

SYNTHESIS REPORT

Discrimination against native Swedes of immigrant origin in access to employment

Research study on Stockholm, Malmo and Gothenburg

December 2006

Background

In 2005, 12% of the Swedish population was foreign born. Among those of working ages (15 - 64), around 15 per cent of the population was born in another country than Sweden.

In the Swedish debate the situation of immigrants relative to the labour market is one of the most important and frequently used measures of their integration into Swedish society. Especially in terms of governmental policy, the reduction of immigrant unemployment has been repeatedly advocated as the most important objective in terms of combating segregation and increasing integration.

The 2001 report of the Swedish Integration Board (Integrationsverket) states:

The most important cause of marginalization and exclusion is the lack of work and of the ability to support oneself ... The most important task for the policy of integration is to create the necessary prerequisites for people to support themselves ... Employment is the principal lever for integration. A place in the Swedish labour market is the key for each individual to be able to build his or her own life project (p. 17).

Increased labour market integration is generally shown to lead to increased integration in other areas, just as unemployment leads to increased marginalization. As argued by Frank Bovenkerk¹,

"denial of access to the desirable sections of the labour market..." will have as a consequence,

"that immigrant groups will eventually end up being part of an ethnic underclass... Rejection in the labour market results in restriction of possibilities of finding suitable housing and this in turn results in relocation in neighbourhoods where children encounter fewer chances to follow good education. Poor education makes for poor chances in the labour market and so on... Rejected groups find themselves suffering from a multitude of social problems (poverty, crime, substance abuse, etc.) that makes it hard to escape from this vicious circle... In combination these processes can be expected to pervert values of equality, breed social conflict and end up in political turmoil. An unequal society divided by ethnicity or 'race' produces both resistance by the by the minorities and provocations by a strong ultraright."

Situation Testing

Fighting discrimination on the labour market is the most strategic and effective way to break this circle. Bovenkerk and the International Labour Organisation (ILO) developed a methodology aimed at measuring the level of unequal treatment on the labour market, i.e. the level of discrimination. A pair of testers, one of native origin and one of immigrant origin, are matched to apply for the same jobs. The testers are as similar as possible in terms their job application profile as well as in actual

¹ 1992, pp. 1.

appearance, attitude, personality etc. The difference in the outcome of their applications is then calculated to measure direct discrimination in access to employment.

Practice Tests or *Situation testing* are close to reality; they focus on actual behaviour - rather than on subjective statements - of employers seeking to fill vacancies. Test outcomes cannot be influenced by socially desirable answers as the employers tested are not aware of the experiment. Confidentiality is rigorously maintained.

Pairs of *candidates*, comprising one *majority* and one *minority* applicant whose characteristics match except for their ethnic background, present themselves to prospective employers. In this way it can be tested whether migrant applicants have more difficulties in obtaining employment than national candidates. All testers and project supervisors are thoroughly trained and supported throughout this process.

A minimum of 175 vacancies are tested in each labour market area for each variable in order to arrive at statistically valid conclusions with respect to the occurrence of discrimination.

Practice Testing Procedure

The testing procedure is comprised of the following steps:

- (1) **Voice inquiry:** Testers call to inquire about the availability of the advertised position. Testing "pairs" are trained to match their personal styles, such as level of assertiveness. The critical event in Step 1 is obtaining an invitation to formally apply for the job.
- (2) Written application: Testers submit formal applications for the job. Careful preparations ensure consistent responses when employers call back for an interview. The critical event is the invitation to Step 3.
- (3) **Job interview:** Testers engage in face-to-face interaction with the prospective employer. It is essential that the pair of testers make similar first impressions, since research indicates that first impressions matter a great deal. The critical event is the offer of employment.

There are four outcome options:

- Neither is offered a job
- The minority tester alone is offered a job
- The majority tester alone is offered a job
- Both are offered jobs. They may not necessarily be offered equal jobs, and such differences in treatment are also recorded.

The individual case is discontinued as soon as the employer declares a preference for one tester over the other: or if both testers are rejected. This could take place at any one of the three steps.

At all times the actual identity of the employer, as well as the tester, is kept confidential. The aim of the study is not to single out discriminatory practices by individual employer, but to measure the direct discrimination taking place, consciously or unconsciously, in the employment situation.

The testing has been conducted in Belgium,, France Germany, Italy, Netherlands and Spain by the ILO (similar research was conducted independently by academic institutions in Denmark and Switzerland).

Testing in Sweden

In 2005, the Swedish government agreed to study the level of labour market discrimination in the country. The Swedish authority for integration policy, the Integration Board, (Integrationsverket), commissioned the International Labour Organisation, ILO to conduct the study in accordance with the standards of the Bovenkerk/ILO methodology.

The target group for the Swedish study has been native-born young adults (20-24 years), both male and female, with a Middle East background in Stockholm, Malmö and Gothenburg. Immigrants from the Middle East –Iran, Iraq, Syria—comprise one of the largest immigrant-origin group in Sweden. As in other countries where testing was done, the target group is the largest or among the largest immigrant/immigrant origin nationality group. All testers spoke Swedish fluently and assumed testing profiles with the only differentiation being names for the minority testers that indicated Middle East origins.

The study was performed by Ramböll Management, a private company specialized in research, evaluations and public sector policy development.

Outcome

The study shows that there are serious inequalities in the Swedish labour market regarding access to employment for Swedish employment seekers of immigrant background, and a foreign sounding name.

The table below shows that there are significant differences between the majority and minority testers in terms of how many jobs they need to apply to before being preferred or chosen.

Number of tries necessary before being preferred or chosen								
	Gothenburg		Malmö	Stockholi		m Total		
	Female	Male	Female	Male	Female	Male	Female	Male
Tries for the minority	26.4	7.0	11.9	18.4	7.2	10.8	11.1	10.4
Tries for the majority	4.1	3.3	5.0	5.2	3.6	4.1	4.1	4.1
Difference	22.3	3.7	6.9	13.2	3.6	6.7	6.9	6.3
Multiplier	6.4	2.1	2.4	3.5	2.0	2.6	2.7	2.6

On the high end are the females in Gothenburg where the majority was preferred or chosen once every fourth time, whereas the minority applicant had to apply to over 26 job openings before being offered a chance. In Malmö the minority males had to apply to around 18 jobs, before being preferred or chosen, where as the majority needed to apply to around 5 jobs. Other results are a bit more moderate, with the lowest difference being for females in Stockholm, where the minority testers "only" had to apply to approximately the double number of openings to be preferred or chosen, compared with majority females.

It is easy to comprehend the difficulties and the frustration of the individual applying for a job when it takes such effort to be preferred or chosen. To be repeatedly rejected takes its toll on self confidence and motivation, which can also be further illustrated by this transcript of a telephone call in which unequal treatment was manifested.

Stockholm, Female, Case 239 Position as waitress, restaurant **Call 1 Minority** Minority tester: Hello, my name is Zainab XX Employer: Hello Minority tester: I am calling about your advertisement Employer: Wait a minute, I have to get a pen... ok, and your name was? Minority tester: Zainab XX **Employer: Reina?** Minority tester: No. Zainab! Employer: Can you please spell it? Minority tester: Z A I N A B Employer: Zainab, ok, and how old are you? Minority tester: I am 23 years old. Employer: Have you worked in a restaurant before? Minority tester: Yes, in bars and restaurants. Employer: And what did you do there? Minority tester: I worked as a waitress. I also went to hotel- and restaurant school. Employer: Ok, where do you live? Minority tester: Söder, in Stockholm Employer: Söder, ok, I will take your phone number so that I can get back to you. We have a lot of applications already, but I make a note here that you have some experience. Minority tester: Yes... Employer: I will call you back when I went through all the applications. Minority tester: Do you want me to send in a CV or something? Employer: No, not yet, I call you back. Just give me your telephone number. (The tester gives her the telephone number and the phone call is completed)

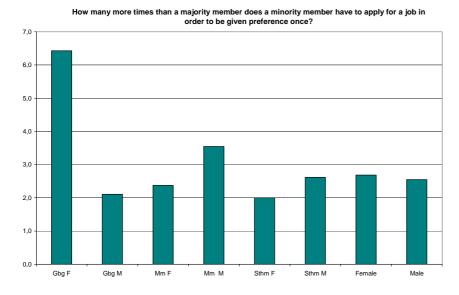
Call 2 Majority

Majority tester: Hello, my name is Lovisa XX Employer: Yes hello Majority tester: I am calling about your advertisement Employer: Ok, how old are you Lovisa? Majority tester: I am 23 Employer: Have you worked in the restaurant industry before? Majority tester: Yes I have. In a restaurant in Norrköping and in a café. Employer: Have been serving food? Majority tester: Yes I have. Employer: Okay, where do you live? Majority tester: Södermalm Employer: Söder, okay.

(Then asks the tester if she knows how to get from there to the restaurant. The tester tells the employer that she has a car. Then the employer invites the tester to an interview the day after. An appointment is made and the phone call is completed).

By employing the measure of cases before being given preference it is also possible to calculate a multiplier, i.e. how many more times a minority applicant as to try before he or she is chosen. As the figure below shows the most marked result is for Gothenburg, however this do not influence the overall female results which lies very close to the male results, due a reverse situation in the other cities (i.e. minority males had to apply to more jobs in order to be preferred than minority females).

How many applications were needed to be given preference?



Stage by Stage Results of testing

A total of 735 female cases were conducted and 696 male cases, which mean that in total 1,431 cases were started in Sweden.

Results at first stage "Telephone call"

In the table below the results for the telephone stage is presented. As the table shows, a considerable number of cases went directly to CV, done when employment ads specified NOT to call, but to send a CV directly instead.

Results for Sweden at the phone stage

First stage Telephone call	Female	Male
1 Total number of cases	735	696
a) No contact	57	25
b) No applicant accepted	21	51
c) Phone skipped - direct to CV	166	176
1.2 Total valid cases	657	620
1.3 Valid and usable cases phone stage $(2 - 1c)$	491	444
a) Both applicants accepted	411	345
b) Only the majority applicant accepted	41	59
c) Only the minority applicant accepted	25	28
d) dropped/lost cases	14	12
1.4 Net discrimination (3b-3c)	16	31
Net Discrimination Rate NDR (%) (1.4/1.2 x 100)	2	5
1.5 Continuing to next stage	577	521

Results at this stage of the testing were low, with a net discrimination rate of 2 percentage points for the females and 5 percentage points for males. The results at this stage signal a fairly equal treatment of the minority respective the majority tester, but nonetheless there is still a difference in the outcome.

In the actual situation of calling there were a number of cases where discrimination was manifested directly, such as described in the following transcript from a test conducted in Malmo:

Females Malmö, Case 85, restaurant, waitress **Call 1 Minority** Minority tester: Hello, my name is Jasmina XX and I am calling about the job as a waitress. Employer: Eh, sorry to say, but the vacancy is filled. Minority tester: Okay. Employer: Yes, thank you. Minority tester: Thank you bye. Employer: Bye. **Call 2 Majority** Majority tester: Hello my name is Carolina. Employer: Hello! Majority tester: I am calling about the job as a waitress that you are advertising for. Employer: Yes, have you experience? Majority tester: Yes I have, one year. Employer: As a waitress in a restaurant? Majority tester: Yes. Employer: Okay, eh... what else do you do? Majority tester: I am from Småland, but moved to Malmö a month ago. I studied one semester but I want to work again, I don't have a job at the moment. Employer: Eh... so you are not up to anything else at the moment? Majority tester: No. Employer: Can you come in here tomorrow? Majority tester: Yes, I can do that! Employer: Okay, that's nice! Majority tester: Okay, bye Employer: Bye

Clearly in this case there was an unequal treatment, where the employer resorted to saying that the vacancy was filled in order to end the call from the minority tester. In other cases the manner in which the minority tester was dismissed was more subtle and difficult to reveal had it not been for the majority caller, as manifested in the following case:

Stockholm Male, Case 179, Restaurant **Call 1 Minority** Minority tester: Hello, my name is Junus XX **Employer: Hello** Minority tester: I am calling about your advertisement for a waitress or waiter Employer: It's waitress in your case, is it? Minority tester: No, its waiter *laugh* Employer: We are looking for a girl Minority tester: You are looking for a girl? Employer: Yes Minority tester: Ok, yes but... Employer: Sorry Minority tester: Well, that's a pity Employer: Yes, but we actually do! Minority tester: Ok, thank you Employer: Thank you, bye **Call 2 Majority**

Majority tester: Hello, my name is Martin Employer: Hello Majority tester: I am calling about your advertisement for waiters and waitresses Employer: Yes, ok Majority tester: Are you the right person to speak to? Employer: Yes absolutely, what did you have in mind?
Majority tester: Well I want to send in an application for the job, but I have some questions about the salary.
Employer: Ok, but you should talk to the restaurant manager about that, it depends on your previous work experience and so on.
Majority tester: Ok, I understand, but I will send in my CV then.
Employer: Yes, and what was your name?
Majority tester: Martin XX
Employer: Yes, Martin. Great Martin, send in your CV. The Manager will read it and get back to you.
Majority tester: That's nice! Tank You.
Employer: Yes, thank you and bye, bye!
Majority tester: Bye!

In this case the minority was immediately dismissed on the grounds of sex (which is not legal) although this later proved to merely be an excuse when the majority tester called.

However, there were also cases when unequal treatment was to the disadvantage of the majority caller, as the following case illustrates.

Stockholm; Female, case 56 (tester C and D) shop assistant

Call 1 Minority

Minority tester: Hello, my name is Zainab XXXX, I am calling about your advertisement for a shop assistant Employer: Yes that's right Minority tester: I wanted to ask you some questions about the post Employer: But can you please send in a CV like every body else? Minority tester: Yes of course, I can do that! Employer: Do that, that's easier, because I really don't have time to talk to you on the phone right now Minority tester: You don't? Employer: No, we have clients here at the moment, so it's much easier if you just send it in. Minority tester: Okay, but can you please tell me when I can expect an answer from you? Employer: No, it says clearly that you are supposed to send in your application by E-mail. Minority tester: Yes, but I just wonder when I can expect an answer. Employer: As soon as I get it, I will read it and get back to you if it something for us Minority tester: Ok, bye Employer: Bye **Call 2 Majority** Majority tester: Hello, my name is Anna Employer: Is it about the job advertisement you are calling?

Majority tester: Yes, exactly. Employer: Ok, did you send in your CV already?

Majority tester: No not yet, I just wanted to talk to you about the job first...

Employer: Okay, we have already got a terrible amount of applications, so we decided not to accept any more applications now. We have got more than 100 applications by now.

Majority tester: Oh, so there is no need for me to send in one then, is it?

Employer: No, it's not. We have already got too many of them.

Majority tester: Yes, I understand, but thank you anyway

Employer: Yes, thank you, and bye

Majority tester: Bye

In this case the employer tells the second caller that they have a "terrible" amount of applications, and it is clear that in both calls the employer is stressed about the fact that several job seekers are calling and sending in their CV.

Results at second stage "Invitation to an interview"

At the second stage of the testing the outcome could be that neither tester was invited to interview, that one of the two testers was invited, or both were invited. As the table shows, the results produced a differential outcome of the testers' applications, with a net discrimination rate of 12 percentage points for women and 10 percentage points for men.

What is also interesting regarding the testing in this stage is that of all the submitted applications, only 13 percent (39+34) for the women, and 6 percent (16+20) for the men, resulted in both applicants being invited to an interview. The results at this stage demonstrate one of the particularities (and difficulties) of the Swedish labour market, i.e. that it is difficult for a young inexperienced person to enter the labour market. Even so, the results show that it is harder for a person with an immigrant background to get a job, with a cumulative net discrimination rate at 14 percentage points for females and 15 percentage points for males.

Second stage Invitation to an interview	Female	Male
2 Usable cases	577	521
a) Both rejected	77	77
b) No reply to CV	307	283
c) Both testers invited	39	16
d) Only the majority tester invited	88	86
e) Only the minority tester invited	11	24
f) CV skipped - interview direct	34	20
g) dropped/lost	19	15
2.1 Net discrimination (d-e)	77	62
Net discrimination Rate NDR (2.1/1.2) %	12	10
Cumulative Net Discrimination Rate at second stage %	14	15
Continuing to next stage (c+f)	73	36

Sweden as a whole - Results at the second stage

Of all the cases that went on to stage two, less than half led to an actual outcome, whether it was that both were rejected, one invited, or both invited. The percentage of cases where no response was given at all to the CVs sent in was around 60 percent. This means that only a few cases went onwards to an interview.

Excluding the cases where no response was given whatsoever to the CV, the cumulative NDR increases dramatically, to 29 percentage points for females and 21 percentage points for the males. These figures correspond well to the correspondence testing² carried out by Carlsson and Rooth during 2006, where the overall NDR was calculated to be 29.6 percentage points, using an equivalent mode of calculation.

In other countries where testing was conducted, the larger share of discriminatory behaviour took place at the first stage, a telephone call, whereas in Sweden the larger share of the discrimination clearly takes place at the second stage, an invitation to interview.

² Correspondence testing is conducted by submitting applications in written form from a pair of candidates, majority and minority, with similar qualifications, and then calculating the difference in outcome.

Results at third stage "Offer of a job"

In total for the females 73 cases continued after stage two (i.e. both were in either the first stage or second stage invited to an interview), and for males it was 36 cases. Given the low number of cases at this stage, only the overall cumulative net discrimination rate is presented, as percentage points.

Third stage - Offered a job	Female	Male
3 Usable cases	73	36
a) Interviews did not take place	45	20
3.2 Interviews took place	28	16
a) Job not offered to any of tester	5	6
b) Job offered only to majority tester	5	2
c) Job offered only to minority tester	7	2
d) Job offered to both testers	11	6
3.3 Net discrimination (b-c)	-2	0
Cumulative Net Discrimination Rate (%)	14	15

Excluding cases dropped or lost, the testing found a net discrimination rate of 16 percentage points, for females as well as males. If only cases in which a response is given are used, the overall cumulative NDR is increased to 34 percentage points for women and 32 percentage points for the men.

According to information from employers who were given a follow-up call, as many as 300 applicants would send their CVs for the same job, and the employers had little opportunity to actually go through all of the CVs. This may be one of the reasons that only a few of cases went onwards to stage three, the offer of a job.

The testing did not show significant differences among the cities with regard to the net discrimination rates. However, a higher level of discrimination was observed in the sectors that present a statistically significant prevalence of foreign born in the labour force, namely Hotel and Restaurant work, and Other private Services. The third sector that the testing concentrated on, Retail and Trade, showed a significant difference favouring natives, and also presented the lowest overall net discrimination rate.

<u>Reference to other countries</u>

The testing methodology is not designed to measure and compare the level of discrimination between different countries. Comparisons are not valid since many factors specific to each national labour market affects outcomes.

Nonetheless, it may be useful to note for reference that, while the situation and context differs in Sweden, some similarities arise when looking at the experience of 'minority' testers in other countries.

The table below shows that the experience of 'minority' testers in Sweden was quite similar to that of other countries, in terms of how many applications they needed to submit in order to be preferred.

International references – cases per being given preference³

	Tries per case of b	eing preferred	Multiple	Difference	
	Majority	Minority			
Gothenburg	3.2	6.7	2.1	3.5	
Malmö	4.8	16.9	3.5	12.1	
Stockholm	3.6	9.5	2.6	5.9	
Brussels	1.6	6.6	4.1	5.0	
Antwerp	1.8	7.5	4.1	5.6	
Liege	1.3	3.1	2.4	1.8	
Barcelona	1.5	13.1	8.6	11.6	
Madrid	2.1	9.9	4.6	7.8	
Malaga	1.3	21.0	16.0	19.7	
Turin	1.5	5.1	3.3	3.5	
Rome	2.0	21.8	11.0	19.8	
Naples	2.0	6.3	3.1	4.2	

Job applications per case of being given preference, young males by city in four countries (including cases of both

It is also noteworthy that the majority tester in Sweden had to apply to nearly double as many jobs as majorities in other countries in order to be given preference. The study itself cannot offer an explanation. This may show the differences in labour market conditions between different countries and the different years in which the testing was done.

The study measures existence of unequal treatment, but cannot determine the grounds for it. Using the original method of calculating the discrimination rate, the results in Sweden show a significant level of discrimination, but it appears lower than results in other countries mainly at the first stage of application.

The overall standard cumulative net discrimination rate (NDR) for females was 14 percentage points and for males 15 percentage points, contrasted with NDR's between 25 to 40 percentage points in previously conducted studies. The difference is particularly the case at the first stage of application, the telephone call. In other countries rates at this stage ranged from 14 percent in Denmark to above 30 percentage points in the Netherlands and Spain. In Sweden the rate is 5 percentage points.

However, at the second stage, results in Sweden are close to results in other countries. And overall, when all cases where the employer never responded to a CV at all are excluded, the Sweden result is similar to results in other countries. If all cases where no response was obtained to written application, the Sweden study obtains a NDR of 32 percent for females and 34 percent for males.

A number of factors may explain, individually and in combination, the differences among outcomes in different countries, in particular Sweden. The study results coincide with other data showing the Swedish labour market to be particularly tight for youth employment. The target groups tested were different in other countries; the studies in Italy and Spain tested the situation of "first generation" male immigrants in countries where immigration is a recent phenomena.

Another factor is how long and to what extent anti-discrimination legislation, monitoring and enforcement mechanisms, and public awareness efforts have been in place. Sweden has a considerable history of legislation and institutions to combat discrimination. In other countries, little or none of these elements existed at the time of testing, let alone prior to it.

³ The testing was conducted during the following time periods **Spain**: September 1994 to January 1995; **Belgium**: Autumn 1995 to spring 1996 and autumn 1996 to spring 1997; **Italy**: February to June 2003; **Sweden**; November 2005 to August 2006

The way forward

The target group for the testing study is currently relatively small in terms of number of people in the age group born in Sweden. However, this group of Swedes is growing as more and more people reach employment age. If account is taken of immigrants who arrived at an early age and are now in school, a steadily growing stream of people of immigrant background educated in Sweden will soon be seeking access to employment.

The outcome of this study reinforces concerns articulated in other studies and government commissioned investigations: marginalisation in Sweden remains a serious challenge, particularly as large groups of native youth of immigrant origin and foreign born youth enter the labour market. Unless young Swedes of immigrant origin are given equal opportunities and access to employment, there is a risk of increasing social exclusion and decreasing cohesion in society. A considerable proportion of a generation of able and potentially productive citizens is at risk of being lost and marginalized.

While the legal and institutional framework against discrimination in Sweden may be considered quite well developed, the implementation in terms of training, monitoring, promotion of good practices and other aspects may be inadequate and can certainly be improved.

The findings of this study prepared by the independent research agency Ramböll Management will permit ILO to include recommendations in a final report towards strengthening measures against discrimination and for equality of treatment in Sweden. To do so, ILO will draw on its unique and extensive knowledge base and experience in the field of discrimination and equality in employment.

ILO has just published its Multilateral Framework on labour migration, providing policy guidelines and good practice examples on discrimination and integration as well as other relevant policy aspects4.

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⁴ Multi-lateral policy Framework for Labour Migration. ILO. Geneva. 2006. Available on line at: <u>www.ilo.org/migrant/download/tmmflm-en.pdf</u>