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Statement of Government Policy presented by the Prime Minister to
the Swedish Riksdag on Tuesday, 14 September 1999

Your Majesties,
Your Royal Highnesses,
Madam Speaker,
Members of the Riksdag,

Assembled here today is the parliament destined to lead Sweden out of one
millennium and into another.

This is a truly symbolic event. Over the past millennium, forty generations
have struggled to lift our country out of superstition and fallacy into the
light of scientific understanding. Establishing the industrial society was the
work of four generations. Sweden was computerised in one.

Throughout the history of civilisation, with its increasingly dizzying pace of
progress, the notions of justice and the equal dignity of all human beings
have nurtured people's hopes and dreams — from the Greek city states to
the French Revolution, with its call for freedom, equality and brotherhood;
from the Sermon on the Mount, exhorting us to "let our light shine before
men", to Martin Luther King's visionary dream.

The ideals of humanism — equality and solidarity — are timeless. Their practical fulfilment in the form of universal suffrage and democratic constitutions is the 20th century's greatest achievement.

Ten years ago, the Berlin wall was rent asunder. The threat posed by the cold war to people's lives and to the principles of human dignity was over. Communism in Europe was overthrown. Now, as the 1990s draw to a close, former foes can together transform the Baltic Sea region into a rapidly growing region of immense future potential. Once again, the spirit of cooperation reigns on our continent.

Economic development in our country is strong. Within just a few years we will have achieved our target — a job for 80 per cent of the population between the ages of 20 and 64. It will be possible to reduce open unemployment to 4 per cent next year.

We can now close the file on a decade marked by financial crises, mass unemployment and growing gaps between rich and poor. Thanks to the vigorous economic policies of recent years, for the first time in a decade the Swedish people will be free to move forward along routes of their own choosing.

Our sacrifices have produced results. The growing financial surpluses will be used to repay the public debt, improve schools, upgrade health, child and elderly care services, grant employees a refund on their national contributions and counter regional imbalances. It will once again be possible to narrow the gaps between different groups in the community.

Sweden will emerge from the 1990s in a position of economic strength. We can look forward to the coming century with well-founded hopes and growing confidence in the future. Such a climate can only fuel political support for solidarity as the cornerstone of Sweden's future growth, and provide a common ground for the continued development of society.

Sweden shall be a leading nation in terms of know-how and expertise.

People looking to raise their living standards and realise lifelong dreams will become increasingly dependent on education and know-how. High levels of expertise will be crucial to the expansion of Swedish companies in the global market.

Swedish pre-schools are unique in their quality and diversity. Their educational role will be expanded and facilities gradually made available to all children. Schools should encourage the natural urge of every child to learn and develop. Special measures will be introduced to improve support for the teaching of children living in disadvantaged metropolitan areas. A new teacher-training programme is under development, and teachers will have easier access to skills development programmes.

The ongoing expansion of higher education will continue. In all, nearly 100,000 new places will have been created between 1997 and 2002. Students will be given greater influence with regard to issues affecting their education. Gender-based subject choice is a trend which must be broken. The present financial support scheme for students will be reformed.

In Sweden, world-class research will be combined with universal access to a wide range of high-quality educational options. The Adult Education Initiative will give those who did not receive a sound basic education new opportunities for self-improvement as well as personal fulfilment. Measures will be taken to further enhance in-house training and skills development in the workplace. Appropriations for basic research and the development of cutting-edge expertise will be increased. A research policy Bill will be put before the Riksdag.

Knowledge and humanism can only be sustained by a living, vibrant culture, in which human beings have access to their own language, can give

expression to their dreams and aspirations and articulate their visions. Our public libraries, our adult education system and our public meeting halls are indispensable to Swedish democracy. Reading must be encouraged. Artists will be afforded good opportunities to work, come into contact with their public and support themselves from the proceeds of their art.

Sweden shall be a leading IT nation.

The information society is transforming both the business community and democracy. Knowledge and information, formerly the prerogative of a privileged few, are now available to all. It is a development which will help counter today's regional imbalances, boost productivity and stimulate new enterprise. Information technology must be used to achieve greater freedom, involvement and justice.

The level of computer use in this country is among the highest in the world. Virtually every Swedish pupil has access to a computer at school. Swedish companies are world leaders in the use, development and production of a wide range of IT products. We will continue along this path.

Sweden should utilise this technology to achieve prosperity and enhance competitiveness. IT know-how and expertise must be brought in at every level of the educational system. Public authorities should set an example as users of new technology. One of Europe's first research centres for silicon-based intelligent microelectronic technology will be established in Norrköping.

Electronic commerce will be stimulated. Regulations must be clear and help ensure adequate consumer protection. Continued support will be provided for skills development in schools, companies and institutions of higher education.

The Government is responsible for ensuring that a reliable IT infrastructure is available throughout the country. Private individuals and companies should have access to fast data transmission at reasonable cost. This calls for investment in broadband IT infrastructure, which may be made by both the private and public sectors. Linking up all the municipalities in an open core network could prove a significant step in our efforts to assert Sweden's competitiveness in the next century. An IT Bill will be put before the Riksdag in 2000.

Sweden shall be a nation where diversity can flourish.

Young and old, women and men, people born in Sweden and elsewhere — we all have a desire to be involved in building our community, and to be in a position to use our knowledge and experience. No-one should be excluded. Discrimination in all its forms is a violation of human dignity and impedes development.

The values and visions of young people should influence political decisions to a greater extent than at present. Therefore, the Government intends to follow up its Bill on youth policy by launching an active dialogue with broad groups of young people.

This autumn the Government will sign agreements with seven metropolitan municipalities with a view to promoting equality and stopping segregation. Projects focusing on the Swedish language will be implemented. The community at large must be drawn into efforts to uproot prejudice and misconceptions and embrace greater openness and tolerance.

Efforts to enhance gender equality must continue. Measures will be taken to counter gender segregation in the labour market. Unwarranted wage

differentials must be combated in close cooperation with the parties in the labour market. The Government will propose amendments to the Act concerning Equality between Men and Women. This autumn the Government will be hosting a high-level European conference on gender equality.

Sweden shall be a country in ecological balance.

Our environmental policy is undergoing its most radical process of renewal ever. The Environmental Code has entered into force. Considerable resources are being allocated to research, land decontamination, liming and the protection of forests and land. The local investment programmes now under way are enhancing efforts to promote an ecological transition throughout the country. Efforts to achieve the 15 overall environmental objectives adopted by the Riksdag will permeate all policy spheres.

Large-scale ventures will be launched in cooperation with the construction industry in order to modernise the Swedish building industry by introducing ecologically sounder technology. Homes, schools, day-care centres and other buildings will be subject to environmental classification. Cooperation with the Swedish car industry with a view to developing environmentally sounder vehicles will continue. The development of the agricultural industry will be an asset in the transition to ecological sustainability.

Nature conservation policies will be developed to ensure that everyone has access to the riches of our natural environment. The chemicals policy will be revised in order to systematically phase out the use of hazardous substances. Efforts to switch freight transport from road to rail will be encouraged.

The change-over to alternative techniques for energy production will continue. The first reactor at the Barsebäck nuclear power station will be closed down this autumn.

Sweden's policy for sustainable development within the EU will be intensified. Global threats to the environment such as climate change and the depletion of the ozone layer must be solved in cooperation with other countries.

Sweden leads the way in the transition to an ecologically sustainable society. And we will continue to build on that position of strength. Our country will undergo a process of ecological modernisation. Using new, resource-efficient technology and other technical advances, we will build welfare and prosperity without burdening the natural environment.

Our legacy to the next generation will be a society in which the major environmental problems have been solved.

Sweden shall be a nation whose growth and prosperity is based on the work and enterprise of its people.

In just three years, more than a hundred-thousand new companies have been established in Sweden. This generates new jobs, boosts prosperity and stimulates competition and creativity.

This development will be underpinned by strategic changes to taxation. More generous opportunities for companies to defer taxes through appropriations to untaxed reserves will promote growth in the corporate sector. Most of the special tax rules applying to small companies will be abolished. Companies will be allowed to re-purchase their own shares. The Government will be proposing tax relief for specialists from abroad. There will be cuts in energy taxes in the agricultural sector. In cooperation with the EU the Government plans to improve the supply of capital to small companies. Company support will be made more effective.

Employees will receive compensation for increases in the national contributions they pay. In a bid to make the system fairer, the first stage in a series of tax cuts will be implemented in the year 2000. Subsequently, tax cuts will continue until purchasing power is no longer curtailed by contributions to the pension system. The income level at which central government income tax is paid will be adjusted to reduce the number of people who pay it.

Labour market policies must help fill vacancies promptly. In order to improve everyone's prospects of entering the labour market, the statutory rights and obligations of those seeking work will be explained more clearly. Better opportunities will be provided for the long-term unemployed to find jobs. The parties to the labour market bear a major responsibility in coming wage negotiations for strengthening and prolonging the current economic upturn.

The growth we are currently experiencing must not be restricted to the metropolitan regions. The whole of Sweden must develop. Regional growth agreements are to be signed within the next twelve months. The EU structural funds — along with national investments in the infrastructure, ecocycle systems, information technology and education and training — will contribute to better regional balance.

Property tax on apartment buildings will be reduced in a bid to bring down housing costs. Housing construction in the metropolitan areas must be stepped up in order to avoid a housing shortage and the risk of overheating. Housing issues will acquire greater visibility as more matters are concentrated in the hands of the Deputy Minister for Finance.

Sweden will consolidate its position as a leading welfare nation.

Only people who are secure feel that they are involved in the process of change. Our policy of universal welfare is unrivalled in its ability to share out the fruits of prosperity and at the same time stimulate development.

Health and medical care, schools and community services are to receive extra funding. Government grants to the municipalities will be raised, while the current high level of growth has generated a sharp rise in tax revenues for the municipal sector. The municipalities with the most serious financial problems will receive special support.

A national action plan for the health and medical care services will be drawn up. While the Government is positive to a broad variety of alternative forms of health care management, Swedish hospitals should not be run for private gain. The standard of primary health care, psychiatric care and care of the elderly will be raised. The mentally disabled will be provided with a personal representative. Recruitment to the public sector must be guaranteed. More teachers, more nurses and more doctors will be trained.

Pensions will be adjusted upwards by the full base amount. Charges for services for the elderly should be simple and reasonable. Pensioners on low incomes must have enough to live on after they have paid their service fees. More staff are needed in the special service homes for the elderly and in the home-help services. The right to retain a personal assistant upon reaching the age of 65 will also be introduced.

People on disability pensions should be able to test their working capacity without this affecting their right to a pension. Obstacles that prevent disabled persons from taking a full part in community life will be removed.

Every child has the right to a good start in life. The UN Convention on the Rights of the Child shall be observed. Sweden's unique family policy will

take another step forward when a maximum charge for places in the day-care system is introduced during the present term of office. Child allowances and supplementary allowances for additional children will be raised. Men and women should be able to combine an active working life with a fulfilling family life. The low birth-rate may give occasion for new measures in the field of family policy.

All forms and causes of crime must be combated. Special support will be given to women and children who are the victims of violence. The Police College is to be expanded with a new branch in Umeå. The fight against serious organised crime will be intensified.

Never again should we allow our welfare system to be threatened by an uncontrolled public deficit. This is why the expenditure ceiling remains unchanged. We will defend the target of a two per cent public deficit over a business cycle. Repayment in full of the net public debt during the present term of office is within reach.

Sweden will vigorously contribute to securing a Europe based on development and equality.

Sweden's commitment to cooperation in the Nordic and Baltic areas will be demonstrated this year when we host the annual meeting of the Nordic Council and at meetings between the Nordic and Baltic Prime Ministers. The successful project "Poland in Focus 99" will be followed next year by a similar project entitled the "Year of the Baltic States".

Enlargement of the EU is the key to promoting peace in Europe – the prime task of the Union. A decision enabling more countries to commence concrete negotiations for membership should be taken this autumn. The common strategy for Russia, which the EU adopted on a Swedish initiative,

must be implemented without delay. The EU's capacity to prevent and manage crises by civil and military means should be strengthened.

The low turnout in the elections to the European Parliament was a warning to the whole Union. We need to narrow the gap between people and their elected representatives. Sweden supports the incoming Commission in its ambition to introduce a new spirit of responsibility, openness and good governance in EU institutions. The Government will present proposals for a concrete action programme to modernise the EU and create the will to cooperate and the resolve that an enlarged Union will require.

The introduction of the euro in eleven of the Union's member states will have an impact on the EU. It is in the interests of all the countries that the single currency is successful. The adult education initiative launched in the autumn will give everyone an opportunity to weigh up the pros and cons regarding Sweden's possible participation.

Membership of the EU has contributed to the strong development of the Swedish economy. Exchange of knowledge has enhanced skill and know-how, the internal market has boosted the business sector's market share, competition has contributed to low inflation. In order to underpin a continued positive development and lower consumer prices in Sweden, free movement should be stimulated and EU trade should be opened to other countries in the world market.

Together with other nations Sweden will pursue policies to promote gender equality, ecological sustainability, low unemployment and increased consumer participation.

In the spring of 2001 Sweden will hold the presidency of the EU. Sweden will be representing the interests of Europe. This will place great demands on our ability to reconcile conflicting views and take responsibility for

ensuring that decisions are reached. It will mark a new milestone in Sweden's membership of the EU.

Our global responsibility runs parallel to our European commitments. All the nations of the world must cooperate in solidarity and in awareness of the major common challenges facing humanity. The United Nations is a cornerstone of Sweden's foreign policy and will remain so. Reform of the UN should continue. Its role in humanitarian crises must be strengthened. The violence in East Timor must come to an end. Peace must be secured in the Balkans.

Sweden will contribute to peace and security in our part of Europe as in the rest of the world. Non-participation in military alliances with the aim of making it possible for our country to be neutral in the event of war, remains unchanged. Sweden's total defence will be adapted to the threats and risks of our time. Our capacity to participate in international operations will be strengthened. The new security situation means that resources can be allocated to other urgent needs.

An additional SEK 1.3 billion will go to international development cooperation next year. This means that together with resources that have been saved it will be possible to increase Swedish development assistance by SEK 3 billion in 2000. A review of the future role of development cooperation will be initiated. Respect for human rights must permeate all our policies. Torture, persecution and capital punishment must be combated throughout the world.

We may never take democracy for granted. It must be won time and time again. Fascism, Nazism, and racism can never be tolerated. We shall not forget the terrible violations of human dignity perpetrated in the past.

In January Sweden will host an International Forum on the Holocaust. It will be the first time heads of state and government from different parts of the world come together in this way to discuss the lessons to be learned from history. This conference will be a clear repudiation of hatred and oppression, and affirmation of the timeless ideals of humanism.

Madam Speaker,

"Resignation is dangerous. Unquestioning optimism is equally dangerous; the 20th century has taught us that. But between these two extremes we nevertheless find dynamic opportunities and judicious hope."

These are the closing words of Sven-Eric Liedman's historical discourse "On Solidarity".

We will take the best of the old with us into the new millennium. We will not discard those things that made Sweden so successful in the 20th century. In a spirit of accord we were able to combine development and equality. We understood that development is the precondition for equality and that equality is the motive force for development. Everyone must play a part if society is to hold together and move forward.

On the threshold of a new millennium let us agree on our vision - to grasp the dynamic opportunities for greater equality and let judicious hope continue to lead the way forward.

For, it is in equality and development that human beings grow. They strengthen our yearning to break barriers and build bridges. They nurture our sense of solidarity and responsibility not just for ourselves and those closest to us but also for our fellow humans and coming generations.

Sweden shall be a country where people can find the strength to see themselves in others.