



REGERINGSKANSLIET

Ministry for Foreign Affairs

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Statement of Government Policy presented by the Prime Minister to the Swedish Riksdag on Tuesday, 19 September 2000

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

Today, we open the first parliamentary session of the new millennium.

We do so in humility and with firm faith in the future.

Mass unemployment has been curbed. Growth rates are high. Sweden has joined the front runners in the new economy. We are well prepared for the future.

Prospects of pursuing active economic policies are better than they have been for a long while. For the first time in almost a decade, the decisions of our elected representatives are not dictated by policies imposed by deficits. Today we can choose.

Policies must focus on bridging the gaps that still divide people in this country. We must devote our energies to enhancing security for everyone, thereby assuring people's freedom. The child must be given a central place in policy-making.

It is time for reform.

Our belief in human beings and their ability to develop in solidarity with others shapes our vision. The choice is not between economic growth and justice. We are convinced that development and equality are interdependent. Development is stronger when all are given an opportunity to contribute to it and all partake of its fruits.

In an age of globalisation, awareness of this is shared by an increasing number of progressive governments. This inspires us with hope and optimism for the future.

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During this parliamentary year one task will predominate. On 1 January 2001, Sweden will, for the first time, assume the presidency of the European Union.

Three areas will receive high priority:

First, enlargement of the EU is our generation's opportunity to secure peace and freedom, democracy and prosperity in the whole of Europe. Sweden will be proactive in carrying the enlargement negotiations forward with the aim of achieving crucial progress during our presidency. Enlargement will have a greater impact on our immediate neighbourhood than anything else. The combination of mature welfare states and young, rapidly growing democracies round the Baltic Sea opens unique opportunities for development in our part of Europe.

Second, full employment is the Union's most important economic and social goal today. Unemployment in Europe must be brought under control. Both economic reforms and greater social participation are needed. The employment summit in Stockholm in March 2001 will define the direction of future work. In order to make Europe the world's most dynamic, competitive and knowledge-intensive economy, cooperation is now under way, involving the comparison of member states' national policies in relation to each other and at global level.

Third, environmental issues will be a central concern of the Swedish presidency. Priority will be accorded to EU endeavours to prevent climate change, and to efforts to strengthen legislation against chemical emissions. The environmental summit in Göteborg in June will adopt a long-term strategy for ecologically sustainable development in the EU.

A Union close to its citizens is predicated on openness and democracy. A gender equality perspective must inform all EU activities. The position of consumers must be strengthened. A research group will be appointed to study major EU-related issues and to encourage public debate on the future of the Union.

Sweden will continue the work of developing the EU's civil and military capability to manage crises and prevent conflicts. Cooperation between the EU and Russia will be promoted. Particular attention will be given to nuclear safety and the environment, the fight against organised crime, and the situation in Kaliningrad.

Prior to and during the Swedish presidency, the Government will maintain continuous contact with the political parties in the Riksdag. We want to see close cooperation between the various actors who are in a position to disseminate knowledge and information about European cooperation. At the same time the Swedish presidency offers us a unique opportunity to present the best of Sweden.

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Poverty and oppression, flows of refugees, war and nuclear arms challenge us no matter where we live. These threats can only be met in cooperation and solidarity. No nation can renounce its responsibility.

At the same time globalisation offers great opportunities to extend prosperity and democracy to all. This is why the UN Millennium Summit was so important. Its conclusions will provide the basis for continued reform of the United Nations. For Sweden, as for other member states, it is now a question of living up to our commitments. The goal is the freedom of all peoples and peace throughout the world.

Sweden's development assistance is increasing rapidly as the Swedish economy grows. The Government will strive to achieve the goal of one per cent of GDP for development assistance.

The Minister for Trade will be assigned the task of leading a working group which will formulate an integrated Swedish policy on globalisation. Sweden will work towards the reopening of negotiations in the World Trade Organisation, WTO.

The reform and streamlining of Nordic cooperation will continue.

Sweden's non-participation in military alliances, with the aim of making it possible for our country to remain neutral in the event of war in our vicinity, remains unchanged. The reform of Sweden's total defence is under way. The capacity to conduct operations abroad to prevent, mitigate and solve conflicts is of central importance. Sweden's participation in the EU efforts to prevent and manage crises should also be seen as a contribution to the UN and global peace efforts.

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The equal value of all humans is the basis for democracy. But democracy can never be taken for granted. It has to be won over and over again by each successive generation. We must keep alive the debate on the fundamental values of democracy. Its practical expression in non-profit organisations, popular movements and local development groups as well as new, emerging networks, must be affirmed. Efforts to increase the influence exercised by young people will continue. The conclusions of the Government Commission on Swedish Democracy are being discussed in an extensive series of conferences. Special support will be given to the development of local democracy. An integration-policy study of power and democracy in Sweden is currently in progress.

The fight for human dignity – against racism, anti-Semitism and xenophobia – is one of the crucial issues of our time. It is a battle that can only be won by deeds and the commitment of many. A national action plan will be presented. Broad measures will be taken to enhance skills in the judicial system. The EXIT project will be given continued support.

The Stockholm International Forum on the Holocaust will be followed up on an annual basis. The next conference, *The Stockholm Forum on Conscience and Humanity – Combating Intolerance*, will be

held on 29–30 January 2001. It will discuss concrete preventive efforts to achieve a greater mutual understanding between people in their everyday lives. The objective is to closely define international cooperation, and to raise the level of awareness and preparedness for action among professional groups that often have to deal with members of anti-democratic movements.

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We have every reason to be proud of Sweden, but we are not satisfied.

So long as security is not available to all, so long as the smallest injustice prevails, a Social Democratic government has a clear duty to fulfil.

Health and medical care, schools and community services must maintain uniform and high standards throughout the country. Public welfare must be financed collectively and benefit the entire population. But the collective commitments that we make for welfare today must not be so ambitious as to compromise our ability to sustain them in less prosperous times. Our economic policy targets will therefore remain in place. This is why repayment of the public debt is being accelerated.

Now that there are financial surpluses, we will be able more vigorously to rectify deficiencies, reduce inequalities and narrow the gaps between people and regions.

The work of reform will be initiated during this parliamentary year and will be carried to a conclusion in the coming years.

Priority will be given to children. "Our only tangible link with the future is in fact our children." This was once said by Olof Palme. Conditions for children and young people today will determine the kind of country Sweden will become. Forward-looking policies must focus on children.

Parental insurance must be extended and made more flexible. Child allowances, supplementary allowances for additional children and study grants will be raised. A maximum charge will be introduced for pre-schools and school-age child care, and pre-school will be made universally available for four and five-year-olds. Children of the unemployed and children with younger siblings whose parents are on parental leave will be entitled to a place at pre-school. Efforts to

establish language pre-schools in the metropolitan regions will continue. Parental contact days will be introduced in order to enable parents to participate more in their children's schooling. Support for adoptions will be substantially increased.

All pupils have the right to the support they need to enable them to reach educational targets. All schools must maintain high standards and be of uniform quality. Government grants to education will be raised by SEK 5 billion. These increases will be introduced successively over a five-year period. This will enable the employment of some 15,000 more adults within the school system. More teachers with qualifications in special needs education will be trained, and in-service training will be extended to reach more teachers. The number of teaching hours in all upper secondary school programmes will be increased.

The provisions of the UN Convention on the Rights of the Child must be observed. The position of the Children's Ombudsman will be strengthened.

Modern and flexible family policies that take into account gender equality make it easier for people to make decisions about their work and their future, based on the needs of their children and families. Faced with one of the lowest birth rates in Sweden's history, it may be necessary to invest in additional family policy initiatives.

Sweden is now, and must continue to be, the country in the world with the best conditions for children.

The work injury insurance scheme will be reformed. People who have been injured at work or who have work-related illnesses are entitled to an adequate system for assessing their injuries, and the compensation they receive must be more closely linked with general earning trends.

The undermining of the unemployment insurance fund must stop. Emphasis will be given to the loss-of-income principle. Ceilings for unemployment insurance will be raised. These increases will be introduced in two stages, on 1 July 2001 and 1 January 2002.

Working hours will be reduced. A gradual increase in the number of days' holiday should be introduced. Employees should be given more say in how their leave may be taken.

Skills development in working life will be enhanced. A system of individual in-house training and skills development for employees is currently being designed.

Dental health must never again become a sign of class. SEK 500 million will be allocated to the dental care services over a three-year period. There must be stronger safeguards against high dental care costs, especially for older people.

The whole of Sweden shall thrive. Roads and railways will be renewed in the entire country. New investments will be made. A cohesive programme for the modernisation of Sweden's infrastructure is being designed in consultation with interested parties at regional and local levels. A modern policy for the regions oriented towards the future will be presented.

Trade union dues will be placed in the same category as fees to employers' organisations. The right to tax deductions for union dues will be introduced.

Only with a firm political will can we distribute the fruits of growing prosperity in a just and equal manner. The sacrifices made by wage earners during the meagre years of the past must not be used to finance tax reductions for high-income earners in the prosperous years to come.

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Tomorrow the Budget Bill for 2001 will be presented to the Riksdag. The budget is the result of cooperation between the Social Democratic Government, the Green Party and the Left Party.

It is a vigorous reform budget, aimed at enhancing social justice and maintaining sound economic development.

Public welfare will be enhanced and social justice extended. At present, the financial resources of municipalities and county councils are increasing rapidly, due both to more generous government grants and to rising tax revenues. This will ensure that standards of health and medical care, schools and community services will be maintained in the long term.

Primary care, psychiatric care and care of the elderly must be improved. The medical standards of community services for the elderly will be raised and expertise within primary health care will be enhanced. More doctors and nurses will be trained.

Disabled people will be given greater access to community life in Sweden. Consideration for the situation of disabled people must inform all the activities of public authorities. Disabled people will retain the right to a personal assistant upon reaching the age of 65.

The financial situation for pensioners on the lowest incomes will be improved by a further increase in housing allowances and reductions in property tax. Charges for services for the elderly must be simple and reasonable. Pensioners on low incomes must have enough to live on after fees for services have been paid.

Work on reforming the pension system will be completed. Sweden will have a sustainable old-age pension system, well-equipped for the future. An extensive information campaign will improve people's knowledge of the new pension system.

Further measures will be taken to compensate for employees' contributions. The level of the basic tax deduction will be raised to improve the financial situation of wage earners and pensioners on national supplementary pensions. The income level at which central government income tax is paid will be raised to reduce the number of people who pay it.

Crime will be combated, as will the causes of crime. Considerably more resources will be allocated to the judicial system. The police force will be expanded and its capability for the prevention and solution of crime enhanced.

There will be a greater number of more rewarding jobs. The willingness of people to work is the greatest asset of the nation. The target of 4 per cent open unemployment may be reached during this year. Our policies are now aimed at achieving full employment. Everyone wishing to have a job should be able to obtain one.

We will continue to reorganise our labour market policies. Vacancies must be promptly filled and priority given to work for the long-term unemployed. The principle of the "Activity Guarantee" will be further developed. More resources will be devoted to helping immigrants and occupationally disabled people to find work. The work of improving and simplifying regulations for entrepreneurship will continue.

All forms of discrimination are unacceptable in a decent society. If society is to develop, everyone must be given the opportunity to share responsibility, irrespective of their gender, sexual preferences or ethnic and cultural origins. Sweden must draw strength from its diversity.

The Act Concerning Equality between Men and Women will be tightened so that the target of equal pay for equal work can be achieved. A gender equality perspective informs all aspects of government policy.

Employees must be given a greater say in all aspects of working conditions. Work-related ill health must be reduced. An action plan for revitalising working life will be presented. We will be investing greater resources in projects relating to the work environment.

The parties to the labour market bear a major responsibility for achieving wage formation that leads to continued increases in real salaries, low inflation and strong competitiveness.

Know-how and research make development sustainable. Swedish research will receive a powerful boost with the launching of a new investment programme to be spread over several years. This initiative is aimed at significantly increasing the number of researchers holding doctor's degrees during the coming ten-year period. Close to SEK 1.3 billion will be invested in basic research and postgraduate education between now and 2003. Special funding projects will be aimed at young researchers. Efforts must be made to increase the number of women researchers.

Science and technology will remain priority areas. Increased support will also be made available for education and research in the social sciences and humanities. Universities and colleges will be allocated funds to create over 200 new places in the field of design.

Biotechnology is a fast-growing sector. Swedish research is at the forefront of international development, and Sweden is home to many prominent knowledge-based enterprises. An extensive national investment programme for research will be launched, and a Research Forum set up to promote open public discussion of ethical issues raised by biotechnological research.

The expansion of higher education in Sweden will continue. To meet current targets, half the cohort from any given year should have embarked on a course of studies at university level by the age of 25. Distance learning will be extended. Recruitment will be more broadly based. Steps

must be taken to increase ethnic and cultural diversity in our colleges and universities. The municipalities must meet their responsibilities regarding the provision of student accommodation. The Adult Education Initiative will continue.

Sweden must maintain its position as a leading IT nation. From January 2001, tax relief will be extended to households and companies in Sweden investing in broadband transmission. The Government will promote competition and low prices. The development of electronic commerce will be stimulated. Investment in IT in schools will continue.

The major threats to our environment must be solved within a generation. Our fifteen environmental objectives will be defined more closely and new measures proposed. Working in cooperation with the business sector, the Government will seek to stimulate and develop the use by enterprises of environmentally sound technologies. Environmental requirements shall apply to all public procurement. Continued application of the green tax shift will benefit both employment and the environment. The second reactor at Barsebäck will be closed down as soon as the conditions laid down by the Riksdag have been met.

The fruits of development must benefit the country as a whole. Measures will be taken to counteract the depopulation of rural areas. Efforts to secure regional growth agreements will continue. A temporary restructuring grant for county councils with severe financial problems will be introduced in 2001. Municipalities facing serious difficulties will continue to receive support through the specially appointed Municipal Commission.

There must be an increase in housing construction. The public housing sector must be safeguarded and rented accommodation promoted and developed. Property tax on real estate comprising rented accommodation will be significantly reduced. Steps must be taken to deal with the growing housing shortage and segregation in metropolitan areas. In the Stockholm area, a new, modern suburb complete with homes, offices and other workplaces will be constructed on the site of the old Tullinge airport. A special committee will be appointed with a view to improving communications in Stockholm and the Mälars Valley area.

Swedish agriculture is modern, environmentally sound and animal-friendly. The competitiveness of the Swedish food industry will be maintained. The so-called taxes on fertiliser will be ploughed back in appropriate ways into agriculture. A proposal to this effect will be laid before the Riksdag during the current parliamentary year.

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Madam Speaker,

Sweden enjoys a rich culture. It is an asset we should be proud of and make every effort to protect.

Conditions for artists must be improved. More freelance actors will benefit from improved financial security through the 'actors' pool', TeaterAlliansen (Theatre Alliance). There must be wider access to libraries and museums. Rent defrayed by cultural institutions will be reviewed.

In our multicultural society, freedom and opportunity are contingent on a knowledge of the Swedish language. Culture can be a springboard to the development of language skills. This applies particularly to books and reading.

Awakening a child's appetite for reading is a responsibility we all share – parents, school staff and other adults. We must take the time to follow our children on journeys of the imagination, fall under enchantments with them, become lost in wonder together, and for a moment see the world through another's eyes.

Tsatsiki, Sune, Fredde 8 år and other characters in children's books are important. They are filled with feelings, thoughts and experiences that all children can recognise – and a whole new world of words to express them.

By following these precepts, we can learn to recognise ourselves in others. Thus we can all contribute to the greater tolerance and understanding between human beings on which the future of democracy depends.

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Madam Speaker,

Sweden must never again be forced into the straight-jacket imposed on policy-making by mounting deficits.

The lessons of those years of crisis are bitter. Hopefully, we have also come to better appreciate the welfare state we often took for granted in the past.

Let us harness the potential of free, secure individuals to realise their dreams and ideas, thereby carrying development forward.

Let us continue building the Swedish welfare society – a community in which strength grows out of unity and of people's desire for solidarity with one another and with the generations to come.

Let us ensure that this opening of the Riksdag is not merely the beginning of political duties in a new millennium but also the start of a new era of political reform.