilation with the Swedish language and culture. Such a perspective finds support considering that even though Sweden does not have either a language requirement for citizenship or citizenship tests (Rainer and Joppke 2010), the 'New policy for the introduction of newly arrived immigrants in Sweden' (Ministry of Integration and Gender Equality 2010) identifies the study of Swedish language as an act of individual responsibility that newly arrived migrants should undertake to facilitate their integration into Swedish society (Dahlstedt 2009).

We conclude by highlighting two more critical issues which emerge when looking more closely at the positive effect of SFI. First, SFI does have a positive impact on those who complete it, but more than half of those who started to attend dropped out. The cause of such a high drop-out rate cannot be investigated through the information provided by STATIV. However, it is a phenomenon that deserves to be analysed further if we are interested in assessing SFI's effectiveness in promoting the inclusion in the Swedish labour market of young adults with a migrant background.

Second, we can look at work not only from an instrumental point of you — namely, work as a way to obtain a certain material well-being — but also as an occasion for individual self-fulfilment (Bonvin 2009). Embracing a wider perspective on the value/purpose of work, requires the study of the effects of SFI on the likelihood of its successful participants of finding a job that meets their education, experience, aspirations and potential. These further goals cannot be attained, or are only partially reachable, by drawing on the information provided by a register-based dataset such as STATIV. However, we claim that research in this direction is needed in order to gain a deeper understating of the dynamics of inclusion in the Swedish labour market and society, for young adults with a migrant background.

Acknowledgements

Notes

[1] In 2009, the Swedish government pointed out that the standards of teaching in SFI courses varied considerably across different municipalities, and allocated a total of SEK 61 million in special funds until 2010, to improve teachers' skills. Moreover, in 2009, the introduction of compulsory national final tests for SFI participants, as well as a pilot project with a performance-based bonus for newly arrived immigrants who completed their studies in SFI with a pass grade within 12 months, suggested that the Swedish government had acquired an awareness of the necessity to strengthen the effectiveness of SFI (Ministry of Integration and Gender Equality, 2009).

[2] Migrants whose mother tongue is Danish or Norwegian are not eligible for free Swedish tuition through SFI.

[3] Everyone who has a residential permit over one year is included in STATIV (even if they stayed only one month)

[4] The minimum age to enrol in SFI is 16 years. However, since the focus of our paper is young adults we have set 20 years as the lower age limit in order to deal with as homogenous a study group as possible.

[5] Defining individuals who are between 30 and 42 years as 'young adults' can be justified in the light of the delayed entry in the labour market, recorded in all advanced economies. Such a delay is expected to be more marked for migrants who did not get their education in Sweden.

[6] 13,000 SEK corresponds to 1,525 Euros (September 2012).

[7] We use the data about inflation provided by Statistic Sweden http://www.scb.se/Pages/PricesCrib.aspx?id=258649.

[8] Besides the 15 countries that formed the EU in 1995, the group EU1995 includes Andorra, Gibraltar, the Vatican, Iceland, Monaco, Norway, San Marino, and Switzerland. The area of birth 'Turkey' has been isolated for three reasons. First of all, in relation to the history of migration in Sweden, Turkey represents one of the oldest non-European sending countries. This means that, nowadays, migrants from Turkey form a well-established component of the Swedish population. However, research conducted during the 2000s shows that, in many respects, migrants from Turkey are a stigmatised group, still perceived as ethnically distant (Westin 2003). Secondly, Turkey hosts

in its territory a wide range of different ethnicities (Syrians/Assyrians/ Kurds), thus representing a quite broad level of aggregation in itself. Thirdly, Turkey constitutes a quite peculiar country for its position between Europe and Asia, and its attempt to preserve a secular state despite being a predominantly Muslim country, yet with an educational system very similar to the one of European countries, as shown by the high number of students from the European Union going to Turkey as exchange students. The group 'Western-Non-European Countries' includes Anguilla, Australia, Bermuda, Canada, Japan, Republic of Korea, New Zealand, Taiwan, and the United States.

[9] When running the third model, we also evaluated the property of proportionality of the hazard (PH) through a test based on the scaled Schoenfeld residuals. The output of the test shows that none of the main covariates included in the two groups of models violates the PH assumption.

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Appendices

Appendix 1

Logistic Regression A estimating the effect of completing SFI on the likelihood of increasing one's education

Increase in education	Odds Ratio	Std. Err.	z	P>|z|	[95% Conf. Interval]	
SFI completion	1.620155	.0230947	33.85	0.000	1.575517	1.666058
_cons	.1331532	.001377	-194.96	0.000	.1304814	.1358797

Logistic Regression B estimating the effect of the individual's educational starting level on the likelihood of completing SFI

SFI completion	Odds Ratio	Std. Err.	z	P>|z|	[95% Conf. Interval]	
Educational Starting Level 2 (Secondary)	2.136157	.0275705	58.81	0.000	2.082798	2.190884
Educational Starting Level 3 (Higher)	3.380147	.0510393	80.66	0.000	3.281578	3.481677
Unknown	.8114732	.0144272	-11.75	0.000	.7836835	.8402483
_cons	.4727799	.0047069	-75.25	0.000	.463644	.4820958

Appendix 2

Cox regression estimating the effect of completing SFI between 1997 and 1999 on the chance of getting a job between 2000 and 2009; Model 5

_t	Haz. Ratio	Std. Err	z	P>|z|	[95% Conf. Interval]	
SFI completion	1.49457	.0530437	11.32	0.000	1.39414	1.602235
Increase in education	1.082792	.0525247	1.64	0.101	.984588	1.190791
Educational Starting Level 2 (Secondary)	1.164073	.0505727	3.50	0.000	1.069055	1.267536
Educational Starting Level 3 (Higher)	1.184395	.0656283	3.05	0.002	1.062505	1.320269
Educational Starting Level 4 (Unknown)	.937472	.0514537	-1.18	0.239	.8418596	1.043943
Balkans	2.001325	.3244498	4.28	0.000	1.456542	2.749871
Central and South America	1.465969	.2552481	2.20	0.028	1.042119	2.062207
EU2004	1.276339	.2324938	1.34	0.180	.8931281	1.823972

EU2007	1.456957	.3111631	1.76	0.078	.9586394	2.21431
Asia	1.660668	.2649264	3.18	0.001	1.21476	2.270257
Former Soviet Union	1.240961	.2273078	1.18	0.239	.8666477	1.776942
Middle East	1.177371	.1864176	1.03	0.302	.8632553	1.605784
Africa	1.176446	.1922181	0.99	0.320	.8540737	1.620499
Turkey	1.617442	.2687032	2.89	0.004	1.167938	2.239946
Unknown	3.170851	2.302946	1.59	0.112	.7637648	13.16412
Western non-European	1.276418	.2435205	1.28	0.201	.8782071	1.855192
Days in Sweden	.9999692	.0000252	-1.22	0.222	.9999197	1.000019
Sex2	.7447915	.0313496	-7.00	0.000	.8088411	.6858137
Age	.9988368	.005875	-0.20	0.843	.9873881	1.010418
Civil Status 1 (Unmarried)	1.120791	.0894818	1.43	0.153	.958443	1.310638
Civil Status 3 (Other)	1.030201	.0823438	0.37	0.710	.8808166	1.20492
Partner's background_1	.8652456	.0569894	-2.20	0.028	.7604576	.9844729
Partner's background_2	1.05783	.1281329	0.46	0.643	.8342793	1.341282
Partner's background_3	.9274043	.1328835	-0.53	0.599	.7003326	1.2281
Götaland	.8870485	.0470087	-2.26	0.024	.7995366	.9841388
Svealand	.9582296	.0476536	-0.86	0.391	.8692377	1.056332
Norrland	.8907715	.0727173	-1.42	0.157	.7590656	1.04533
Malmö Area	.6755538	.0448767	-5.90	0.000	.5930825	.7694933
Gothenburg Area	.8302237	.0504267	-3.06	0.002	.7370455	.9351817
Work	1.009799	.3714985	0.03	0.979	.491002	2.076761
Family Ties	1.076884	.0580503	1.37	0.169	.9689113	1.196888
Humanitarian grounds	.9876294	.0650239	-0.19	0.850	.8680651	1.123662
Study	.8892775	.4074035	-0.26	0.798	.3623077	2.182715
Other	.8224935	.1261443	-1.27	0.203	.6089551	1.110912

Appendix 3

Cox regression estimating the effect of completing SFI between 1997 and 1999 on the chance of reaching a minimum income between 2000 and 2009; Model 5

_t	Haz. Ratio	Std. Err	z	P>|z|	[95% Conf. Interval]	
SFIcompletion	1.283655	.0314997	10.18	0.000	1.223378	1.346902
Increase in education	.9791944	.0340329	-0.60	0.545	.9147123	1.048222
Educational Starting Level 2 (Secondary)	1.087696	.0329381	2.78	0.006	1.025017	1.154208
Educational Starting Level 3 (Higher)	1.057766	.0412544	1.44	0.150	.9799224	1.141794
Educational Starting Level 4 (Unknown)	.9332993	.036849	-1.75	0.080	.8638003	1.00839
Balkans	1.142201	.1081819	1.40	0.160	.9486857	1.375191
Central and South America	1.050524	.1065182	0.49	0.627	.8611888	1.281486
EU2004	.8670603	.0944647	-1.31	0.190	.7003456	1.073461
EU2007	1.028387	.1343646	0.21	0.830	.796054	1.328529
Asia	1.063817	.09883	0.67	0.505	.8867256	1.276276
Former Soviet Union	.7983404	.090133	-1.99	0.046	.6398631	.9960684
Middle East	.7805883	.0723923	-2.67	0.008	.6508501	.9361881
Africa	1.004022	.0953205	0.04	0.966	.8335493	1.209359
Turkey	1.039774	.1020852	0.40	0.691	.8577644	1.260405
Unknown	.8477829	.6049891	-0.23	0.817	.2093418	3.433313
Western non-European	.9645632	.1088854	-0.32	0.749	.7731116	1.203425
Days in Sweden	.9999937	.0000184	-0.34	0.731	.9999576	1.00003
Sex2	.8802545	.0238977	-4.70	0.000	.8346402	.9283617
Age	.9966267	.0041848	-0.80	0.421	.9884582	1.004863
Civil Status 1 (Unmarried)	1.030752	.057313	0.54	0.586	.924325	1.149433
Civil Status 3 (Other)	1.011953	.0738473	0.16	0.871	.8770893	1.167553
Partner's background_ 1	.8981651	.0373331	-2.58	0.010	.8278948	.9743999
Partner's background_2	1.050475	.073151	0.71	0.479	.9164553	1.204093
Partner's background_3	.9423548	.0820726	-0.68	0.495	.7944758	1.117759
Götaland	.8800828	.0320065	-3.51	0.000	.8195348	.9451042
Svealand	.9128916	.0312876	-2.66	0.008	.8535834	.9763206
Norrland	.8623122	.0486092	-2.63	0.009	.7721143	.9630469
Malmö Area	.6589707	.0322266	-8.53	0.000	.5987404	.7252599
Gothenburg Area	.8877289	.0367191	-2.88	0.004	.8186008	.9626946
Work	1.260313	.2177649	1.34	0.181	.8982603	1.768293
Family Ties	1.135787	.0441463	3.28	0.001	1.052476	1.225694

Humanitarian grounds	1.006859	.0473784	0.15	0.885	.9181524	1.104136
Study	1.286746	.3074089	1.06	0.291	.8056329	2.055173
Other	.9223605	.1296367	-0.58	0.565	.7002696	1.214888