# East-to-West migration and labour market integration in the Baltic Sea region

### history, current trends and potential

Lars Olof Persson & Jörg Neubauer

#### Introduction

The Nordic countries established a common labour market in the mid 1950s. This resulted in comparatively intensive labour migration between Finland and Sweden during the 60s, whereafter migration has decreased. From time to time particularly bottleneck problems at one Nordic nation's labour market have been solved by temporary immigration from another Nordic country. Immediately after the fall of the Iron Curtain, immigration of labour force from former socialist countries generally increased. This holds also true for the Nordic labour market where a share of immigrants stem from countries around the Baltic Sea. However, contrary to expecta-

Lars Olof Persson is a Senior Research Fellow at the Nordic Centre for Spatial Development (Nordregio) and also associated with the Royal Institute of Technology, Stockholm. His main research interests are in labour mobility, regional development and regional policy.

Jörg Neubauer is a Research Fellow at the Nordic Centre for Spatial Development (Nordregio). He works with Spatial Indicators and Geographic Information Systems. tions, migration flows from Estonia, Latvia, Lithuania, and Poland to Scandinavia and Finland have eventually decreased in the course of the last decade.

After Finland's and Sweden's entrance to the single European labour market, there are few signs of again changing international migration pattern. With the foreseeable enlargement of the European Union within the next ten years, there is a debate on the size and character of potential migration, particularly from East to West. Accordingly, the emerging integration of the international labour market around the Baltic Sea is an issue of high policy relevance. The expected shortage of labour supply, both for the old and the emerging new economy, is at the core of the current debate.

The final purpose of this project is to discuss the emergence and the potential characteristics of a future common Baltic Sea Region labour market. In this paper we will start the discussion by quantifying labour force migration from Russia, Estonia, Latvia, Lithuania and Poland to Sweden, and particularly analysing the integration processes following immigration. It should be remembered, that the majority of those receiving residence permit from these countries to Sweden is

close relatives to earlier immigrants. The findings will be supported and illustrated by the use of official statistics for each year during the 1990's. These statistics are based on individual grossstream data that allow for a detailed analysis and comparison of labour market careers. Hence the contribution to economic integration/segregation by recent westbound immigrants with differing background characteristics (individual socio-economic assets e.g. level of education, as well as cultural background e.g. country of origin) can be pointed out. In addition the importance of labour migration in the Baltic Sea Region for different sectors of the old and the emerging new economy will be discussed.

## Historic and current Baltic migration

After the collapse of the Soviet Bloc, many words were heard about a future mass migration from East to West. The large gaps in wages and living standard, the dreams of a new life in the Western World were factors which all gave rise to predictions of a mass migration from the former Soviet Bloc to the Western countries. These economic motives were then rein-

forced by geopolitical factors such as wars and ethnic conflicts. The prospect of a future membership in the European Union for countries at the southeastern side of the Baltic Sea has also accentuated the discussion in the Nordic countries around the Baltic Sea on the potential labour migration in this area.

The outflow of people from the transition countries to Western Europe - especially Germany increased also during the first years of the 90s (see e.g. OECD, 1993; SOPEMI, 1997; Johansson, 1998, p. 107). In the middle of the 90s, this outflow has, however, slowed down that is also valid with respect to the Nordic countries. Instead, the short-term migratory movements have increased. One reason for this is that most OECD-countries have abolished visa requirements for shortterm visits from the transition countries.

The potential immigration to regions in the Nordic countries is, however, quite large in a future situation with free mobility of labour and entrepreneurs between on the one hand side Estonia. Lithuania, Latvia, Poland, and on the other hand the other EU-countries. Initially, the major driving push factor is the substantially lower income level and the prospects of much higher income and material welfare. The strength of this factor is to a large extent decided by the economic growth and how welfare will be distributed among candidate countries. If both large professional groups and people living on transfers expect a continuing improvement of their and their families living conditions at home, this reduces the potential emigration. It should be remembered that labour migration from low wage countries to high wage countries usually leads to large transfers of monetary resources back to relatives at home. These transfers are in fact one of the major motives for emigration, at least initially. A lot of young people emigrate in order to be able to send money back to a resident partner or parents. It is estimated, that labour force is the second largest world trade item after (Martin. petroleum products 1992, p. 12).

The primary counteractive factor, hampering the realisation of the large potential for emigration, is the economic and institutional situation in Nordic countries. After a short period of high unemployment in the early 1990s, particularly in Finland and Sweden, there are now several signs of bottleneck phenomena on the labour market. In the long run, the emerging demographic structure of the labour force in all Nordic countries raises an increasingly important question on how to cope with a general shortage of labour. However, the trade unions as well as the labour market policy are still favourable to a strongly regulated labour market. The proportion of emigrants choosing the Nordic areas will largely depend on the situation at labour market in other regions in Northern Europe, primarily then in Germany. These and other counteractive forces are estimated to be so strong that they will prevent any mass migration to the Nordic countries (cf Johansson & Persson, in NEBI Yearbook 2000).

### Experiences of the common Nordic labour market

Since the free Nordic labour market was established 1954, more than one million Nordic citizens have used their rights to move freely between and settle down in the differing Nordic countries. In spite of the liberation of the migratory rules, the short-time effects were limited. Immigration to e.g. Sweden remained at the same level as the period before liberalisation (Bergström ed, 1997, p. 8 ff.). The explanation to this is simply that Sweden had introduced a liberal immigration policy already before 1954.

Immigration to Sweden from Denmark has remained surprisingly stable since the decision on the common Nordic labour market was made. Two peaks should be noticed. One of them was right at the year of the signing of the contract for the common Nordic labour market, the other one in the middle of the 70s as unemployment reached very high levels in Denmark. With the exception of these mentioned few years, gross immigration to Sweden from Denmark has been some 2000-3500 persons during the 90s, which is a negligible part of Danish population (Statistics Sweden, 1990-1998). It has also been shown that the level of benefits to unemployed in Denmark influences Danish immigration to Sweden. This explains - as earlier mentioned - why immigration was low during the last part of the 70s and the 80s in spite of high unemployment in Denmark and high frequency of vacancies in Sweden. Increasing benefits in Denmark had clear negative incentives for the unemployed to migrate. In recent years most of the labour mobility between Denmark and Sweden is commuting across Öresund.

Immigration from Norway to Sweden has by large been stable in the post-war period. The end of the 80s experienced, however, a strong increase. This mobility has a strong connection with rising unemployment in Norway in combination with an overheated labour market in Sweden. With exception of the peak in 1989, gross immigration from Norway has varied annually between 1 600 and 3 600 individuals. In the mid 1990s. there were minor peaks in labour migration from Swedish to booming industrial sectors and health care in Norway. According to migratory movements between the Scandinavian countries. these have been in much symmetric and have had the character of two-way flows. Any large discrepancies in standard of living between the Scandinavian countries during the post-war period have also been lacking.

The definitely most apparent result of the common Nordic labour market was instead, as indicated above, an outflow of labour from Finland to Sweden, which reached its peak in 1969-1970, that resulted in a large return migration some years later. During these two years 80 000 people moved from Finland to Sweden. This was probably too much for the Finnish authorities and milder restrictions against labour migration were introduced. The limitations of migration at that time were probably unnecessary because the demand for labour in the Swedish industry had already slowed down. After the two extreme years, there was a period when return-migration exceeded immigration to Sweden. The major part of migration to Finland is return-migration and there is a close connection between the number of emigrants to Finland and immigration to Sweden some years before. The response to immigration with regard to returnmigration was quite diffuse until the late 60s when the peaks in immigration are followed by responding peaks in emigration.

In the beginning of the 70s, the demand in Sweden for unskilled industrial workers declined. Unskilled industrial workers were just the kind of labour that Finland supplied. From that time the factors behind migration are less pronounced and do not follow the pattern from the 60s.

The economic transformation in Sweden reduced the demand for blue-collar workers and the trade unions regarded free labour immigration as a threat. One sign of these changed conditions on the Swedish labour market was the more restricted immigration policy towards people from the non-Nordic countries that was introduced 1968. The result was also that immigration to Sweden changed from labour market immigration to refugee immigration (Lundh and Ohlsson, 1994a; 1994b, pp 87-109; Scott, 1999, pp 37–48).

The more far-reaching transformation of the Swedish economy in a post-industrial direction has reduced the demand for traditional blue-collar workers both with respect to domestic labour and foreign. One result of this transformation process may be a looser connection between the business cycles and migration during the second half of the 70s and 80s. Instead. during these years, the immigration to Sweden has been a function of political events in other parts of the world and since the beginning of the 70s the most part of the immigrants has been refugees (Lundh and Ohlsson 1994a; 199b, pp. 89-93; Scott, 1999, pp37-43). Instead of blue-collar work in the manufacturing industry, the immigrants are nowadays predominantly working the lower segments of the service sector. This has also resulted in a changed employment structure for the immigrants, with a large part of the immigrants working in jobs refused by the Swedish labour force (Ekberg, 1993, pp. 56-61).

### Immigration policy in Sweden – organisations and regulations

At the same time as the common Nordic labour market was introduced, Sweden signed the Geneva Conventions on refugees. Up to 1967/68, the labour immigration to Sweden was almost unrestricted - the shortage of labour was partly solved by labour immigration from Finland and the Southern parts of Europe. In 1967, this liberal immigration policy was substituted by a more regulated immigration policy as a consequence of harder times on the labour market and a growing scepticism from the trade unions and labour permits before arrival were introduced (Lundh and Ohlsson, 1994a). The Swedish immigration policy has, however, been more liberal than the Finnish policy during the post-war period.

Today, however, Sweden very restrictive policies with respect to labour immigration. Long-term labour migration from countries outside European Economic Area (EEA) is almost absent – only people within the European Economic Area are granted a residence permit for labour market reasons. People from countries outside the European Economic Area are granted residence and work permits only for special reasons and assignments. Unlike some continental European countries, Sweden does not have a 'guest worker policy' in the sense that people are coming to these countries under the presumption that they must go back during bad times in the economy. Despite these similarities, there are a lot of differences in the immigration policy between Nordic countries with respect to the willingness to take care of refugees and their relatives. For example, Sweden has been more generous than Finland according to differing refugee quotas and so on.

The Ministry of Foreign Affairs coordinate the Swedish immigration and refugee policy. After the restrictions in labour immigration during the second half of the 60s, the Swedish Immigration Board (Statens Invandrarverk, SIV) was founded in 1969 in order to deal with immigration and naturalisation policies. Appeals against decisions on asylums, permits, or citizenship can be lodged with the Aliens Appeals Board (Utlänningsnämnden). In 1996, the Swedish

parliament decided that returnmigration should be a central ingredient in the Swedish migration policy (Swedish Institute, 1999). SIV was transformed into Migration Board (Migrationsverket) in 2000, which now is the central government authority for aliens affairs. This means that the Board is responsible for

- permits for people visiting and settling in Sweden
- the asylum process, from application to a residence permit or to a voluntary return home
- citizenship affairs
- helping out with voluntary return migration

Responsibility for integration issues rests ultimately on the Ministry of Culture. The next step in the formalisation and regulation of the Swedish immigration and integration policies the National Integration Office (Integrationsverket) was set up in 1998 in order to take over some of the responsibilities from the Immigration Board – tasks that predominantly were aimed to integrate people who got residence permits in the Swedish society (Swedish Institute, 1999).

### Current migration from Eastern BSR countries to Sweden

In general the immigration from Eastern BSR Countries to Sweden is rather high (Table 1). In 1998 it could be said to be of comparable size to the other Nordic Countries and Germany. While immigration from Eastern BSR Countries maintained a steady amount the

year 2000 it increased significantly for the other BSR Countries. Hence at the moment immigration from Eastern BSR Countries is clearly lower than from other BSR Countries.

However, the total number of immigrants from Eastern BSR Countries has increased slightly since 1998 with exception of Lithuania. Here the number of immigrants to Sweden almost doubled. Within a year's period fewer immigrants from Eastern BSR Countries moved back to their countries of origin than came to Sweden. This is the opposite case in other Nordic Countries and Germany where the out-flow as well as the back-flow to and from Sweden is high.

Most of the immigrants in 2000 stem from Russia (897 people net) followed by those from Poland (514 people) and the Baltic States (altogether 495 people). Notice that net migration is now at a comparative level to net migration from Denmark, Finland and Germany. Obviously almost half of all immigrants are Russians while the other half are comprised by nearly as many Balts as Poles. Although few people from each of the Baltic States entered Sweden as an immigrant the amount is comparably high. Lithuania and Latvia show equal figures. Estonian people immigrate more often to Sweden (227 people) than people from Lithuania and Latvia.

Why do people emigrate from Eastern BSR Countries to Sweden? The answer is very distinct for the year 2000. According to reasons for residence permits (Table 2) the main factor for emigration from Eastern BSR Countries to Sweden

is to get close to relatives that emigrated earlier. This group includes immigrants marrying Swedes. A lower count of people immigrates for studying. The main reason for immigrants from Poland Lithuania could be seen as to study in Sweden. Few immigrants from the Eastern BSR Countries receive a residence permit for Sweden on labour market issues. However, the overall shares of immigrants from Eastern BSR Countries as determined above can only be recognised on given residence permits for labour market issues. Residence permits based on family relationship have been predominately assigned to Russians while residence permits for purpose of studying have mainly been given to Balts, closely followed by Russians and Poles. A significant number of Russians (110) received a residence permit as a refugee. With the exception for 6 Poles no further people from Eastern BSR Countries immigrated for asylum status.

Having a closer look on the small group of immigrants from the Eastern BSR Countries receiving residence permits in Sweden according to labour market criteria reveals that its number is steadily increasing. The majority of labour market immigrants are likely to be specialists and/or key persons in business firms. Focusing on the two Eastern BSR Countries (Table 3) support most of the labour market immigrants sets Poles as dominating until the middle of the 90's. During the second half of the 90's the number of Russian labour market immigrants grew faster and is actually more than double the quantity of the Poles, but still very low in absolute figures.

Table 1. Immigration to Sweden from neighbouring countries 2000 (and 1998) In 2000 Out 2000 Net 1998 Net 2000 Denmark 991 970 1961 319 Norway 2830 1516 483 1314 Finland 2502 676 3504 1002 Iceland 382 375 -113 7 Germany 530 518 896 1426 Poland 639 125 509 514 Lithuania 146 16 69 130 I atvia 150 12 138 116 **Estonia** 34 227 261 168 Russia 1000 103 892 897 Source: Migrationsverket

	Table 2. Immigrants from Eastern BSR according to reasons for residence permit 2000													
		Close	Labour	Visiting		EES	<b>S</b> -							
Citizenship	Refugees	relative	market	students	Adopted	agreen	nentTotal							
Russia	110	729	57	235	73	24	1 225							
Poland	6	126	25	191	25	15	988							
Estonia	-	218	12	93	7	6	336							
Latvia	-	98	5	76	6	6	191							
Lithuania		101	6	124	-	5	236							
Europe total	3 543	7 999	177	1 125	485	7 185	20 455							
Source: Migra	tionsverket													

Table 3. Number of immigrants from Russia and Poland receiving residence permit in Sweden on labour market criteria 1992–2000

	1992	1993	1994	1995	1996	1997	1998	1999	2000
Poland	1	15	25	25	22	17	19	15	25
Russia	2	9	8	12	28	24	44	41	57
Source:	Migrationsv	erket							

## Immigration and labour market integration processes in Sweden

Labour market integration for non-Nordic citizens in Sweden is described in a report from National Labour Market Board (Source: http://www.ams.se/admin/documents/rapporter/ura00\_5.pdf.) The analysis is based on Employment Survey Sample (AKU). It reveals that labour force participation rate (proportion of sum of employed and unemployed related to whole population) in 1999 was 64 per-

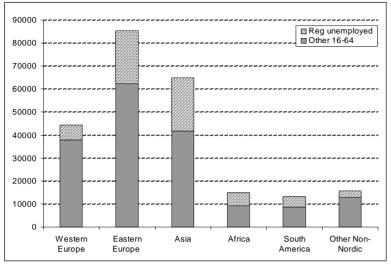


Figure 1. Non-Nordic immigrants in Sweden. Clients at Employment Agency. February 2000. NB East European immigrants include a large number of Bosnians.

cent for immigrants who had arrived prior to 1995. For later immigrants the corresponding rate was 42 percent – 56 percent for males but only 31 percent for females. The corresponding participation rate for Swedish born was 79 percent. Studying is the most common occupation by those who are not employed of reported unemployed.

54 percent of immigrants from non-Nordic countries before 1995 were employed 1999, but only 33 percent of later immigrants. Employment rates for non-Nordic immigrants decline drastically during the recession between 1991 and 1995/96, after that employment has started increasing.

Registered unemployment among non-Nordic immigrants before 1995 was 16 percent in 1999, 22 percent among more recent immigrants. Unemployment among Swedish born was less than 5 percent. In addition to lack of Swedish language skills, the rea-

sons to high unemployment is the fact that 25 percent of non–Nordic immigrants have not completed secondary school education, to be compared with 14 percent of Swedish born.

### "Old" immigrants from the Soviet Union – employment patterns in Sweden

In the middle of the 90s - 1996 there were almost 16 000 persons from Poland who worked in Sweden and around 3000 from Estonia. From Latvia, the corresponding figure was a little more than 500 and from Lithuania, the numbers were almost negligible. For every country, the numbers had decreased since the beginning of the 90s. The employment pattern for the Polish and Estonian immigrants is shown in Table 2 where the Latvians and Lithuanians are omitted. Most of these people are, however, political refugees that arrived to Sweden before the collapse of the Soviet Bloc. Hence, these groups have been absorbed at the Swedish labour market since several years.

The most surprising in table 4 is perhaps that the employment structure between Swedes on the one hand side and Estonians and Poles on the other hand side is so similar according to the sector status. With respect to the type of jobs, blue-collars are at least for the Polish immigrants over represented in both manufacturing and services. The same is valid for self-employment (Scott, 1999, p. 70). They are probably also over represented in the 'lower' segments of both manufacturing and private services (Ekberg, 1993, pp. 56-61).

This is in line with the reasoning that the more far-reaching transformation of the Swedish economy in a post-industrial direction has reduced the demand for traditional blue-collar workers. Instead, there has been rapid employment growth in the service sectors – both private and public. Especially the private service sector has, in recent years, been associated with the transformation of the economy in a knowledge-intensive direction. The structural transformation of the Swedish economy, with a great increase in employment in the service sector, has also changed the picture with regard to employment opportunities for the immigrants. Instead of blue-collar work in the goods-producing sector, immigrants are nowadays predominantly ployed in the lower segments of the service sector. As a consequence of the structural transformation of the Swedish economy,

the push factors are now stronger than the pull factors for immigrants. This has also resulted in a changed employment structure, with a large share of the immigrants working in jobs refused by the Swedish labour force.

## Patterns of labour market careers by new immigrants 1991–96

The following research is based on individual gross stream data of migrants from Eastern BSR Countries aged 16 to 64 (register data from Statistics Sweden), hereafter easily cited as "new migrants". As already pointed out the number of migrants is generally low seen in absolute figures. By focusing on certain groups, the total number of immigrants can be low. However, overall patterns can be observed. The reference group of Swedes has been chosen by random and represents around 1% of the Swedish labour force.

### Background characteristics of new Eastern BSR immigrants to Sweden 1991–96

Between 1991 and 1996 totally 9305 people at working age arrived from Eastern BSR Countries to Sweden (Table 5). Almost half of them were Poles. From the Baltic States only 1101 people moved to Sweden comprising roughly 10 percent of total flow.

The annual number of migrants differs between some 200 (Baltic States) and around 1000 (Poland, Russia). The fall of the Iron Cur-

Table 4. The employment structure (%) of the Estonian and Polish workers in Sweden 1996

Sweden	Estonia	Poland
3	1	1
26	23	22
38	39	37
8	12	8
20	15	25
5	8	4
0	2	3
	3 26 38 8 20	3 1 26 23 38 39 8 12 20 15

Source: Statistics Sweden, The Swedish Immigration Board, 1997, unpublished statistics

 Table 5. New migrants to Sweden aged 16–64 by citizenship

 from
 1991
 1992
 1993
 1994
 1995
 1996
 1991–96

 Baltic States
 17
 145
 244
 256
 226
 213
 1 101

1 101 Poland 1 053 1 001 666 710 637 478 4 5 4 5 Russia 901 486 431 710 628 503 3 659 Eastern BSR 1971 1632 1341 1 676 1 491 1 194 9 305

tain resulted in a short-lasting peak in migration from Russia and Poland in 1991. At the end of the period (1996) fewer migrants came to Sweden than in the beginning (1991), mainly due to diminishing flows from Poland and Russia. Here the annual number of migrants almost diminished by half during 6 years from around 1000 (1991) to approximately 500 (1996). In contrast the number of migrants from the Baltic States grew very fast until 1993 to appear stable onwards.

The age patterns of the migrants from Eastern BSR Countries are very similar all over the years. Within the three age groups of younger (16–24), middle-aged (25–44) and elder (45–64) migrants, the group of mid-aged dominates (Table 6). From Russia two third of migrants belong to

this age group. The middle-age group is also over represented for Balts and Poles but slightly lower than for Russians.

From the Baltic States and Poland a significant share of younger people (33 and 29 percent) of working age entered Sweden during 1991 and 1996. One has to keep in mind that the annual total number of migrants from the Baltic States has been rather low compared to Poles and Russians, especially in the beginning of the 90's.

The gender structure of the Eastern BSR migrants to Sweden between 1991 and 1996 follows a distinct pattern. On average around two third of the migrants are women. The number of women varies a little for certain years but significantly more women than men immigrated to Sweden during all years from 1991 to 1996.

Table 6. Age structure of the new migrants aged 16-64 in percent (diagram 1991–96)

	Balts			Poles			Russia	ns	
Age	16-24	25–44	45-64	16-24	25-44	45-64	16-24	25-44	45-64
1991	53	47	0	28	59	13	18	69	13
1992	37	57	6	28	57	16	22	67	12
1993	34	52	14	30	57	13	19	67	13
1994	29	64	7	31	55	15	20	65	15
1995	31	59	10	31	52	17	17	69	14
1996	35	56	8	28	56	16	22	62	16
1991–96	33	57	9	29	56	15	19	67	14

Table 7. Gender of the new migrants aged 16-64 (shares in %)

	Balts		Poles		Russia	ns
Gender	Men	Women	Men	Women	Men	Women
1991	47	53	22	78	38	62
1992	38	62	19	81	34	66
1993	32	68	19	81	27	73
1994	29	71	21	79	28	72
1995	22	78	24	76	27	73
1996	26	74	24	76	25	75
1991–96	29	71	21	79	31	69

Table 8. Educational level of migrants aged 16–64 (according to the Swedish Immigrant Survey by SCB 1995)

	Nr. of Persons	Educat	ional level		
	total	1	2	3	
Balts	256	0 %	15 %	58 %	27 %
Poles	710	6 %	32 %	32 %	30 %
Russians	710	1 %	12 %	57 %	31 %
Swedes	47 429	29 %	47 %	24 %	1 %
1 comprehens 2 upper second			3 university col - unknown	lege	

Starting from the beginning of the 90's the number of immigrating males from the Baltic States and Russia steadily decreased while at the same time female numbers developed the other way around. A change like this cannot be observed among Polish immigrants, where woman has "always" been in clear majority. According to a survey on immigrants in Sweden 1995 (by Statistics Sweden) immigrants from Eastern BSR Countries have a high level of education. In 1994 more than half of them held a degree matching the Swedish university college level except for Poles of

whom only 32% held a university college degree. Almost none of the immigrants had an educational level lower than the upper secondary school. However, the survey suffers a lack of information for the educational level for one third of the Eastern BSR migrants surveyed.

In comparison with the educational level of the Swedish reference group the above statement substantiates our findings. While the most common educational level among Swedes is the upper secondary school level, immigrants from the Eastern BSR Countries are far more highly educated. This indicates an outflow of highly skilled Eastern BSR labour force to Sweden. However, if immigrants with unknown education are assumed to have a lower formal education, we expect as many as one third of the Polish and Russian immigrants to have severe problems in being absorbed into the Swedish labour market.

### Labour market careers of new Eastern BSR immigrants to Sweden 1991–96

The gross stream figures of Eastern BSR immigrants to Sweden reveal a continuing high non-employment rate after 2 years stay in Sweden. Here, the non-employed comprises registered unemployed, students and other persons who are not economically active. On average only every fifth new migrant from Eastern BSR (21%) is employed after 2 years. Men are more often em-

Baltic States		1991	1992	1993	1994	1995	1996	1991–96
Employment	total	24	21	19	21	23	28	22
1 - 7	men	13	18	20	27	27	25	23
	women	33	23	18	19	21	28	22
Non-employment	total	76	78	74	73	72	67	73
	men	88	82	71	65	65	67	70
	women	67	76	76	77	73	66	73
Returned or dead	total	0	1	7	5	6	6	5
	men	0	0	9	8	8	7	7
	women	0	1	6	4	5	5	5
Poland								
Employment	total	24	20	20	21	23	25	22
, ,	men	35	24	32	32	34	37	32
	women	21	19	18	18	19	21	19
Non-employment	total	73	77	77	76	71	69	74
, ,	men	58	70	62	61	56	57	61
	women	77	79	80	80	76	74	78
Returned or dead	total	3	3	3	4	6	6	4
	men	7	5	6	7	10	6	7
	women	2	2	2	3	5	6	3
Russia								
Employment	total	21	18	19	18	19	21	19
1 2	men	27	28	38	25	32	30	29
	women	17	13	11	15	14	18	15
Non-employment	total	75	77	77	78	76	75	76
· 1 · · J	men	66	63	56	69	60	64	64
	women	80	84	85	81	82	79	82
Returned or dead	total	5	5	4	4	5	4	5
	men	7	9	6	6	8	5	7
	women	3	3	4	4	4	3	4

ployed. This holds true for migrants from all countries and for almost every year. The rate of employed men is sometimes twice as high as that for women. Especially for Russian and Polish immigrants this employment gap follows the pattern. Although immigrants from the Baltic States show the same total employment figures as

Russians and Poles, these figures are distributed equal among men and women. Baltic women who immigrated within the first two years of 1991 and 1992 have been more often employed than Baltic men after two years. This, of course, is the only exception. Although far more women than men immigrate from Eastern BSR

Countries to Sweden, women seem to be less active on the Swedish labour market.

The low employment figures cannot be motivated by return migration to the countries of origin. Really few migrants returned to their countries or died within two years after immigration. The opposite is true that 79% of the im-

Table 10. Employment by sector 1991–96 after 2 years (shares in%)

Sector	Balts	Poles	Russians	s Swedes
Health and care	14,3	17,8	11,8	19,8
Manufacturing	9,8	15,9	8,8	18,4
Retail	9,8	10,8	12,8	12,2
Business service	19,6	21,2	20,4	9,1
Education	18,8	5,4	15,6	7,4
Transport etc	4,1	4,7	4,1	6,9
Public administration	2,9	0,6	1,3	6,2
Construction	0,4	2,2	1,4	5,9
Public and personal service	7,8	4,1	11,5	4,1
AgricutIture etc	3,3	3,9	1,3	2,5
Finance service	0,4	0,2	0,7	2,2
Hotel and restaurant	6,5	9,4	4,4	1,8
Other	2,4	3,9	6,0	3,4
Nr. employed*	245	1004	705	33 952

<sup>\*</sup> Eastern immigrants: sum of employed during period; Swedes: average number employed during period

facturing and hotel and restaurant branch. Balts and Russians mainly work with education, including interpreting. Some few people have been contracted by public administration and financial service.

The above results correspond with Table 4 (employment structure of the Estonians and Poles). In line with general structures of employment by sector for the highly developed countries as Sweden, most immigrants work in the services followed by manufacturing.

Table 11 shows the percent of immigrants according to gender and their income level after 2 years. The most common annual income among new Eastern BSR migrants varies between 50 and 100 thousand SEK. Around 30 percent have an income at this level. By contrast 35 percent of the employed Swedes enjoy more than 200 thousand SEK a year, which is more than double as much as the most common migrants income. Only 13 percent of the migrants have been employed at the higher income level. Immi-

migrants from Eastern BSR countries are still classified as non-employed labour force after 2 years.

Table 10 projects the sectors of employment for the migrants from Eastern BSR Countries after 2 years. Firstly, on average only 21 % of all migrants between 1991 and 1996 have been employed after 2 years. Hence, the employment figures of the table are based on the career of 1954 people. Secondly, more men than women are in employment, with the exception of the Balts.

After 2 years employed migrants from Eastern BSR Countries can be found in every sector of the economy including public administration. There is no sector that can be said to strictly dominate the employment structure. Although some sectors usually employ more people from Eastern BSR Countries than others. Most people are employed in business service, which include a wide range of services such as cleaning and consulting. Around one fifth of the migrants from every Eastern BSR Country work in this sector, which includes a wide range of jobs - from cleaning to professional consulting. Health and care comprises some 15 % of the migrants and is dominated by the Poles as are the sectors of manu-

Table 11. Income level b	able 11. Income level by gender after 2 years 1991–96 (shares in %)														
Income level (in 1000 SEK)	< 50	)		50–1	00		100-	150		150–	200		200+		
Gender (1 men, 2 women)	total	1	2	total	1	2	total	1	2	total	1	2	total	1	2
Balts	14	8	17	26	15	31	20	19	21	22	27	20	17	31	11
Poles	21	11	25	31	24	35	25	22	27	14	24	10	8	19	4
Russians	19	10	27	29	23	35	20	18	22	12	16	9	19	34	7
All BSR	19	10	24	30	23	34	23	20	25	15	21	11	13	27	6
Swedes	7	5	9	13	9	17	19	11	27	26	25	28	35	50	19

grant men often reach this income level.

The income pattern by gender is in line with traditional income patterns for the immigrants and also for the Swedes. Many migrant men enjoy a high income while the income of the women is usually lower. Very likely the male Balts, Russians and Poles with an income over 200 000 SEK are employed fulltime in jobs requiring some special knowledge demanded in Sweden.

### Concluding remarks

Immigration from East to West has stabilized at a certain level since the first years after the fall of the Iron Curtain. However, the net immigration from Russia to Sweden is now at a comparable level as from each of the countries of Denmark, Finland and Germany. East-West integration is becoming more significant than before. Two thirds of immigrants from Eastern countries are women.

The majority of immigrants admitted receive permanent residence permits due to reunion with close relatives. The second largest groups are visiting students, although a slowly increasing

number of immigrants stay in Sweden because of labour market criteria. These people are generally specialists and key-persons in business firms.

According to a sample survey, the majority of immigrants from non-Nordic countries are poorly absorbed in the Swedish labour market. On the average only 42 percent were employed in 1999. Between 1991 and 1996 only some 20 percent of the new immigrants from the Eastern BSR were employed in Sweden two years after arrival. This low rate of labour participation has remained over time. We do not have any information on the process of integration in a longer perspective, but we know that "old" immigrants from the earlier Soviet Union are generally well integrated in the Swedish labour market.

Very common among employed immigrants from Eastern BSR Countries is a much lower income level (50–100 thousand SEK) than that of Swedes. However, there is also a significant number of experts, predominately male, from Eastern countries that occupy full-time jobs in Sweden and earn relatively high incomes. The income for men is more often higher than

for women in both groups, although among Swedes on a general higher level. Hence, the income pattern by gender matches traditional income pattern.

The educational level is high among the new migrants – more than half of Poles and Russians have a university degree. One explanation can be that some of them are continuing education in Sweden. However, one third of the immigrants have low formal education, and will expect difficulties entering the Swedish labour market

The patterns of immigration from on the one hand the Baltic States and the other hand Poland and Russia seems to be different in many cases, some times the reverse. However, many of the figures do not tell something about the immigrating patterns from each of the Baltic States. Deeper analyses will have to rely on further small stock and flow data.

Paper to be presented at the RSA conference on regional transition: European regions and the challenges of development, integration and enlargement, Gdansk, Poland 15th—18th September 2001.

#### References

Berglund, S. & Johansson, M. (1995), The Baltic Area and Labour Mobility. In Lundqvist, L & Persson L-O (eds), Baltic Regions and Baltic Links. Nord-REFO 1995:2.

Bergström, V. (ed), (1997), Arbetsmarknad och tillväxt. Tio års forskning med facket. Ekerlids Förlag, Falun.

Central Statistical Office, Warsaw (1995), The Baltic Sea States. Warsaw.

Ekberg, J. (1993), Geografisk och socioekonomisk rörlighet bland invandrare. ERU Rapport 78. Fritzes.

Fischer, P. and Straubhaar, T. (1996), Migration and Economic Integration in the Nordic La-

bour Market. Nord 1996:2. Nordic Councils of Ministers. Copenhagen.

Hedegaard, L. & Lindström, B. (eds), The NEBI Yearbook 1998, 1998, 2000. North European and Baltic Sea Integration. Springer.

Häggström, N., Borgegård, L-E. & Rosengren, A. (1990), När fin-

- ländarna kom. Migrationen Sverige-Finland efter andra världskriget. Statens institut för byggnadsforskning.
- Johansson, M. (1997), "Factor mobility and regional specialization". In Owsinski, J. W. & Stepaniak, A. (eds), The Nordic-Baltic Europe: Integration Risks, Barriers & Opportunities. Wasaw-Sopot.
- Johansson, M. (1998), "Integration, flows and Networking in the Baltic Sea Region during Rapid Economic Transformation". In Manniche, J. (ed), Searching and Researching the Baltic Sea Region. Bornholms forskningscenter, Report 17/1998.
- Korkiasaari, J. and Söderling, I. (1999), Finnish Migration and Immigration after World War II. Institute of Migration. Turku.
- Lundborg, P. (1991), "Determinants of Migration in the Nordic Labour Market". Scandinavian Journal of Economics, 1991, no 3.
- Lundborg, P. (1992), Svensk ekonomi och den fria arbetskrafts-

- rörligheten. Bilaga 18 till LU 92. Allmänna Förlaget. Stockholm.
- Lundborg, P. (1998), "Fri arbetskraftsrörlighet mellan Sverige och nya EU-medlemmar". In SOU 1997:153, Arbetskraftens fria rörlighet – trygghet och jämställdhet. Stockholm.
- Lundh, C. and Ohlsson, R. (1994a), Från arbetskraftsimport till flyktinginvandring. SNS.
- Lundh, C. and Ohlsson, R. (1994b), "Immigration and Economic Change". In Bengtsson T (ed), Population, Economy, and Welfare in Sweden. Springer-Verlag.
- Martin, P. L. (1992), "Trade, Aid and Migration", International Migration Review 26:1, 1992.
- OECD (1993), The Changing Course of International Migration. OECD, Paris.
- Persson, L.O. (2000): Emerging mobility patterns across the Baltic Sea to Stockholm Region. In Owsinski J. W and Johansson, M. (eds.): Global-local Interplay in Baltic Europe.

- Warsaw: The Interfaces Institute. 2000
- Persson, L.O. (2000): Potential labour mobility between the Baltic States and Sweden. In Bröcker, J. & Herrmann, H. (eds): Spatial Change and Interregional Flows in the Integrating Europe. Heidelberg: Physica-Verlag. 2000
- Scott, K. (1999), The Immigrant Experience: Changing employment and Income Patterns in Sweden, 1970-1990. Lund studies in Economic History 9. Lund University Press.
- SOPEMI (1997), Trends in International Migration. Annual Report 1996. OECD.
- Statistics Finland (1997), The Baltic States in Figures. Helsinki.
- Stockholm Institute for East European Studies (SIEEE) (1997), Key Economic Indicators for Eastern Europe. Stockholm.
- Söderling, I., ed, (1998), A Changing Migration Pattern in Finland and Its Surroundings. Helsinki: Population Research Institute.