

Labor-intensive service firms are more likely to recruit unemployed non-Western immigrants

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Sweden has received a high inflow of refugees per capita compared to other European countries, and non-Western immigrants have difficulties in entering the Swedish labor market. Despite its importance, we have limited knowledge on which types of firms that offer jobs for unemployed immigrants of non-Western origins. In a recent [publication](#), we try to fill this gap by investigating which firms that are recruiting unemployed immigrants from Africa and Asia using matched employer-employee data from Statistics Sweden.

Our results show that labor-intensive service firms are more likely to recruit unemployed immigrants from Africa and Asia. About 27 % of all unemployed hired by firms in the accommodation and food service industry during 2011-2015 were born in Africa or Asia, while the corresponding share in the construction industry was 5 %. However, only 3.5 % out of all recruitments in the accommodation and food service industry were unemployed immigrants from Africa and Asia, and in many industries this share is lower than 1 %.

Our results suggest that labor-intensive service firms are the most important job providers for unemployed non-Western immigrants. However, the recruitment of an unemployed immigrant from Africa or Asia is at the same time a very rare event. The average firm only hired 0.04 unemployed immigrants from Asia and Africa per year during our study period, which corresponds to approximately 7,500 individuals.

Figure 1. Share of immigrants born in Africa or Asia of those hired from unemployment and of total hires, per industry, 2011-2015.

