

15 September 2011

Statement of Government Policy



REGERINGEN

Swedish Government

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

Freedom is great – so great that people are willing to sacrifice their lives for the chance to experience it. This is what we have seen, and are continuing to see, in North Africa and the Middle East. The Arab Spring is a fantastic expression of humanity's passion for freedom. Humanity's struggle for freedom, democracy and justice. A struggle that Sweden has supported, and will continue to support.

This summer, we also celebrated 20 years of freedom in the Baltic states; a freedom that transformed our part of the world for the better. A struggle for freedom that is worthy of being remembered and used as inspiration, and that is important for us in Sweden, too.

Freedom is great – so great that there are also those who see freedom, democracy and openness as a threat to their dark and twisted view of the world. This, too, we experienced this summer, in our neighbouring country Norway. There, deranged hate and extremism tore the summer apart, wreaking devastation and claiming the lives of young people.

The colossal tragedy that hit our sisterland Norway on 22 July must give us renewed strength to work for openness and tolerance in our societies; at the same time all forms of extremism must be counteracted.

It is our joint task to win, preserve and develop freedom – our open and democratic society. And there are many important values to bring to bear in this task: respect for human dignity; the realisation that violence is the antithesis of democracy; the understanding that a country that is open, rather than fortified, is something that we all build together.

Mr Speaker,

This year the Riksdag is convening in the shadow of a troubled summer. An unwelcome guest has shown its face: the financial crisis, in a new guise. It is no longer banks and financial institutions that are churning up crisis in their wake: now entire countries are the root of the uncertainty.

The storm is rattling the door of countries with high levels of debt. It is making itself at home among those that have built up large expenditures on borrowed finance. It makes little difference whether they are called 'reforms', 'investments' or 'initiatives'.

Where borrowing builds mountains of debt, self-determination is eroded. This is what we are seeing now; how the market punishes entire countries with rocketing interest rates, turbulent stock markets and investments that fail to materialise. We see how disquiet is eating further and further into economies, bringing demands for painful measures.

When states are unable to manage their economies, it is the citizens who pay. With higher taxes, and new taxes. With cutbacks and redundancies in the welfare system. With eroded security and weakened social security systems.

In country after country, the sound of demonstrations echoes among the crisis packages. The Government therefore wants to send a clear message to all those who are anxious, around coffee tables at work or kitchen tables at home: Sweden will not end up in that kind of situation.

Mr Speaker,

The Swedish people have entrusted the Alliance – the Moderate Party, the Liberal Party, the Centre Party and the Swedish Christian Democrats – with the responsibility of government. We are united in our desire to take responsibility for Sweden. We take this responsibility with the individual in focus and with the will to make Sweden a better country.

In its statement of government policy a year ago, the Government presented the direction of its policies and what it saw as its tasks for the whole of the electoral period. What we said then still applies.

We want Sweden to be a country in which people and families are given the opportunity to shape their own everyday lives. In which it pays to work and companies are encouraged so that more job opportunities emerge. In which welfare functions properly and is there to support us should the need arise.

By utilising people's efforts, ideas and initiatives, we want to lay the foundations for secure and sustainable growth. Our Sweden will embrace a society that both keeps people together and allows them to grow.

We will affirm values such as freedom, responsibility and security, clear in our view that politics has a mandate, but it also has boundaries. We are convinced that this is the path to a better Sweden.

Sweden withstood the financial crisis and emerged from it stronger than almost any other country. Where others have

public finances in a state of collapse, we have stability. Where others have economic decline, we have growth. Where others are plagued by doubt, we have built confidence.

A Sweden with high growth, more people in work and increased employment. A Sweden that is back in balance, with no deficit and with falling debts. This is why we now stand strong as the debt crisis strikes around the world. We must preserve this strong position. We must safeguard it. It is time to take responsibility.

We do not know how prolonged or deep the crisis will be. What we do know is that the global trend is very serious. We know that growth is subdued, unemployment will rise and scope for reform will be affected. The need for safety margins has increased. We must be prepared in the event that the uncertainties around the world are prolonged, or increase in severity.

It is time to take responsibility. In saying this, the Government wants to emphasise the importance of taking responsibility for Sweden and the Swedish economy. We must not jeopardise our security with unfinanced initiatives that generate uncontrollable deficits. That is not the way to save jobs and welfare; it will only create uncertainty and insecurity. It is not the way to build the future.

It is time to take responsibility. This is why consistent accountability for public finances will remain a key premise of economic policy.

The expenditure ceilings must be met and the surplus target maintained. The Swedish economy must stand on solid foundations. We must have clear safety margins – net lending

that is close to being in balance – to guarantee our freedom of action to tackle a more prolonged and profound crisis.

It is time to take responsibility. Core welfare activities must be protected against cutbacks. People must feel assured that schools, health care and social services will still be there tomorrow. Households and companies must be safeguarded against tax increases. We must have preparedness in place to strengthen employment policy. We must safeguard cohesion.

The Government's goal is to guide Sweden towards full employment. Exclusion will be curbed and more people will be given increased power over their daily lives through their own work. The work-first principle therefore remains firmly in place. Our employment policy rests on several pillars. We want it to be worthwhile to work. We want to encourage enterprise so as to increase employment, and we want to see a variety of different jobs. We want it to be easier to take on employees.

The work-first principle also includes activities, training and work experience that enable more people to receive help and support to bring them closer to the labour market. In times of crisis we strengthen the work-first principle with active measures for jobs and adaptation.

The Government will present a labour market package to tackle the economic uncertainty. We are introducing new training and work experience places. Vocationally oriented upper secondary adult education and vocational higher education are being strengthened. We are reinforcing the resources available to the Swedish Public Employment Service, improving follow-up and reinforcing quality in the job and development guarantee.

The Government will also invest in infrastructure in order to tackle the economic uncertainty. In response to the criticism directed at shortcomings in railway and road infrastructure, we are making a major investment in enhanced operation and maintenance. This is an investment in better transport for people and companies throughout the country. It is also an initiative that will create jobs and strengthen Sweden's long-term competitiveness.

It is time to take responsibility. We will take responsibility for Sweden. For today's generation and generations to come. The Government is therefore giving priority to measures to withstand uncertainty. In Sweden there will be no cutbacks or other austerity measures. Instead, we will take the steps we can to safeguard jobs, welfare and security.

Politics is about making choices. About choosing what is right. This is particularly important when there is limited room for manoeuvre. We choose to invest in the future. To build the Sweden of tomorrow. The Government therefore wishes to look ahead despite the difficult economic situation. We want to implement a number of targeted reforms for knowledge, cohesion and security.

The future begins with a secure upbringing where children can experience love, face demands, take responsibility and learn to look out for others. The path towards full employment in Sweden is set out in school. This is a crucial investment in our future. The Government will therefore present several initiatives that target the educational system. These deal with quality, and with more students being seen and given support to develop their specific abilities.

The future belongs to those who dare to believe in their dreams. All children have that spark within them; all that is needed is to succeed in igniting it. Good, dedicated teachers are indispensable in this task.

Our primary focus will therefore be on raising the status of the teaching profession and teachers' skill levels. This involves a career development reform, with advancement stages for professionally skilled teachers. There will be initiatives for skills development and stronger educational leadership. These will be some important reforms on the way to better schools.

Everyone is different. Every child is different. At the same time, everyone has an innate ability to grow. Schools must see this. Schools must respond to this.

By means of a boost for mathematics, the Government will make a targeted effort to improve mathematics teaching. We want to introduce initiatives aimed at strengthening the quality of upper secondary school vocational programmes. An initiative will be introduced involving work experience places at technology companies in order to create better points of contact between schools and working life. Measures will also be taken at higher education institutions to improve quality and enable more students to complete their degrees.

The future is a country for which we have no map. The best way for us to build this country is if everyone is involved and everyone has the chance to contribute. Our vision of Sweden includes the belief that everyone is needed. That each of us is indispensable. This is a mainstay of our goal of full employment.

We will meet the future with a sense of cohesion. This cohesion means that we see everyone, throughout the country. That we utilise everyone's work efforts. The path there leads via an inclusive labour market. A labour market with more jobs, and a greater variety of jobs.

The work-first principle will be enhanced. More people will be given the chance to work and earn their own pay. Marginal effects and obstacles to work will be counteracted. We will improve the incentives to work for people receiving financial support and introduction benefits. The Government is also reviewing how to improve labour market policy so as to provide room in the labour market for people with disabilities.

Every step for more jobs is an important step. Every job is needed on the path towards full employment. Next year, VAT on restaurant and catering services will be reduced. This will create jobs and stimulate entrepreneurship. The Government will also safeguard new start jobs and the halving of employer's contributions for young people. These are reforms that create points of entry into the Swedish labour market for many young people.

Ongoing globalisation offers opportunities in the form of increased trade and economic exchange. At the same time, it requires that Sweden constantly strengthen its competitiveness.

Sweden will meet the future by encouraging enterprise and entrepreneurship. More women and men should view enterprise as a natural choice. The Government will therefore simplify the expert tax, continue to improve the '3:12 rules' and take steps to increase opportunities for research, innovation and development. We will strengthen the opportunities for savings and access to capital by means of an investment savings account.

The Government will also introduce a number of measures aimed at improving conditions for running a business, working and living in rural and sparsely populated areas. These include investments in broadband, the mining industry, tourism, renewable energy and processing of forest resources.

Sweden's future will be built through work. The foundation of our welfare and security rests on people's efforts at work. This was true when stony fields were ploughed in rough weather. It was true when people worked the steam boilers, sweat dripping from their brows. It is true today, in the morning rush hour or during a night shift. It will be true tomorrow as well.

We want Sweden to meet the future as a country with a good welfare system. The path there leads via the goal of full employment. Step by step, it means that we can strengthen the welfare system and ensure that more people can benefit from it.

We have safeguarded welfare in municipalities and county councils throughout the crisis. Initiatives will be introduced next year to further strengthen health care and social services. In particular, priority will be given to measures aimed at improving quality and access, and strengthening the position of the patient. Reforms in health insurance will be developed with the aim of remedying shortcomings and ensuring that it works as intended.

Few people in our society are as vulnerable as children who are ill-treated or forced to be separated from their parents. We want our children and young people to have as good an upbringing as possible. The Government is therefore introducing measures to increase security in social services for children and young people.

Society is bigger than the state. Welfare is not just a matter of policies. Next year, a tax reduction will be introduced for charitable donations. This is a reform that will strengthen civil society.

In times of economic uncertainty, many people feel a sense of unease. There is a risk that the cold winds now blowing will be felt most by those whose financial situation is already vulnerable. The Government will therefore give priority to targeted measures to strengthen the security margins in the everyday lives of these people in particular. The housing allowance will be raised for both young people and families with children. The financial situation of pensioners with narrow margins will be strengthened by means of an increase in the housing supplement.

These are reforms for security during the crisis, but also for cohesion. A cohesion that is based on work, well developed social services and financial security. The cohesion between people that makes Sweden what it is.

It is time to take responsibility, but the future will not wait. We must address challenges concerning demography, justice, gender equality and cohesion. We must live up to the demands of the future when it comes to democracy and participation. We have a responsibility for our environment, our climate and our quality of life. Ultimately, this is about which values we want to bring to bear in our joint efforts to build society.

The future is shaped by our ideas about tomorrow and the decisions we take today. A discussion is needed in which we

formulate the values we want to characterise Sweden, highlight the challenges we are facing and mark out the path we want Sweden to take in the long term.

Our point of departure is that a good country should become better still. The Government will therefore be appointing a Commission on the Future.

Mr Speaker,

A secure future can only be built in a spirit of community and cooperation with other countries. Sweden must be a strong voice for peace, freedom and reconciliation in Europe and the world. Democracy, international law and human rights must be cornerstones of our foreign policy.

A broad national consensus must continue to provide the framework for the design of our security policy. The security policy remains firmly in place.

It is clear that our country will not remain passive should another EU Member State or another Nordic country be struck by disaster or attacked. By the same token, there is an expectation that these countries take similar action should Sweden be so affected.

For us in Sweden, freedom is integral to our everyday lives, and yet for others it is a dream. Developments in Libya demonstrate the importance of the international community being able to quickly join together to protect a civilian population threatened by a brutal regime. Sweden will therefore continue to develop its capacity to take part in peace and stability operations.

Countries that have now cast off the shackles of oppression are facing major challenges in turning their newly won liberation

into democracy. Together with the European Union, Sweden will assist the countries of North Africa and the Middle East in this historic task.

We will increase pressure on the regime in Syria to immediately end the violence against civilians and the serious violations of human rights. The people of Syria must have a future of peace and democracy.

We will continue to help ensure that the EU speaks out with a stronger voice for peace in the Middle East. On this basis, we will continue our commitment so that Israel and a Palestinian state are able to live side by side in peace and reconciliation. This is the only way to achieve peace.

Sweden has a broad and long-term commitment in Afghanistan. We will hold consultations over the development of Sweden's commitment within the framework of the multi-party agreement that has been reached. Responsibility for security will gradually be transferred to the Afghan people themselves. Development assistance will increase.

Sweden must be at the heart of European cooperation. Sweden must be proactive on issues that are crucial to the development of the EU. In times of economic crisis, the Government will underline the importance of long-term responsibility and sustainable economic policy. Respect for common rules is crucial. This is the only way we can speed up economic recovery in Europe and prevent new crises.

The Eastern Partnership remains of strategic interest to the EU and Sweden. At the same time, negative developments in certain countries are cause for concern. This is especially true of Belarus. Sweden will continue to work, together with the EU, for democracy and respect for human rights in this region.

We support an open Europe. We look forward to signing the agreement on Croatia's membership of the EU. We also look forward to making new progress, in regard to both the rest of the Western Balkans and Turkey.

An open world and an open global economy continue to lift people out of poverty. They create opportunities for people to move from oppression to peace. This is why we must stand up for free trade and openness, and combat protectionism. This applies not least in times of economic unrest, when it is easy to succumb to the lure of economic nationalism.

Sweden must have an ambitious development policy. We must provide effective and generous development assistance that yields results in the battle against poverty and oppression. We must make clearer demands in terms of respect for human rights and freedoms in our partner countries. Sweden's contribution to the work on the UN Millennium Development Goals will be strengthened. The famine in the Horn of Africa highlights the need for a continued high level of preparedness for humanitarian operations.

Climate change is a global challenge requiring a global response. Sweden is, and must remain, a pioneer for a good environment and sustainable development, both nationally and internationally. Sweden must also continue to demonstrate leadership through an ambitious climate and energy policy.

Mr Speaker,

As we continue to take responsibility for Sweden, we do so based on a number of premises. Firstly: the Alliance Government is a minority government. Secondly: the Riksdag Act and Budget Act offer opportunities to maintain the direction of policy, good budgetary discipline and sound

government finances. Thirdly: the Government will seek broad-based and responsible solutions in the Riksdag, where it may be natural to hold regular discussions with the Green Party, in the first instance, but also the Social Democratic Party where appropriate.

This year, an agreement was reached between the Alliance Government and the Green Party on overall asylum and migration policy. This agreement is important in upholding an open Sweden. It is also one of several manifestations of the broad solutions for Sweden for which the Government continues to strive.

Responsibility for Sweden. Sustainable growth. Full employment. Better schools. Secure welfare when we need it. A country that is open to the rest of the world and the future. At the cutting edge of culture, research, new technology and consideration for our environment and our climate. Where we believe in people, cohesion and development. Where women and men have the same opportunities. We want to unite Sweden in this endeavour. We want to unite politicians in this task.

Mr Speaker,

The storm of debt sweeping through the world is causing concern among many people in Sweden. They are wondering whether we too will be affected. Whether what we see happening around the world will reach us here in Sweden, too. These are concerns that are wearing down our trust in the future. They are concerns that we must take seriously.

If we are to withstand the storm, it is not only politicians who must take responsibility and do the right thing. Sweden as a whole must take responsibility.

We now need all forces for good. In support of a Sweden that has its finances in good order. Where we safeguard our welfare. In support of the openness that embraces new jobs and sees every individual's capacity and ability to contribute – but also in support of a Sweden that will successfully tackle the transition that will be necessary.

Our ability to take responsibility today will enable us to build a better future. This is why it is now time to take responsibility. For the economy, jobs and welfare. A responsibility that we must take together. A responsibility for Sweden. This is how we will equip ourselves to withstand the uncertainty in the rest of the world. This is how we will equip Sweden for the future.



Swedish Government

SE-103 33 Stockholm, +46 8 405 10 00

www.sweden.gov.se