

# Statement of Government Policy

13 September 2016



Government of Sweden

In the Statement of Government Policy presented on 3 October 2014, the Government laid out its plans for the entire electoral period. This Statement of Government Policy primarily concerns the 2016/17 Riksdag session.

Your Majesties, Your Royal Highnesses, Mr Speaker, Honourable Members of the Riksdag,

We live in an age of contradictions.

Our security, our prosperity, our health, our democracy, our climate – challenges unite the countries of the world, in setbacks and success. A banker's speculation in Manhattan jeopardises jobs in Malmö. City developers in Shanghai are assisted by research from Chalmers. Climate adaptation in California creates optimism in Karlskoga.

While societies and people are becoming increasingly interconnected, we are being torn apart. We see growing gaps between rich and poor, between urban and rural areas, a divided labour market, anxiety and uncertainty about our own future and that of our children.

Understanding that the future – yours, mine and ours – is a common future must permeate policy in our country. Sweden must stand together.

Inwardness has never been Sweden's path. Openness to the world characterises Sweden and the everyday life of every inhabitant. For a small nation with high ambitions for jobs, climate and education, this is a decisive choice. Today, leadership calls for broad and active collaboration – locally, nationally and internationally.

The Government's response is therefore twofold: we will advance Sweden by building our society and by choosing cooperation.

\* \* \*

Two years have passed since the parliamentary election. Sweden's economy is performing strongly. The Government has changed the direction of Swedish policy – from tax cuts and cutbacks to vigorous investments in building our society. We are beginning to see results.

So far, 120 000 additional jobs have been created. Employment rates are the highest in the EU. Youth unemployment is declining. Today, significantly more school leavers can look forward to a job or higher education. For the first time in more than seven years, unemployment is under seven per cent. The budget deficit has essentially been wiped out. Public finances are in good order.

The years of welfare cutbacks are over. Over the last two years, an extra 13 000 people have been employed in schools alone. Investments in climate adaptation lead to reduced emissions. Long-term and vital action to curb growing insecurity and break down segregation has begun.

The parliamentary session we have ahead of us will be shaped by the Government's priorities: jobs, education and climate. This is a policy for responsibility – for the future, for Sweden and for the world around us.

Taking responsibility for the future requires us to modernise Sweden – our education system, our energy production, our public administration and our labour market.

Taking responsibility for the world that we are so dependent on requires active global collaboration, solidarity and the recognition that security must be built in partnership with others.

Taking responsibility for Sweden requires us to stand together, develop the Swedish model, and invest in welfare and the things that make our country both strong and secure.

Mr Speaker,

Building our society means focusing on the future.

Strong economic growth, full employment, and socially and ecologically sustainable development lay the foundation for the

possibility of a good life for future generations. Quicker climate adaptation contributes to both new jobs and a more secure world for our children and grandchildren.

Employment growth will continue to be stimulated and labour market matching improved. The objective of achieving the lowest unemployment rate in the EU by 2020 guides economic policy. Initiatives are being taken in broad collaboration – with the business sector, academia and civil society.

Sweden's potential will be strengthened in five areas:

*1. Sweden will compete on the basis of knowledge and expertise – not low wages.* Later this year a research, innovation and higher education bill will be presented. Appropriations to research and third-cycle education are being increased. Sweden's position as a leading knowledge nation will be strengthened.

Today, Sweden's labour market is hampered by a lack of people with appropriate training. Labour shortages are taking their toll on businesses and the public sector alike.

Strong investments are therefore being made in new educational opportunities. The Adult Education Initiative is being expanded to include a special focus on vocational education and training for adults. An education entry grant will be introduced for unemployed people who have relatively little education and training and considerable educational needs. A proposal will be presented to entitle all adults to municipal adult education to complete their upper secondary school education. The quality of upper secondary school vocational programmes is being enhanced. The reintroduction of higher education eligibility is being prepared. Additional measures to achieve the 90-day guarantee are being taken.

Regional collaboration is being strengthened to ensure that vocational education programmes are more responsive to labour

market needs. New arrivals who already have educational qualifications or experience in a shortage occupation will be fast-tracked into jobs. Fast tracks for twenty or so occupations have been set up and the number of participants is increasing steadily. The Swedish Public Employment Service is to be a matching agency with a clearer employer focus.

To address future skills supply in the Swedish labour market, I intend to invite the social partners and industry representatives to further discuss the design of these major education initiatives.

*2. Sweden's exports will grow to create more jobs and increase prosperity.* The Government supports the EU's upcoming signing of a new trade agreement with Canada. The trade and investment partnership negotiations with the United States continue. The objective is as ambitious an agreement as possible while ensuring the ability to maintain and strengthen the protection of workers, the environment, and human and animal health. The agreements must respect democratic decisions. Sweden should be a pioneer of free and fair trade.

The Government's export strategy enhances growth and development opportunities for Swedish enterprises. Export successes are emerging from the creative and climate-smart industries. Initiatives to win major export deals and attract business start-ups to Sweden are strengthened by Team Sweden. Regional export centres are being set up in several places around the country. New embassies are opening in important growth markets – in the Philippines, Peru and Tunisia.

*3. Sweden will be one of the world's first fossil-free welfare nations.* The transition to a green economy strengthens Sweden's competitiveness. Our leading position in international climate action is being consolidated.

In a week's time the largest climate and environment budget in Sweden's history will be presented. A new climate policy framework

and new climate objectives will be adopted. A broad agreement in the Riksdag will see the energy system modernised and long-term, sustainable electricity supply secured for both households and industry. Investment support for solar electricity will increase eightfold over three years. The goal is 100 per cent renewable energy.

The Climate Leap and urban environment agreements are resulting in climate investments for living cities and vibrant rural areas. New electric buses are on the roads of Umeå. New bus roads are being built in Växjö. New tram lines are being laid in Lund. From north to south, investments are being made in biogas, biofuels and charging points. The trend that is seeing more people cycling to work and school will be encouraged. The super green car rebate and reduced preferential taxation of green cars will be extended. The objective is a fossil-free vehicle fleet.

Efforts to protect the environment and ensure a toxin-free everyday life are being intensified. Swedish schools and preschools must be free from harmful chemicals. A strategy for sustainable consumption will be presented. Decisive steps are being taken to ensure that the environmental objectives are met. The principle is simple: it has to be cheaper to be a friend of the environment and more costly to release emissions.

*4. Sweden will be a world leader in innovative and sustainable industrial production.* The five strategic collaborative programmes of the Innovation Council will be set in motion. Innovative solutions are creating next-generation transport, smart cities, a circular and bio-based economy, life sciences, connected industries and new materials.

Industry-related research is being developed. The attractiveness of Sweden's innovation environments is being strengthened.

Self-employed entrepreneurs can employ their first colleagues using the new 'growing support'. Central government venture capital reform will make it easier to get money for new ideas. The new state-

owned company Saminvest will support more innovative and growing businesses. The ‘Smart industry’ reindustrialisation strategy is being implemented.

Public procurements should to be used strategically to contribute to a sustainable society and new innovative solutions. Opportunities offered by digitalisation will be seized for both businesses and citizens. A new digital strategy will support the business sector and social development. To enhance service and accessibility, the digital transformation of Swedish public administration will continue.

*5. Sweden’s infrastructure will be sustainable and promote development throughout the country.* It must be possible for people to move out of home or find a place to live where they find a job. The Government is making a historic investment in more housing. According to forecasts, construction will begin on 61 500 new homes next year. This is an increase of more than 50 per cent in three years.

Housing construction will be facilitated further. It will be easier to produce modular houses. More exemptions from building permit requirements will be introduced. Amended tax regulations will stimulate mobility in the housing market. More climate-smart homes will be built. An architecture policy for more sustainable urban environments will be drawn up.

Infrastructure and transportation must be reliable. Improvements in transport make larger labour market regions possible and are key to companies’ freight transport. An infrastructure bill for 2018–2029 will be presented before the end of this year. Considerable investments are being made in the operation and maintenance of roads and railways. The railway network is being expanded. Long-haul freight transport should shift from lorries to trains and ships. Travelling by train should be faster than driving and cheaper than flying.



The Swedish forestry sector has a key role to play in enabling the transition to a circular and bio-based economy. This will create new, green jobs. A national forestry programme will be presented in 2017.

For the first time, an integrated approach to the entire food chain is being taken in a food strategy. Conscious consumers see the added value in Swedish agriculture, helping to make it an industry for the future. The rising demand for organic products will be met.

Mr Speaker,

We live in an age when it is becoming increasingly clear that our own security is synonymous with common security. The Government is strengthening its commitment to a strong and assertive EU, and to an effective UN.

Our need for functioning European cooperation has never been greater. Sweden will contribute actively to shaping Europe's future. The EU has to be better at living up to citizens' expectations. A Europe for jobs and growth, an ambitious environment and climate policy, and shared responsibility for migration are priorities. The EU single market is crucial to curbing high unemployment. At the same time, decent working conditions must be secured. Equal pay for equal work must apply in accordance with laws and agreements in the country of employment. Sweden is pushing for a social Europe, and will host a social summit in the second half of 2017.

In one week's time, Sweden – together with a large number of countries, companies, trade unions and international organisations – will launch the Global Deal initiative to strengthen workers, businesses and societies. The advantages of globalisation must benefit everyone.

During this parliamentary year, negotiations on the United Kingdom's exit from the European Union will begin. The EU's good

relations with the United Kingdom must be maintained. And so must Sweden's.

\* \* \*

Security in our neighbourhood has deteriorated. Russia's aggression against Ukraine and illegal annexation of Crimea, the situation on the EU's southern border, the attempted coup in Turkey and the ongoing war in Syria – all of these issues require strong and joint action, in both the EU and the UN.

Sweden's election to the UN Security Council is an acknowledgement of Swedish foreign policy and of our Foreign Service. Our foreign and security policy is based on the universal principles of democracy, international law and human rights. Efforts to promote disarmament and prevent conflicts are a priority, as are efforts to combat new security threats, such as climate change. Women's participation in peace processes is being highlighted; this is one of many examples of how the Government is developing its feminist foreign policy. Openness and dialogue, for example with the countries in Africa, will be the hallmarks of our work in the Security Council.

Sustainable peace can only be achieved by attacking the root causes of conflicts. Sweden is taking a leading role on the UN's global 2030 Agenda. At national level, municipalities, county councils, NGOs, the business sector, researchers and government agencies are taking part in its implementation. A new policy framework for development cooperation will be presented.

Responsibility must be taken for the environment and the climate. Later this year, a government bill will be presented for Sweden to approve the historic Paris Agreement. The aim is to keep the global rise in temperature as far below 2 degrees Celsius as possible, and to strive to limit it to 1.5 degrees. The countries and the people who are

most vulnerable to the impact of climate change must be supported. Sweden is the largest donor to the UN Green Climate Fund.

The breadth of security policy instruments, such as diplomacy, mediation and trust-building measures, helps ensure that threats do not emerge. Our security policy remains firmly in place. Our non-participation in military alliances serves us well and contributes to stability and security in northern Europe. Sweden is strengthening its defence capability. Since the start of this year, defence policy has had a new direction. The prime focus of the Swedish Armed Forces is defending our country. The operational capability of military units is a priority. Personnel supply will be guaranteed for the long term.

Defence and security policy cooperation is being broadened and deepened. Our partnership with NATO is being developed and the transatlantic link strengthened. Cooperation with Finland is pivotal. Involvement in international peacekeeping operations will remain important. This session, the Government will seek broad support for a national security strategy.

Next year marks the fiftieth year of Israel's occupation of Palestine. The situation continues to deteriorate, with new illegal settlements. Violence against civilians is increasing as a result of the conflict. Both parties have a responsibility to end the violence. Sweden's long-term and strong commitment has an unequivocal goal: a two-state solution with Israel and Palestine living side by side, in peace and security.

The war in Syria and the serious situation in Iraq also require the joint fight against Daesh to continue. Sweden's active role in the global coalition continues. A doubling of the military contribution in Iraq is proposed.

Mr Speaker,

Let me tell you about Muzon. She has gone through things that no child should have to experience. She fled with her family from Syria to the Za'atari refugee camp in Jordan. There she was able to finish her schooling. She says:

*“No one needed to tell me that education is important. I’ve always understood that. Our house was built by an architect. When I was ill I went to see a doctor. Education is everything in life.”*

Our humanitarian assistance in neighbouring regions provides people with food for the day and a roof over their head. More children have the opportunity to go to school. Sweden will remain one of the world’s largest humanitarian donors.

The global refugee crisis continues to cause unimaginable human suffering. More countries must contribute more – in the EU and globally. The causes forcing people to flee must be combated. These will be Sweden’s demands at the UN summit on migration, and at the summit on the global refugee crisis that Sweden is co-hosting with the United States later this month.

Sweden is pushing for a functioning asylum system in the EU. Responsibility for people who are fleeing must be borne by all Member States in a spirit of solidarity. The Government has done, and will continue to do, what is necessary to manage reception and introduction in Sweden, maintain regulated immigration and protect the right to asylum.

Mr Speaker,

The Swedish model is based on trust and solidarity. It can be described as a mutual social contract. All people must have equal rights and opportunities. With rights come obligations and responsibilities.

Sweden has a system of universal welfare. It applies equally to everyone – regardless of whether you are rich or poor. Welfare systems must be robust, and adapt as society changes.

But the social contract also includes an obligation to do the right thing. To contribute by working and paying tax. Not to commit fraud, crimes or shirk responsibility. To contribute to gender equality, democracy and respect for others.

Sweden is now growing, with many new inhabitants.

People who have fled their homes and been given the right to stay here belong to our country just as you and I do. We are all part of building our society.

Now there are new members of our communities who will need to start studying and working to contribute to society. Very many local inhabitants, employees and volunteers are currently doing great work to this end. Together we must fight segregation and discrimination. We must stand side by side, for human dignity and democracy. And we must stand up to racism, extremism and divisive hatred.

The Swedish model is the foundation as we continue to build our society and modernise our country. Sweden must stand together.

\* \* \*

If we are to trust each other and society, equality before the law must be upheld.

Vigorous action must be taken against tax evasion and aggressive tax planning. Minister pensions are under review. Overuse and incorrect use of our welfare systems and social insurance must be prevented. A new delegation has been appointed for this. Requirements concerning staff registers and monthly statements will reduce levels of undeclared work and exploitation in the labour

market. This will reward serious employers. Additional measures will be taken to combat increasing fraud.

No one should be able to buy their way to the front of the queue for publicly financed health care. Draft legislation banning the privatisation of university hospitals will be presented. A new regulatory framework will ensure that taxpayers' money is used for its intended purposes.

Quality and freedom of choice must be the hallmarks of our welfare system.

\* \* \*

There is a line in Elin Wägner's debut novel, *Men and Other Misfortunes*. The book is about four young women – office clerks – in Stockholm at the turn of the last century. One of them, Eva, explains that she has met an old classmate from the business institute where she studied. She says:

*“Our results back then were about the same. But would you believe, now his basic salary is 4 600 crowns, and mine is 1 000, isn't that odd?”*

A hundred years later, we see that during their working lives, women on average earn SEK 3.6 million less than men.

I would say: that is odd.

Shortly, the Government will present a gender-responsive budget. For the second year in a row, economic equality between women and men is increasing. The goal of a gender balance on the boards of central government agencies has been achieved. Governance and follow-up of gender equality policy is being strengthened. The pace of gender equality efforts is accelerating.

Girls should not have to think twice about attending music festivals or concerts. Women and men should be able to feel safe, even after dark. Women's safety must increase – both at home and in public spaces. It is not up to men to decide where women can go, or how they should dress.

Sweden is governed by a feminist government. A new strategy to combat men's violence against women will be presented. Sexual offences legislation is being strengthened. Honour-related violence is being combated. Support to non-profit organisations is being increased, while requirements for efforts to combat racism and promote democratic values and gender equality are being tightened.

Sweden should be a safe place.

Nobody should be subjected to hate or threats because of their beliefs, their sex, the colour of their skin, who they love, their identity or their disabilities. A plan to combat hate crime and racism will be presented. Legislation against online hate is being tightened.

Efforts to help improve living conditions in vulnerable EU citizens' home countries continue. No one should have to beg in Sweden.

Shootings, car burnings and drug dealing must not be allowed to destroy people's security. Robust action is being taken this year to break the trend and combat organised crime. More resources than ever before have been invested in the Swedish Police in recent years. The upcoming budget will include further substantial reinforcements. More civilians can be employed, freeing up police officers for other duties. More future police officers can begin their training. Police presence will increase in crime-prone areas. Protection of emergency services staff will be strengthened. Penalties for vandalism will be tougher.

Terrorism must be defeated. The Swedish Police National Task Force will be able to receive foreign support. The Swedish Security Service will be given greater resources. Terrorist travel and participation in terrorist training have been criminalised. Additional measures against radicalisation and extremism are being taken.

We must come down hard on crime, and on the causes of crime. A new crime prevention programme is being drafted. A multiannual initiative to break segregation is being launched. Long-term unemployment must be beaten and housing segregation must be reduced. Support will increase for schools and preschools where conditions are difficult.

Mr Speaker,

From the time when I was a welder attending evening seminars in Örnköldsvik to the present day, when I represent Sweden as Prime Minister at the World Economic Forum in Davos, I have followed the economic debate.

Universal welfare is unsurpassed when it comes to creating equitable living conditions. But as globalisation intensifies, knowledge and security are also crucial competitive advantages. More and more people around the world understand the importance of equality for a growing economy.

For this Government it goes without saying that welfare is the priority rather than further tax cuts. The general government grants to municipalities and county councils will be permanently reinforced to the tune of SEK 10 billion.

The principle of public access to official documents and freedom of communication must apply in tax-financed welfare. Governance must draw on the skills of staff to the benefit of citizens and business. This is the starting point for the Government's trust reform.



A comprehensive initiative to turn around performance in schools is under way. Investments in schools have increased by more than SEK 8 billion.

More and more people are applying to teacher training programmes, which are now being expanded to tackle the teacher shortage. The quality of these programmes will be enhanced. The Teachers' Salary Boost will give around 60 000 teachers a higher salary. Measures are being implemented to ensure that more schools take in new arrivals. It will be obligatory for all education providers to offer holiday school in years 8 and 9.

The early years of school are a priority. Preschool and after-school care groups are now smaller. Support must be given at an early stage to pupils who are behind in mathematics or reading. Pupils who are ahead must be given new challenges. A reading-writing-arithmetic guarantee will be introduced. A major reading promotion initiative is being launched because reading is not only fantastic in itself - it is also the foundation of all other learning. Initiatives will be taken to ensure that schools are better at preventing bullying. More people are being employed in school health and welfare services.

The Swedish school system must offer high quality. Where you live or the school you attend must not determine your future. All schools must be good schools. In the first half of next year, the Government will receive proposals from the Schools Commission that will lay the foundation for clearer governance and a more equitable school system.

Health care needs to be modernised. A new regional structure and increased coordination of specialist health care services will guarantee equitable health care throughout the country. Staffing problems will be tackled through increased government grants and the 'health care professionals billion'. Training programmes for nurses and specialist nurses have been expanded.

Higher staffing levels will both ensure better operational standards and improve working conditions for those employed in welfare services. Work environment initiatives are under way. Sick leave forecasts are now being revised downwards. The social partners have once again demonstrated the responsibility that is a cornerstone of the Swedish model. All the partners have committed to improving the work environment and bringing sick leave rates down.

It is a victory that a record number of people are able to celebrate their hundredth birthday. Sweden must be a welfare nation for older people, too. The shortage of accommodation for older people will be eliminated through more construction. A new form of investment support is being introduced. Elderly care will be reinforced through continued investment in more staff. The first step has been taken towards abolishing the unfair tax on pensions.

Society must step in to offer support to those children and young people who need it most. Social care for children and young people is being strengthened. Initiatives to combat mental ill health among young people are being given priority. Family policy is being developed because all children should have equal opportunities in life. Reforms for more gender-equal parenting continue.

The rights of LGBTQ people remain a priority. A review is under way to adapt parental insurance to contemporary families and modern working life. Efforts to consolidate the rights of national minorities continue. Sami self-determination will be strengthened. Sami culture and society will be safeguarded.

Competition for jobs is, and will remain, tough. Collective efforts to build our society must also create opportunities for people with relatively little education and people with disabilities. For this reason, more paths into the labour market are being created.

Areas with the most job opportunities should take in the most newly arrived immigrants. Modern temporary jobs in the public sector

will be introduced. 'Extra jobs' will be developed so that more people can work in welfare services. Employment support is being adapted to make it more targeted. Wage subsidies will be improved so that more people with disabilities that entail reduced working capacity can find jobs. A new disability policy will be presented. Efforts to combat discrimination are being strengthened.

Opportunities to engage in outdoor activities are being improved. Everyone should have access to the natural environment. Valuable nature areas are being protected and managed. More natural forests are being preserved. New marine reserves are being established. Ambitions are being raised for biodiversity. Support to both the sports movement and outdoor activity organisations is increasing. Public health efforts are being upgraded.

In many places jobs are in short supply, services are closing down and there is a feeling of exclusion or of having been forgotten. This is a dangerous trend. Throughout the country there must be good conditions for people to live and work.

Public services throughout the country must be improved, step by step. The expansion of broadband and mobile coverage will be strengthened further. Higher education will be expanded. The presence of central government agencies will increase. Municipal art and music classes, county theatres, museums, regional music institutions and libraries make it possible for everyone to access and participate in cultural life. Investments in art and culture are continuing. Support to cinemas will increase. School libraries can employ more staff. More children will have the chance to attend municipal art and music classes. Hundreds of thousands more people are visiting the national museums now that free admission has been reintroduced. Depopulation is being counteracted through favourable conditions for small businesses and a varied business sector. Strategic investments are being made in the important and growing hospitality industry.

Society is us, all of us. People and places, urban and rural, together.

Building our society encompasses all of us.

\* \* \*

In the first two years of this electoral period, several parties in the Riksdag have concluded 15 important agreements, most recently concerning energy policy, new climate targets, and the entire economic framework. I would like to warmly thank all of you who have so constructively contributed to these agreements. Our cooperation makes Sweden stronger.

\* \* \*

Sweden is part of the world, and the world is part of Sweden.

Now Sweden is being modernised, with new strides towards sustainability and growth, climate adaptation, equitable knowledge-based education and more jobs.

Now our international engagement is being strengthened at all levels.

Now investments are being made in the things that make our country both strong and secure. The Swedish model will not be dismantled: it will be developed.

This is taking responsibility for the future, for the world around us on which we are so dependent, and for a Sweden in which we stand together.

**Government of Sweden**

SE103 33 Stockholm

[www.government.se](http://www.government.se)