

Ministry of Health and Social Affairs

SWEDEN'S STRATEGY REPORT FOR SOCIAL PROTECTION AND SOCIAL INCLUSION 2006 - 2008

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1. Common strategy for social protection and social inclusion

Under the Open Method of Coordination, the EU Member States have been working together since 2000 on issues relating to fighting poverty and social exclusion, working for adequate and sustainable pensions and sustainable and accessible health care and long-term care. The conclusions from the meeting of the European Council in Lisbon indicate that modernisation and improvement of social protection is an important step towards attaining the overall Lisbon objectives.

In 2003, the Commission presented a proposal aimed at streamlining cooperation in the social area. The proposal means that the three strands referred to above are merged, while the specific aspects of each strand can continue to be developed further. Under the new proposal, a joint strategy report is to be drawn up in the social area instead of different reports, as was done previously. Sweden has warmly welcomed the proposal to streamline the cooperation, as this means that the social dimension of the Lisbon strategy is strengthened and that it is possible to see more clearly synergies between the different areas of policy covered by the cooperation. This provides further scope to explain the Swedish model of universal welfare. The present report provides an opportunity to take an overall view and look at the whole of social policy together. The new model for cooperation means that reporting is simplified and that more effort is put into exchange of good practices, which is the actual basis of cooperation in the Open Coordination Method.

New common objectives have been adopted for this work. These build on previous objectives adopted in Nice and Laeken and provide a basis for the preparation of national strategies for social protection and social cohesion. The overarching objectives of this work are to promote:

- a) social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies;
- b) effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion and the EU's Sustainable Development Strategy;
- c) good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

The national strategy reports for social protection and social inclusion will cover a three-year period, This does not, however, apply to this first report, which only relates to a two-year period, with the aim of fitting into the new Lisbon timetable. Sweden last year presented a national action plan for growth and employment for the period 2005-2008. The national strategy

report and the national action programme with follow-up reports complement each other well.

The present report is the first of its kind, and the Ministry of Health and Social Affairs has been responsible for preparing it. The report is laid out on the basis of the guidelines drawn up by the Social Protection Committee. It was noted ahead of the work on the report that circumstances differ for the different strands, and this is reflected in the guidelines for the report. In view of the fact that the Member States presented a forward-looking and strategic pensions report in 2005, the section of this report on pensions is structured differently. The section on pensions contains an in-depth look at the issue of incentives to prolong working life within the pension system. The part of the report concerned with health care and long-term care is principally aimed at identifying key areas in which the Member States can exchange experience.

Work on the strategy report began with an information and consultation meeting with representatives of non-governmental organisations and social partners. The meeting proved to be of great value and prompted several good ideas that have been utilised in work on the report.

1.1 Evaluation of the social situation

The Swedish economy is now growing strongly. Growth is expected to be 3.6 per cent in 2006 and 3.0 per cent in 2007. The public finances are also developing strongly. It is anticipated that central government debt will decrease in 2006, both as a proportion of GDP and in monetary terms.

There was an upturn in employment in the autumn of 2005 as a result of a strong domestic economy and an increase in active labour-market policy measures. Employment overall is expected to increase by around 80,000 people in 2006 and around 40,000 in 2007, with around 65 per cent of this increase accounted for by the private sector. The Swedish Government's goal is full employment, and an interim target is for 80 per cent of those in the 20-64 age group to have regular employment and for open unemployment to be reduced to 4 per cent. Despite employment being expected to rise this year, the Government judges there to be a need for continued measures to reduce unemployment, particularly among the longterm unemployed, young people, immigrants to Sweden and people with disabilities. These groups are at greater risk than others of being excluded from the labour market. The number of young people in the 20-24 age group without known employment, i.e. who are not studying or seeking jobs, was estimated at around 50,000 in 2001. This group also finds it particularly difficult to gain a foothold in the labour market in the longer term. Young people with a foreign background are more vulnerable than young people born in Sweden. The greatest difficulty in entering the labour market is experienced by young people in economically disadvantaged urban areas. Having a job leads to involvement in society, which is particularly important for people with a foreign background.

Table 1 EU employment targets and Swedish results in 2005, in per cent

	Total	Men	Women	Elderly
				(55-64 age group)
Employment rate, 15-64 age group	72.3	74.3	70.2	69.5
EU target 2010	70.0		60.0	50.0

Source: Eurostat.

Table 2 National employment and unemployment targets and results for 2005, in per cent

2003, in per cent			
	Total	Men	Women
Regular employment rate, 20-64 age group	77.4		
National employment target	80.0		
Unemployment, 16-64 age group	6.0	6.2	5.7
Unemployment (ILO definition)	7.8 ^P	7.9 ^P	7.7^{P}
National unemployment target	4.0		

Source: Labour Force Survey, Statistics Sweden and Eurostat. P=preliminary data.

As well as increased initiatives aimed at young people, Swedes with a foreign background and people with disabilities, a number of measures must start being introduced now to prevent financial problems that arise when times are good. To ensure that a good economic climate is not brought to an end, the risk of a future shortage of labour must to be minimised, for example by better matching and greater mobility in the labour market,

To finance future welfare, it is necessary for more people to be in work and for the number of hours worked to increase. A high employment rate is essential if a generous welfare policy is to be possible. Work and the ability to support oneself increase individual's security and freedom. The challenge for the future is to create conditions in which people both want to work and have an opportunity to do so. Activation is therefore an overarching principle in the Swedish Government's economic policy.

More and more people are leaving the world of work early on the grounds of sickness. A number of measures have been taken in recent years to improve health at work and enable people on sick leave to return to employment. In 2002, the Swedish Government set a target of reducing sickness absence by half by 2008. In May 2006 the number of paid days of sickness benefit had fallen by 33 per cent from the 2002 figure, which means that the objective is within reach.

Every year, more and more Swedes live to see their hundredth birthday. Last year there were 1,342 people, 1,137 women and 205 men, over the age of 100. And this positive trend is continuing. Average life expectancy in 2005 was 82.78 years for women and 78.42 years for men (see Annex 1, Table b). The number of elderly people is steadily rising, and in most cases they remain healthy for an ever longer time. This is a very welcome trend,

but there are still problems. Many elderly women and men have meagre financial resources, and care is still not sufficiently good for all elderly people. Many family members, particularly women, bear great responsibility for those close to them. In addition, in ten to fifteen years the number of elderly persons over the age of 80 and the need for long-term care will increase at any even faster rate. In addition, needs will look very different – everything from healthy elderly people who just need a little extra help around the home to elderly people with an extensive need for assistance.

The Government has an objective of Sweden becoming the world's best country in which to grow old. This necessitates a number of measures over the next decade. The Government has presented a development plan for health and social care of the elderly in 2006. This will be continuously followed up and supplemented. In the development plan, the Government gave notice that it would aim for combined resources for the elderly to increase gradually by 10 billion Swedish kronor over the next ten years. Responsibility for putting this into effect is borne by central government, the municipalities and the county councils.

The birth rate affects the population trend and is thus of key significance to future growth. The number of children born in Sweden fell in the 1990s. In 1999 the downturn was reversed, and the number of births has since risen every year. In 2005 the average birth rate was 1.77 children per woman. The forecast for the cumulative fertility rate in 2006 is 1.81 children per woman.

1.2 Strategic approach and overarching objectives

A universal welfare policy and an active labour-market policy are characteristic features of the Swedish social model. The objective for policy over the period 2006-2008 is to create more jobs, reduce ill-health at work, improve long-term care, make society accessible for people with disabilities, tackle homelessness, increase integration, create the necessary conditions for a prolonged working life and achieve greater gender equality.

1.2.1 Universal welfare is the foundation for social protection and social inclusion

Objective: Promote social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies

The Swedish welfare system comprises general health care and social care, social insurance that provides financial security in illness, disability and old age and for families with young children and basic supplementary protection in the form of financial assistance.

The Swedish welfare system is universal and covers the whole population. It is financed through compulsory contributions and taxes. This means that

everyone pays towards welfare and everyone benefits from it, not just the ones who have the greatest needs. A universal system has a great redistributing impact in levelling out financial sources and living conditions. It redistributes between different groups in society and contributes to levelling out the incomes of individuals between the various stages of their lives. A universal system that covers everyone, rather than a system only targeted at those with the greatest need, is therefore more likely to provide a high level of social security for a large proportion of the population. The policy of universal welfare creates security which contributes to greater flexibility, as people are willing to take the risk of going through changes such as starting a family, taking up studies or changing jobs.

Universal welfare obviously also provides support for the most vulnerable groups in society. This type of supplementary support must continue to be strong in the future.

Universal welfare is intended to create equal opportunity for everyone and equality between men and women. Swedish family policy contributes towards enabling parents to combine family life and work. Parental insurance, together with good-quality childcare, enables both men and women to combine family and work, which contributes to increased gender equality. Sweden has a high rate of female participation in the labour force, along with a relatively high birth rate. The rate of participation in the labour force of women with young children is also higher than in most other European countries. High employment, a well-developed policy on gender equality and supportive family policy are fundamental factors that promote the security and well-being of families from both the social and economic points of view. This creates favourable conditions for an increase in birth rate.

Activation is an important principle in universal welfare policy. Work is the basis of welfare and is also the foundation on which people's personal and social development rests. Swedish labour-market policy is notable for being active, and work or some form of education and training is always preferable to allowances. A long period of unemployment leads to isolation and lack of participation in society.

Swedish welfare policy faces a number of challenges. In particular there is a need to maintain a high level of employment. To respond to this challenge, all the resources in the labour market must be utilised. There is a need to get more people into work and to get more people to work longer, create more flexible jobs and reduce sick leave levels. It is also important to encourage people to have children by further improving opportunities to combine family and work. In the area of health care, there is a need to utilise resources more effectively, and both the efficiency and productivity of care must be improved.

1.2.2 Interaction between the Lisbon Strategy and the EU's Sustainable Development Strategy

Objective: To promote effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion and the EU's Sustainable Development Strategy

One of the aims underlying the proposal to streamline cooperation in the social area was to strengthen the social dimension of the Lisbon Strategy. It is necessary for economic, social and employment policy to work together so that the Lisbon objectives can be attained. The interaction between the revised Lisbon strategy and application of the Open Method of Coordination in the social area must be mutual. Measures for social protection must be designed in such a way that they contribute to economic growth and employment, while measures aimed at growth and employment in turn must support the social aims. The Swedish pension system is an example of this dynamic interaction working smoothly. Incentives for employees to work longer contribute to economic growth. The Swedish pension system is based on lifetime earnings. This means that the longer someone works, the higher the pension they receive. At the same time, the pension system is linked to demographic and economic trends, as the earnings-based pension is linked to both average life expectancy and the general trend in wages.

Work and education and training form the basis for social participation in society. The Government's labour-market policy is based on initiatives to promote activation and skills enhancement and to bring about a more flexible labour market through greater employability for those who do not have jobs, as well as creating security in adaptation to new circumstances. Women and men having the same opportunities to take part in working life and to take part on equal terms is a matter of fundamental fairness. Under the Equal Opportunities Act, the employer has to be make it easier for both female and male employees to combine gainful employment and parenthood.

In the Swedish action programme for growth and employment, the Government describes the measures taken or planned for the period 2005-2008 under the Lisbon Strategy. In this action programme, the Government has identified certain priority groups in relation to measures taken to attain the overall aim of full employment. These are the long-term unemployed, disabled persons with reduced capacity to work, young unemployed people, older women and men and women and men with a foreign background. The initiatives taken by the Government to strengthen the groups that find it most difficult to obtain employment are also of great significance in preventing social exclusion. More than 1.1 million people living in Sweden were born abroad. Sweden is well endowed with language skills and experience and knowledge of different cultures. This asset must be put to use. Work, education and training and non-discrimination form the basis of integration policy. Integration in the labour market at present is far from adequate, as the level of employment among those born outside Sweden is significantly lower than that of people born in the country. In 2005, 62 per cent of all persons of working age born abroad were in employment, 59 per

cent of women and 65 per cent of men. People born abroad are also over-represented among the long-term unemployed. The Government takes general measures to boost employment and tackle long-term unemployment, which has opened up new opportunities for people born outside Sweden. As well as these general measures, special initiatives have been taken to improve opportunities for education, training and work for women and men with a foreign background. To take an example, geographically limited trial activity aimed at quickly establishing newly arrived immigrants in the labour market was introduced in July this year.

The economic situation of Swedish children has been very good in an international comparison and over a long period of time, and a similar situation applies to the other Nordic countries. Measured as the proportion of children in households with an economic standard below 60% of the median disposable income of the population, in 2003 around 11 per cent of children were at risk of poverty, compared with the EU average of around 16 per cent. The principal reason for a low economic standard is lack of gainful employment and/or receipt of only one earned income. Two groups which are particularly vulnerable in this respect are single-parent families and families with at least one parent born abroad.

Most studies have shown that countries, such as Sweden and the other Nordic countries, with well-developed universal welfare tend to have lower economic vulnerability. In these countries public services play an important role in the low proportion of economically vulnerable children. The female activity rate combined with public childcare is an important factor in explaining the relatively low proportion of economically vulnerable single-parent families (see also Annex 1, Table a).

The degree of economic vulnerability among children and the living conditions of economically vulnerable children are affected by developments in a number of different policy areas such as integration, the labour market, social services, family and education. For the most vulnerable groups, single mothers and families with parents born outside Sweden, there is thus a combination of initiatives in several policy areas. It is important to note the National Board of Health and Welfare's report that long-term financial assistance is not just a sign of poor finances in the family but can also be regarded as risk marker for unfavourable development for the child in the future.

Sustainable development is an overall objective of government policy. All decisions are to be formulated so as to take into account economic, social and environmental consequences. Work on sustainable development is based on the realisation that growth and welfare can only be maintained if investments are made in the common resources that form the basis of the national economy. The basic principle underlying the general pension system is that it should be financially stable and sustainable.

1.2.3 Administration of social insurance and the involvement of stakeholders in decision-making

Objective: To promote good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

One of the lessons learnt from work on the national action plans to tackle poverty and social exclusion is the importance of involving all stakeholders in this work. A commission for user participation was appointed during work on the 2003 national action plan for social inclusion. The commission comprises more than ten people appointed by the organisational network the Network Against Social Exclusion and one representative each from the Swedish Association of Local Authorities and Regions and the National Board of Health and Welfare. The work of the commission is focused on particularly vulnerable users and over the years, as well as its regular meetings, it has arranged seminars to emphasise the situation of the most vulnerable and to highlight problems and solutions. Since 1991, the Government has also had a standing committee comprising representatives of pensioner organisations in which issues and proposals relating to the situation of pensions are discussed. A similar forum exists in which the Government and representatives of organisations for the disabled conduct a dialogue.

Administration must work smoothly if confidence in social insurance is to be retained. A new government agency for the administration of social insurance was set up on 1 January 2005 (the Swedish Social Insurance Agency). The aim is to improve the prospects for more uniform application of existing rules on social insurance and in so doing to bring about more legally secure and quality-oriented procedures.

The Swedish Social Insurance Agency plays an important role in efforts to reduce sick leave, but initiatives by several actors are needed for success to be achieved. Health care, the employer, the employment service and social services all have responsibility for different parts of rehabilitation back to work. Collaboration between these actors and the insured person is often decisive in enabling the individual to return to employment. This applies particularly in cases where there is a complex set of problems. In 2004 a system for financial coordination in the area of rehabilitation between the Swedish Social Insurance Agency, the county labour boards, county councils and municipalities was made given permanent status. The target group is people who need coordinated rehabilitation efforts, and the aim is for these people to attain or improve work capacity. These people are often far removed from the labour market and dependent on government for means of support. Financial coordination makes it possible to form coordinating bodies at local or regional level. By coordinating resources and establishing a joint management and decision-making function, opportunities are created to tackle the problem of going around in circles and promote effective cooperation between the agencies concerned.

1.3 Overarching message

The policy of universal welfare provides the basis on which to create social cohesion and equal opportunities for everyone. A welfare policy that covers everyone is most likely, in the long term, to create adequate, accessible and financially sustainable security systems. It produces good distributional effects, while also having a high degree of legitimacy as everyone who contributes to the system also benefits from it.

This is also the basis for all three strands of the national strategy report. The general pension system, like health care and long-term care, covers the whole population on equal terms. Universal welfare policy creates the basis on which to prevent poverty and social exclusion and therefore the foundation on which the Swedish action plan for social inclusion is built. Universal welfare contributes to reducing the gaps between different groups in society, but it must be supplemented by support targeted at the most vulnerable groups in society so that social inclusion that covers everyone is attained.

The importance of a high level of participation in the labour force is a continuous thread through the three different parts of the report. High employment is essential if a generous and financially sustainable welfare system is to be maintained. Activation is therefore an important principle in universal welfare policy. Having a job is the best way of influencing one's own economic situation. Work and education are the basis of people's personal and social development and are important factors for participation in society.

Streamlining of EU cooperation in the social area has made it possible to take a combined look at the whole of welfare policy. It makes the social dimension clearer. This is an essential requirement if the Lisbon objectives of economic growth, employment and social inclusion are to be achieved, as well as the objectives of sustainable development.

2. National action plan for social inclusion

Cooperation between the EU Member States to prevent poverty and social exclusion has meant that the Member States have on two occasions, in 2001 and 2003, drawn up national action plans to contribute to fulfilling the goals established by the European Council in Nice for this area. The goals are to:

- 1. facilitate participation in employment and access by all to resources, goods, rights and services
- 2. prevent exclusion of people from work
- 3. help the most vulnerable
- 4. mobilize all relevant actors.

In the 2003 action plan, Sweden reported, among other things, on trends and challenges, strategic approaches and the political measures planned up to 2005.

During the spring of 2005 the Member States drew up implementation and update reports on initiatives to fight poverty and social exclusion. The reports principally covered social inclusion but also, to a slightly lesser extent, pension cooperation. In the joint report on social protection and social inclusion in the EU compiled in conjunction with the 2005 follow-up reports, seven key policy priorities were identified. These have served as important points of departure for the measures and strategy described in Sweden's action plan for social inclusion. A consistent theme as far as Sweden is concerned is strengthened collaboration and partnership at all levels of society, as well as a clear service user's perspective. In the continuing work there has been consultation, for instance, with the organisational network the Network Against Social Exclusion, which comprises a very large number of organisations in the social area.

Four priority policy objectives and a number of specific targets for reducing poverty and social exclusion in the period up to 2010 are presented in section 2.1. The measures the Government has decided on to attain these objectives are described in sections 2.2 to 2.5, and here the emphasis in the action plan lies. The measures described are in the main taken from the Government's Budget Bill for 2006 and the Government's 2006 Spring Budget Bill. Section 2.6 contains an account of how governance is formulated and how the action is to be implemented and followed up.

¹ 1) Increase labour market participation, 2) modernise social protection systems, 3) tackle disadvantages in education and training, 4) eliminate child poverty and enhance assistance to families, 5) ensure decent housing and tackle homelessness, 6) improve access to quality services (health and care services, life-long learning, financial services, legal advice services, transport etc.), 7) overcome discrimination and increase the integration of people with disabilities, ethnic minorities and immigrants (first and second generation).

2.1 Priority policy objectives up to 2008

Achieving full employment for both men and women regardless of ethnic background, ensuring good housing at reasonable cost and strengthening groups in particularly vulnerable situations are judged to be the most important areas for the period 2006-2008 to fight poverty and social exclusion. The Government formulates the priority policy objectives as follows:

- 1. promote work and education and training for everyone,
- 2. increase integration,
- 3. ensure good housing and fight homelessness,
- 4. strengthen groups in particularly vulnerable situations.

The priority policy objectives accurately reflect the key policy priorities identified in the joint report from 2005 on social protection and social inclusion in the EU, and according to the Swedish Government have a decisive impact in attaining the common objectives decided upon by the EU's Member States:

- d) access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion,
- e) the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion.

These priority policy objectives are also endorsed by the non-governmental organisations which in various ways have contributed to the action plan. The non-governmental organisations consider employment and meaningful work to be a key area, which also includes security in the event of unemployment and illness. They also emphasise the significance of the social enterprises in creating new jobs and giving people who have been outside the labour market an opportunity for "real" work and a work community. Housing and homelessness is another key area, as is integration. In its work on the priority policy objectives, the Swedish Government intends to pay particular attention to differences in conditions for women and men.

2.1.1 Social exclusion

The following definition of the term social exclusion underlies the prioritisation of objectives. Social exclusion means that people or groups are excluded from various parts of society or have their access to them impeded. Social exclusion occurs in part through people not gaining access to key parts of social life such as the labour market and in part through a process in which people are gradually excluded as a result of a social problem leading to several other subsequent problems. It is thus a social phenomenon which is more complex and dynamic than that covered by the term social problem, which often involves one problem at a time. Social exclusion can thus be regarded as a consequence or an accumulation of social problems in

different areas, but it also reflects structural problems in a society in which individuals or groups do not have access to certain areas of that society. Social exclusion refers to non-participation in important areas of society such as the labour market, politics, culture, leisure activities, social relations and housing.

2.1.2 Work and education – a basis for social inclusion

Employment provides a firm foundation for participation in society. An education system that works well is also of key importance if people are to be able to acquire the knowledge they need for active citizenship. Preschool, school, leisure-time centre and upper secondary school should provide all pupils with the basis for work or further education and training. The target is for 50 per cent of people born in any given year to embark on university-level studies. The vast majority of those aged 18-24 have completed at least upper secondary education or are studying (see Annex 1, Table c). Only 8.6 per cent (7.9 per cent of women, 9.3 per cent of men) have no education beyond compulsory primary and lower secondary school, which is probably in part explained by good opportunities to acquire upper secondary level skills in adult education.

Entry to the labour market also provides access to those parts of the social insurance system that are intended to cover temporary loss of income, for example due to illness. This insurance is generally sufficient to prevent the person concerned falling below the poverty line. The social insurance system in Sweden is supplemented by financial assistance as the ultimate safety net for people who have problems in providing for themselves.

Young people, people with disabilities and people with a foreign background generally have a lower employment rate and are at greater risk of having little contact with the labour market. Young people enter the labour market ever later, and the group of young people who do not either work, study or seek employment also finds it particularly difficult to gain a foothold in the labour market in the longer term.

In 2004, the level of participation in the labour market among people with disabilities which lead to impaired capacity for work was 55 per cent, compared with just over 79 per cent for people without disabilities. In recent years the labour-market situation for people with disabilities has worsened in some respects. The proportion of long-term registrations at the employment service has also risen, and the employment rate has fallen. There are wide disparities between different groups of disabled people with regard to the situation in the labour market.

Sick leave is very unevenly distributed in the population, and certain groups run a greater risk of being socially excluded on sick leave. The distribution and extent of sick leave varies with gender, age and level of education. Women have a substantially higher level of sick leave than men, and account for 64 per cent of those on sick leave. Older people have a higher rate of absence on sick leave than younger people. Sick leave is more common among the unemployed and those who have been repeatedly

unemployed. There are also wide socioeconomic differences. Receipt of sickness benefit or sickness and activity compensation is more common among people of low educational attainment. The geographical differences in sick leave are also striking. Sick leave broken down into those born in and outside Sweden is proportional to distribution in the population. On the other hand, those born abroad are over-represented among recipients of sickness and invalidity benefit.

The longer a case of sickness continues, the less likelihood there is of the person on sick leave returning to work. After three to four months of sick leave, the risk of remaining on sick leave for another month is more than 80 per cent. Around half those who have been on sick leave for more than a year are granted sickness or activity compensation, and the number of people leaving this compensation scheme is unfortunately very limited. The vast majority who leave this insurance scheme do so because they have reached retirement age. Few individuals return to work. It is particularly vital to return young people who have been granted invalidity benefit to the workforce. The proportion of people on sick leave with mental-health diagnoses has increased in recent years. Between 1999 and 2005, the proportion increased from 18 per cent to just over 30 per cent of people on sick leave. Many of the young people certified sick are among these.

2.1.3 Shortcomings in integration

Sweden has a high proportion of inhabitants with a foreign background, but this asset is not utilised sufficiently, in part because of structural obstacles that delay the entry of immigrant women and men into the regular labour market. Despite reduced differences in recent years, the level of employment among those born abroad is significant lower than for those born in Sweden. The Swedish Government's general initiatives to increase employment and fight long-term unemployment also benefit those born abroad. The right to education is another important factor in promoting integration. Today not all schools are equally well placed to give all their pupils a good education, but steps have been taken to reduce differences between schools.

Many of those born abroad who came to Sweden in the 1990s have found it difficult to provide for themselves. Increasing immigration over the period has meant that an ever greater proportion of those who are classified as poor in Sweden were born abroad. Around a third of economically vulnerable people in 2003 had a foreign background. In addition, the risk of long-term financial vulnerability is consistently higher among those born abroad than among those born in Sweden. The rate of child poverty is also higher among children of people born abroad.

2.1.4 Access to housing and extent of homelessness

Having somewhere to live is a fundamental welfare issue. At the same time, there are signs that groups of households are unable to seek the housing they need on just grounds. The Ombudsman Against Ethnic Discrimination received 59 complaints of ethnic discrimination in the housing sector in

2005. The Office of the Disability Ombudsman received eleven such complaints.

The groups that find it particularly difficult to have their housing needs met are the elderly and people with physical or mental disabilities who need special types of housing or special support in their homes. Other groups are juveniles, refugee families and the homeless.

Housing with special services for adults is one of the most common forms of assistance provided under the Act concerning Support and Service for Persons with Certain Functional Impairments (LSS). This is an increasingly common form of assistance. Monitoring of action taken under LSS shows that it is not unusual for municipalities to close down special care units and for people to be forced to move to accommodation of a lower standard. Other observations apply to trends towards more people living in the same housing with special services.

The housing problems faced by young people are principally due to lack of housing, particularly cheap accommodation. Another obstacle for young people in gaining a contract for their own rented apartment is that many landlords require them to be in steady employment or require a friend or relation to guarantee payment of rent.

Homelessness is an extreme manifestation of social exclusion. Being homeless may mean anything from living on the street or in a hostel to involuntarily living with family or friends. The latest national survey of homelessness shows that the number of people without permanent housing has risen in recent years and in 2005 totalled around 17,800². The problem is greatest in the cities. Three-quarters of the homeless are men and a quarter are women. A third are also parents of children below the age of 18. There have been relatively more women and people born abroad among the homeless, and families with children are a group which has recently attracted attention in this context.

The non-governmental organisations emphasise that homelessness in Sweden is based on systematic and structural faults and that housing policy is an important part of the solution. The basic cause, the organisations believe, is that socially vulnerable groups are excluded from the ordinary housing market and that there are too few permanent alternative forms of housing which offer human dignity, such as collective housing with support in everyday life. The organisations emphasise the need to develop dignified alternative forms of housing for people who have multifaceted problems, as well as the importance of opening up the ordinary housing market to those who due to indebtedness, lack of income etc. are excluded from it.

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² 0.2 per cent of the population.

Children at risk

For a number of years, attention has been drawn to conditions for children at risk. The work of the social services and other authorities in this area is undergoing continuous development. This group of children includes children who grow up in homes in which physical or psychological violence takes place, children who are neglected, children who have been subjected to sexual abuse, children of substance abusers, children of people with mental disorders and children who live in conditions of economic vulnerability.

Children who have experienced domestic violence have long been disregarded by society, but are being given increasing attention. According to the Committee on Child Abuse, around ten per cent of all children have at some time experienced this type of violence, and five per cent experience it often. Attention has been given to the need to develop support for children who have experienced violence and in other ways have been affected by violence by and towards family members.

Women subjected to violence and their children

Violence by men on women in close relationships is an extensive and urgent social problem. This is a threat to women's health and well-being and even to their survival. In recent years, the Swedish Government has given priority to work on these problems, and efforts in the municipalities to support women subjected to violence and their children has been improved. However, there are still deficiencies in this support. Just over 24,000 cases of abuse of women were reported in 2005. In around 75 per cent of these reported cases, the suspected perpetrator is a person known to the woman. It is usually a case of the man and woman having a close relationship that is ongoing or has been finished. In the same year just over 2,150 cases of gross violation of a woman's integrity were reported. However, there is a high number of unreported cases. According to an estimate by the National Council for Crime Prevention, only between a quarter and a fifth of cases of violence against women in close relationships are reported.

Women and men with substance abuse problems

On 1 November 2005, around 21,300 people were being treated in some way for substance abuse problems, the same number as at the same time in 2004. The expansion of outpatient care in the municipalities is continuing, and the municipalities to a greater extent than previously have various types of measures in place for different groups of people with substance abuse problems. The flipside of this trend is that there is a tendency for the municipalities to refer people with substance abuse problems to units in their own municipality regardless of what the person has requested. Another development trend is for municipalities to give the individual increasing responsibility to seek treatment.

2.1.6 Universal welfare policy as the basis for social inclusion for everyone

The principal task of welfare policy is to give people security and enable them to develop. In this way the conditions needed for increasing welfare are created, both for the individual and for society. The number of people at risk of social and economic vulnerability is to be substantially reduced by 2010.

This is to be achieved by:

- reducing the proportion of women and men, irrespective of ethnic background, whose income is lower than the basic social assistance allowance,
- reducing the proportion of women and men, irrespective of ethnic background, whose income is under 60% of the median income,
- reducing the proportion of people in families with children, irrespective of ethnic background, whose income is under 60% of the median income.
- reducing the proportion of girls and boys, irrespective of ethnic background, who leave compulsory school with incomplete grades,
- increasing the proportion of women and men, irrespective of ethnic background, who satisfy the requirements for general eligibility for admission to higher education,
- increasing employment among both women and men, irrespective of ethnic background,
- halving the number of sick leave days by 2008,
- reducing the proportion of girls and boys, irrespective of ethnic background, who have experimented with drugs, use alcohol or smoke,
- increasing the number of women and men with substance abuse problems, irrespective of ethnic background, who undergo treatment,
- reducing homelessness among both women and men, irrespective of ethnic background,
- reducing the number of people receiving social assistance allowance by half.
- increasing physical accessibility for people with disabilities by making public transport accessible and by dealing with easily remedied obstacles by 2010.

2.2 Promoting work and education and training for everyone

The Swedish Government and the Swedish Parliament have decided on a broad employment package which provides up to 55,000 people with an opportunity for work, a work experience placement or employment in 2006 and 2007.

Initiatives in the area of education

In Sweden, all children are offered free preschool provision from the autumn term of the year when the child reaches its fourth birthday for at least 15 hours a week, and there is a ceiling for how much families pay in preschool fees, known as a maximum charge. The Swedish Government has made determined efforts to boost staffing levels and establish quality programmes in preschool, school and leisure-time centres. Follow-up shows

that with regard to school the municipalities have given priority to recruiting special educational skills, which are of great significance for children in need of special support. The act prohibiting discrimination and other degrading treatment of children and pupils in schools came into effect on 1 April 2006.

The Swedish Government is taking several initiatives aimed at ensuring that more pupils gain qualifications in compulsory primary and lower secondary school and the vocationally oriented programmes of upper secondary school. Commitments are also being made to traineeships at upper secondary school and to providing more places at independent adult education colleges.

Commitment to young people

The Swedish Government has appointed a national coordinator to propose measures that can make it easier for young people to enter the labour market. From the autumn of 2006 and during 2007, it is possible for young people to receive general employment support after being registered for three months at the employment service. The same applies to immigrants with a permanent residence permit. In addition, the Swedish Government is making a commitment to 1,000 more "bonus jobs" for young people from 1 July 2006. Other initiatives are provision for reimbursement of travel expenses in connection with job interviews, support for municipalities which offer summer jobs to upper secondary school students and a boost to employment protection in fixed-term employment contracts. The Swedish Government also supports 'navigator' activities, which means that the municipalities, in cooperation with the employment service, local trade and industry and organisations, provide support and personal advice to help young people into work. The National Agency for School Improvement has been commissioned, together with a number of municipalities, to improve the quality of study guidance and vocational guidance in schools. Since 2005, the municipalities have been responsible for offering suitable measures for young people over the age of 20 who are not either studying or in employment.

Initiatives focused on groups that find it most difficult to get jobs

The Swedish Government targets special initiatives in particular at the long-term unemployed, Swedes with a foreign background and people with disabilities. The level of education is to be raised by adding 1,000 more places in advanced vocational training and 11,000 more places in labour-market policy programmes and a commitment to raise the quality of labour-market training and to training for occupations in which there is a shortage. To provide people with disabilities with better opportunities for work, the Swedish Government is earmarking funds for 2,000 more wage subsidies and is conducting an experiment to eliminate requirements for financing subsidies from employers in work experience placements. In the next few years, the Swedish Government will pay particular attention to the employment and training opportunities of people with disabilities. The Swedish Government intends to appoint a commission of inquiry to survey

and analyse the initiatives offered by society for people with disabilities to have the same rights to education and training and work as other people.

There is a close link between the need for financial assistance and the trend in employment. In February 2005, the Swedish Government appointed an inquiry chair to submit proposals to facilitate the transition from dependence on assistance to providing for oneself through one's one work. The chair of inquiry is due to submit a report by 25 January 2007.

Focus on health

The Swedish Government's efforts to reduce sick leave have yielded positive results since 2003, not least with regard to the reduced number of days of sickness benefit. The number of long-term sickness cases has also decreased in recent years, as has the number of recipients of newly granted sickness and activity compensation. Returning people to work and preventing new cases of sickness from becoming too long-term are measures of great significance.

To encourage the county councils to be more active in the sick-leave procedure and provide further support to patients' return to work, special support for health care has been introduced with effect from 2006. These measures entail an investment of three million Swedish kronor in three years and necessitate an agreement between each county council and the Social Insurance Agency. A first evaluation of the system is due to be made in December 2006.

Since the end of 2005, the Social Insurance Agency and the National Labour Market Board have been examining all long-term sickness cases, longer than two years, and cases in which sickness and activity compensation has been granted for a limited time, in two selected areas. The aim is to ensure that rehabilitation or other measures are taken to help these people back into work. On behalf of the Swedish Government, the authorities are to extend these measures to all other regions of the country by the end of 2007.

The Swedish Social Insurance Agency and the National Board of Health and Welfare were tasked, in the winter of 2005, with preparing national support for decision-making on sick leave both for (treating) doctors who issue medical certificates and for the insurance administration, in the form of insurance medicine guidelines. The support for decision-making is intended to ensure a uniform and legally secure process for granting sick leave and is designed in such a way as to promote activation.

During the autumn of 2006 the Swedish Social Insurance Agency intends to draw up an agency-wide policy and action plan for several different perspectives, including gender equality, disability and sexual orientation, which are to be implemented in the agency's activity plan for 2007. The Swedish Government consider it important for work on the various perspective issues to be developed further.

Opportunities in social enterprise

The social economy can be a resource in job creation. In Sweden, enterprise within the social economy is principally undertaken in the form of cooperatives. Profitability goals are combined with goals relating to development and empowerment for the people who participate in the activities of the social enterprises.

The European Social Fund

On 29 June 2006, the Swedish Government decided on a national strategy for regional competitiveness and employment over the period 2007-2013, which is to underlie the implementation of the EU's structural funds in Sweden. A national social fund programme is to be implemented within the new structural fund objective of Regional Competitiveness and Employment.

It is stated in the strategy that the social fund programme is to aim to:

- Promote the development of skills that ensure redeployment for people already in employment so that they are not at risk of becoming unemployed because they do not possess skills that are in demand.
- Make it easier for people who have little contact with the labour market to enter and stay in the labour market through non-traditional initiatives.
- Prevent and tackle discrimination and exclusion in the labour market.
- Prevent long-term sick leave and make it easier for people who are or have been on long-term sick leave to return to work through innovative initiatives.

On the basis of these guidelines, the Swedish Government has to decide during the autumn of 2006 on a proposal for an operational programme for the Social Fund, which is then to be submitted to the European Commission for approval.

2.2.2 Indicators and follow-up

- People aged 18-24 who have no qualifications beyond compulsory primary and lower secondary school and who have not been in education or training in the last four weeks broken down into women and men (Annex 1, Table c)
- Participation in the labour force in the 15-64 age group, broken down into women and men (Annex 1, Table h).
- Number of days of sickness benefit per year (source: Swedish Social Insurance Office).
- Number of days of sickness and activity compensation per year (source: Swedish Social Insurance Office).

2.2.3 Resource allocation and agencies responsible for implementation

The municipalities are responsible for childcare and schools. Central government involvement in the area of education principally comprises legislation, inspection, follow-up and evaluation, certain incentive grants and the development work undertaken by the government agencies. As well as the National Agency for Education and the Swedish National Agency for

School Improvement, a number of government agencies have special responsibility for providing support for pupils with disabilities.

The Swedish National Labour Market Administration consists of the National Labour Market Board, which is the lead public authority, 20 county labour boards and around 325 employment offices. The role of the Swedish National Labour Market Administration is to create a labour market that works well, in order to attain labour-market policy objectives. The principal task of the employment service is to contribute towards effective matching of job-seekers and job vacancies. The Swedish Social Insurance Agency administers social insurance and also has responsible for coordination with regard to rehabilitation. Several actors are responsible for the implementation of rehabilitation initiatives — the employer for workplace-oriented initiatives, the health and medical services for medical efforts and the employment service for labour-market policy initiatives. The social services are also responsible for rehabilitation initiatives in certain cases.

The Swedish Government proposes that the grant from the European Social Fund for the national social fund programme for the period 2007-2013 should total around 614 million euros. In addition to this there is national co-funding in an equivalent sum.

2.3 Increase integration

The foundation on which the orientation and formulation of general policy rests is that everyone who lives in Sweden, regardless of ethnic origin, is to have equal rights, obligations and opportunities. Integration policy is geared towards supporting people's ability to provide for themselves and participate in society, safeguard fundamental democratic values, contribute to equal rights and opportunities for women and men and prevent and counteract racism, xenophobia and ethnic discrimination. The Government has adopted a national action plan for human rights 2006 – 2009 and has appointed the commission for human rights in Sweden. The focus in the action plan is on protection against discrimination. Other issues discussed include the rights of the disabled, the rights of the child, national minorities and the indigenous Saami people, violence by men on women, including issues of honour-related violence and human trafficking, the right to work, housing, health and education, issues relating to legal certainty and asylum and migration issues. In addition, the Swedish Government has appointed a parliamentary committee which is to present proposals on ways of improving integration policy and making it more effective. The final report on this remit is due to be delivered by 1 June 2007.

Initiatives for children and young people

To ensure all pupils equivalent opportunities, schools with large numbers of pupils who fail to attain educational targets will be given extra resources. Over a four-year period, municipalities will be able to take on a total of 1,000 resource people who have special language skills. This affects around 100 schools in segregated areas. The resource people are to provide support in teaching and in so doing contribute towards more children and young

people leaving school with qualifications. A special national strategy for the education of newly arrived children and young people is also to be devised. A total investment of just over 350 million Swedish kronor is being made between 2006 and 2008.

Another initiative for young people in school is development support for the establishment of upper secondary school traineeships aimed at 20 municipalities where the proportion of upper secondary pupils with qualifications from vocationally oriented programmes is particularly low. A total investment of 40 million Swedish kronor is being made in 2007 and 2008.

Better integration in the labour market

Integration is largely concerned with the possibility of making use of one's skills and experience at work. Measures taken by the Swedish Government to increase employment offer new opportunities for many unemployed people, including those born abroad. A two-year trial began on 1 July 2006, in which the Public Employment Services are given overall responsibility for newly arrived immigrants being assessed for work within a reasonable time. Work-oriented initiatives are to start earlier than they do today and run alongside the teaching of Swedish. A total investment of 130 million Swedish kronor is being made between 2006 and 2008 in this trial activity.

A trial activity which has been undertaken with strengthened support measures from the Public Employment Services in 24 municipalities will be given permanent status. A total of 148 million Swedish kronor per year will be invested from 2007.

To improve the prospects for enterprise on the part of immigrant Swedes, the Government has earmarked 20 million Swedish kronor in 2007 and 2008 for strengthened advisory services. In addition, the teaching of Swedish is to be developed so that people born in other countries can enter education or employment sooner. A total investment of nearly 19 million Swedish kronor is being made in 2007 and 2008.

Many university graduate immigrants do not have work corresponding to their foreign education and training. A commitment is therefore being made to supplementary training, for instance for teachers and lawyers, as well as an increased effort to assess grades. Nearly 90 million kronor is being invested for this purpose in 2006 and 2008.

Initiatives to tackle discrimination

New legislation against discrimination was introduced in 2003, and resources have been steadily boosted over several years. The strengthening is continuing through an increase in the appropriation for the Ombudsman Against Ethnic Discrimination of 13 million Swedish kronor from 2007. The aim is to improve the enforcement of legislation and reach a greater number of vulnerable individuals In addition, the government grant to the anti-discrimination agencies is to be increased by 1 million kronor in 2006 and 4 million kronor in 2007 and 2008. The National Council for Crime

Prevention has also been tasked with investigating how injured parties and defendants with a foreign background are treated in the legal process, to ascertain whether everyone is treated equally.

The Swedish Government aims to counteract discrimination in employment through an experiment involving application documents to a number of government agencies in which identities have been removed. The aim is to counteract the tendency for people with a foreign background to be deselected early in the application procedure.

Development of segregated areas

Experiences from the Government's work in the metropolitan areas of Stockholm, Göteborg and Malmö, which are reported in the action plan for 2003-2005, will be passed on to more municipalities. The Government will offer another 20 of the largest municipalities in the country the opportunity to take part in the urban programmes. Initiatives will be taken in the metropolitan areas in the structural fund programmes for 2007-2013, including the national social fund programme, taking account of local development agreements.

Public venues are important meeting points at which to promote cultural and leisure activities for women and men and for girls and boys. The Government has earmarked a sum of 3.5 million kronor in 2007 and 2008 to adapt public venues in metropolitan areas to the cultural and leisure pursuits of young people.

Rapid integration for those who receive residence permits under a temporary asylum law

Temporary legislation on re-examination of refusal-of-entry and deportation decisions will increase the number of refugees received by the municipalities in 2006. To ensure that people who are granted residence permits are quickly enabled to establish themselves in Swedish society, an appropriation of 606 million kronor is being made in temporary support for those municipalities which see an increased influx of refugees. In addition, the standard compensation will be raised permanently from 2007 so that the way refugees are treated in the municipalities can be improved and the speed at which they become established in Swedish society can be increased.

The Swedish Government also intends to introduce specially targeted grants for municipalities that subscribe to rent guarantees to make it easier for young people and newly arrived immigrants, for example, to gain a place in the housing market. A sum of 100 million Swedish kronor is to be earmarked from 2007, which is sufficient for around 20,000 rent guarantees per year.

2.3.1 Indicators

The Swedish Government has adopted 24 objectives for integration policy which relate to employment, education and training, government employer issues, the legal system, health, ethnic and religious discrimination,

democracy, newly arrived immigrants, housing, social insurance and culture. Some sixty indicators have been proposed for follow-up of the objectives in all eleven areas.

2.3.2 Resource allocation and agencies responsible for implementation

In integration policy, the Swedish Integration Board and the Ombudsman Against Ethnic Discrimination are government agencies responsible for some of the measures described in the section on increased integration. The Swedish Integration Board has overall responsibility for integration-policy objectives and approaches having an impact in various areas of society. Integration policy transcends sectors and is therefore principally implemented in other policy areas, at all levels of society. The government agencies in other policy areas which are responsible for the reported measures include the Swedish National Labour Market Administration, the National Agency for Education, the Swedish National Agency for School Improvement and the National Agency for Higher Education.

For the period 2006-2008, the Government is investing around 1000 million Swedish kronor in integration policy measures. In addition, the planned social fund programme for 2007-2013 is to include initiatives focusing particularly on integration in the labour market.

2.4 Ensuring good housing and fighting homelessness

In the ministry memorandum Justice and Equal Terms in the Housing Market, the Swedish Government has presented a number of proposals aimed at creating a functional and effective supply of housing in all the country's municipalities. The planning for housing supply is to cover everyone in a municipality, and vacant homes are to be shared out in a fair and equitable way for everyone, as a way of tackling discrimination.

Entry of young people into the housing market

The Swedish Government has made a commitment to encouraging house-building in the country, and the pace of housing construction has increased sharply in recent years. To make it easier for young people to enter the housing market, the Government has appointed a national housing coordinator. The coordinator's final report, containing proposed measures, is due to be presented to the Government by 18 December 2007.

Financial support for households

To enable financially weak households to obtain good and sufficiently spacious homes, there is provision for housing grants. A housing supplement forms an important part of the basic protection for people whose work capacity is reduced in the long term and pensioners who receive low pensions.

Accessibility for people with disabilities

Disability policy comprises initiatives to eradicate obstacles to full participation in society. Two clear targets for accessibility by 2010 were set

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in the 2000 national action plan for disability policy. Firstly public transport should be accessible, and secondly obstacles that can be simply remedied should be eradicated. As part of this endeavour, the Planning and Building Act has been amended to improve accessibility. The National Board of Housing, Building and Planning has drawn up regulations concerning easily remedied obstacles to improve accessibility.

Fighting homelessness

The National Board of Health and Welfare has been tasked by the Government with assisting in the development of local surveys of homelessness and encouraging local activities aimed at preventing homelessness and improving the situation for homeless people. Government intends to take a series of measures to tackle homelessness. Efforts on the part of society to make sure families with childen do not become homeless must be improved. Initiatives are therefore required to prevent and tackle eviction and homelessness among families with children, for example collaboration among the actors concerned must improve and the social services must act more quickly when rental agreements are terminated. It is important to adopt a comprehensive approach to the problems, and housing policy is an important element. The Rent Act will be revised to clarify and modernise it. Particular account is to be taken of the situation of families with children in this revision. The Government also intends to task the National Board of Health and Welfare with preparing a handbook on how to prevent and tackle homelessness among families with children. A large proportion of homeless people have substance abuse problems and/or mental health disabilities. Personal representatives are an important initiative for people with mental health disabilities. The personal representative is to represent the individual in contacts with various authorities, for instance, and make arrangements so that the measures taken by various responsible bodies are planed, coordinated and implemented in such a way that the individual's own wishes, needs and legal rights are respected. To contribute to projects aimed at tackling homelessness, the Swedish Government intends to increase resource allocation to the National Board of Health and Welfare to 33 million Swedish kronor per year in 2007 and 2008. In addition, the Government is investing a total sum of 110 million kronor annually for 2007 and 2008 in personal representatives.

2.4.1 Indicators and follow-up

- People with disabilities who do not need to negotiate stairs to leave or enter their homes, broken down into women and men (source: Statistics Sweden).
- Overcrowding (source: Statistics Sweden).
- Homeless persons, broken down into women and men (source: National Board of Health and Welfare).

2.4.2 Resource allocation and agencies responsible for implementation

The National Board of Housing, Building and Planning is the national agency for housing matters. The Board monitors trends in the housing market and draws up regulations, relating for instance to government

financial support for housing construction. The municipalities are responsible for both community planning and the supply of housing. The county administrative board has to contribute advice and data for planning and may, for example, initiate and promote intermunicipal cooperation. The county administrative board should pay particular attention to the housing needs of the elderly and disabled. The National Board of Health and Welfare is responsible for surveys and local methodology development in relation to homelessness.

The Government provides temporary investment support for particular purposes for various periods. A sum of 1,050 million Swedish kronor has been earmarked up to 30 June 2008 for the new construction of small apartments in areas in which there is a housing shortage and for the provision of housing for students.

2.5 Strengthening groups in particularly vulnerable situations

The universal welfare policy forms the basis on which to create a community that accommodates everyone. With this universal welfare policy, the disparities between different groups in society can diminish. If society's resources are also to reach those who are in a particularly vulnerable situation, the universal welfare policy needs to be supplemented by initiatives targeted at individuals and groups with regard to basic needs such as work, housing, education and meaningful leisure. There is a strong consensus on this between the Swedish Government and the non-governmental organisations representing these groups.

Children at risk

To strengthen the position of children and young people in social services for children, the National Board of Health and Welfare has devised a uniform documentation system in the Barns Behov i Centrum (Focus on the Needs of Children – BBIC) project for the work done by the social services to investigate the needs of children and young people and follow up measures taken. The Government will present a national development plan for social care services for children and young people in 2006 aimed at the participation of children, the development of preventive work, higher quality in investigations and initiatives by the social services and requirements for training, skills and research based on proposals from the Committee on a National Action Plan for Social Services for Children and Young People.

The Social Services Act has been amended to clarify the responsibility of the social services for children who experience violence by and towards family members, and it has been established that these children are victims of crime. In addition, children who witness a crime which is likely to harm the child's security and trust in a close relation are entitled to criminal injuries compensation from the state.

Initiatives for young people potentially at risk

The Swedish Government is conducting a three-year trial over the period 2006-2008 to develop and test a strengthened care chain in juvenile care together with the social services. This entails giving young people who put their health or development in serious danger through criminality, substance abuse or other socially degrading behaviour the specific care offered by the special approved homes. The young person is to have a care-chain coordinator who coordinates the support offered and action taken by society. The investment totals 230 million Swedish kronor. The Government has also earmarked 40 million kronor in 2006 and intends to set aside 85 million kronor in 2007 to develop leisure activity and drug-free premises for young people in high-risk environments. The National Board for Youth Affairs has been tasked with implementing the investment, and around forty projects have so far been granted support.

Women subjected to violence and their children and honour-related violence

The Government acts in several different policy areas to counteract the vulnerability of women. To strengthen the support of women exposed to violence and of their children, the Swedish Government has decided on an investment of just over 100 million kronor a year, starting in 2006. These funds are intended among other things to look after these groups and create a national knowledge centre for women who have been abused or raped. In addition, a special inquiry in June 2006 presented proposals for clearer legislation and a number of tools to be used so that support for women subjected to violence and for their children could be strengthened and improved. The Government is at present discussing the proposals.

In recent years attention has also been given to the serious problem of what is known as honour violence and oppression, which principally affects girls and young women but also boys and young men. The Government has committed a sum of 180 million Swedish kronor over the period 2003-2007 for measures to tackle this violence.

Continued efforts towards strengthened care for people with substance abuse problems

The Swedish Government's objective is for the number of women and men with substance abuse problems, regardless of ethnic background, who undergo treatment to increase. The Government has stated in the national alcohol and drugs action plans, which extend to 2010, that care must be available and of good quality. Initiatives to tackle substance abuse must be sustainable and long-term and based on an integrated care perspective. The Government also emphasises that care, treatment and rehabilitation for particularly vulnerable groups should be strengthened.

The Government is implementing a three-year initiative over the period from 2005 to 2007 known as 'Ett kontrakt för livet' ('A contract for life'), to encourage municipalities and other actors to develop and strengthen care of substance abusers. The aim is to make it easier for people with substance abuse problems to have their care needs met. The investment totals 820 million Swedish kronor over the first three years. Of this sum, 120 million

kronor is earmarked for initiatives in the prison and probation service. A total of 350 million kronor has been earmarked as direct support for the municipalities in developing specialised and integrated care of substance abusers, introducing a guarantee of treatment for quicker initiatives and developing individual care plans. To strengthen the care content in, and follow-up to, the care that takes place without the consent of the individual (Compulsory Care of Alcohol and Drug Abusers Act – LVM care), the Government is earmarking a sum of 300 million Swedish kronor over the period 2005-2007. In addition, a three-year trial is taking place in a limited number of municipalities and LVM homes to develop a model for a more integrated care.

The National Board of Health and Welfare has drawn up guidelines to raise the quality of substance abuse and dependency care. The guidelines are based on compilations of knowledge, and a large number of referral bodies, including a large number of organisations of service users, have been given an opportunity to present their views. Alongside this work a model has been developed to monitor, support and develop quality in the care of substance abusers on the basis of a number of quality indicators. These have been devised following interviews conducted with a large number of stakeholders, including service users.

People who have both mental health and substance abuse problems

A group that finds it difficult to have its needs met is that of people with substance abuse problems who also have mental health problems. The Office of National Drug Policy Coordination and the psychiatry coordinator have jointly presented a ten-point programme for the care of people who have a mental illness/disability and are also substance abusers. The programme was distributed to all the municipalities and county councils during the autumn of 2005. A total sum of 500 million Swedish kronor has been earmarked in 2005 and 2006 to improve accessibility and quality of care for people who have both mental disabilities and substance abuse problems.

2.5.1 Indicators

- People of different ages broken down into girls and boys, women and men who are dependent on financial assistance in the long term (source: National Board of Health and Welfare).
- Crimes of violence against women reported to the police (source: National Council for Crime Prevention).
- People (from the age of 21), broken down into women and men, with substance abuse problems who were registered in or admitted to institutional care on 1 November (source: National Board of Health and Welfare).

2.5.2 Resource allocation and agencies responsible for implementation of measures

The municipalities' social services have ultimate responsibility for those who are resident in the municipality receiving the assistance and support

they need. As well as their service function, the social services have powers to exercise authority, for example with regard to intervening in order to protect children at risk. What is best for the child and the child's right to have a say are self-evident principles to be followed when children are involved. The aspiration is for the service-user perspective also to self-evidently permeate all decisions and all initiatives that relate to individual people.

The principal government agencies responsible for implementing the measures described are the county administrative boards, the National Board of Health and Welfare, the National Board of Institutional Care and the Prison and Probation Service.

2.6 Better governance

In this section an account is given of the processes that correspond to the jointly established objective of good governance, which is discussed in 1.2.3, and the jointly established objective of ensuring:

f) that social inclusion polices are well coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and structural fund (notably European Social Fund) programmes.

2.6.1 Preparation process

Work to formulate this action plan, like Sweden's previous action plans and reports to fight poverty and social exclusion, has been closely tracked by the Network Against Social Exclusion. This network comprises a very large number of non-governmental organisations, in which trade-union and religious organisations also take part. The Swedish Government Offices has met the network several times during the process of drafting the action plan. The network has been invited to present written descriptions of its priorities, which have also been discussed verbally and then reflected as far as possible in the action plan. In addition, the network has been allowed to describe its priorities in an annex to the strategy report (see Annex 3).

Central government agencies and the Swedish Association of Local Authorities and Regions have also been invited to the information meetings on the action plan work. The social partners have been informed at the consultation sessions which the Ministry of Health and Social Affairs regularly holds.

2.6.2 Implementation of measures

The Government establishes objectives for each policy area to govern state initiatives. In the Budget Bill, the Government states the objectives and orientation for the next few years, and describes the effect government initiatives have had. The objectives are described in greater detail in the agencies' appropriation directions so that they can serve as an effective

instrument for policy implementation. Feedback on fulfilment of objectives and special assignments is done by the government agencies in their annual reports or on some other specified occasion. The objectives for the policy areas of relevance to the fight against economic and social vulnerability can be found under the descriptions of measures taken in 2.2 to 2.5. As in previous action plans, only those measures for which the Government is directly responsible are reported, for example in the form of the central government budget and legislation. This means that measures implemented at local and regional level under the responsibility of the municipalities and county councils, which are of key significance to the welfare of many individual people, are not included in the reporting.

The vast majority of the political initiatives presented in 2.2 to 2.5 are implemented by the national agencies which have overall responsibility for the area concerned. The Government describes the agencies' tasks either in their annual appropriation directions or in separate government decisions.

2.6.3 Mobilisation of all actors

The Swedish Government attempts to mobilise all actors in tackling economic and social vulnerability by encouraging and supporting the creation of local processes aimed at social inclusion in partnership between municipalities, government agencies and organisations. The Government's own model for consultation is intended to give legitimacy to forms of consultation at local and regional level and to serve as a good practice example of how this work can proceed.

It was against the background of the 2003 national action plan that the Government decided that there should be a commission for service user influence on social development issues in the Ministry of Health and Social Affairs, chaired by the Minister for Public Health and Social Services. The commission has now been in existence for three years and comprises representatives appointed by the organisational network the Network Against Social Exclusion and one representative each from the Swedish Association of Local Authorities and Regions and the National Board of Health and Welfare. The commission's work is focused on particularly vulnerable service users.

The commission meets four times a year and between meetings acts as a network. The commission also arranges seminars at various places around the country to emphasise the situation of the most vulnerable and to highlight problems and solutions. In 2005 one seminar was held in Stockholm on homelessness and one in Örebro on the encounter between people and power. Another two seminars were held in the spring of 2006. One was held in Göteborg and raised the issue of homelessness again, this time from the point of view of service users, and the other was held in Stockholm and was concerned with special enterprise. The seminars, which from the start were principally intended to afford an opportunity for an exchange of experience between service user and other stakeholder organisations in the area of the social services, have also come to serve as a channel for putting forward the service user's perspective at a more general

level to case administrators and decision-makers in municipalities, central government agencies and the Swedish Government Offices.

A general conclusion from all the seminars is that the way in which people are treated is important. The service users emphasise in all contexts that they must be treated with respect by agencies and non-governmental organisations. How people are treated can sometimes be more important than the actual action taken.

2.6.4 Social inclusion is an overall aim in many policy areas

Contributing to social inclusion is an overarching aim and a self-evident underlying principle in decision-making in a large number of policy areas. Examples of such policy areas are social affairs, labour market, housing, education, integration, culture, disability, youth, gender equality and prison and probation. A large number of the policy areas that are of significance to social inclusion transcend sectors, which means that the objectives for these policy areas have to be observed in the Government's work and permeate all sectors of society. Examples are integration policy, general equality policy, disability policy and the rights of the child under the UN Convention on the Rights of the Child. These sector-transcending policy areas, known as mainstreaming areas, can be regarded as a manifestation that women and men, girls and boys, regardless of ethnic background or disability, are to be included in the policy conducted at national, regional and local level. When these objectives are taken into account in decision-making at all levels, the objectives of social inclusion will also make a broad breakthrough in Swedish politics.

The activities of the European Social Fund span several policy areas, including labour-market policy. This activity should incorporate a gender equality perspective. Participation is another important aspect. In an evaluation of the European Social Fund's Objective 3 programme for the period 2000-2006, it is judged that the individualised formulation of initiatives has been successful and that these initiatives have in large part contributed to the participants' sense of empowerment and self-confidence. Another important aspect in the ESF programmes is bringing about influence and breakthrough in existing systems and structures for the results that have emerged. These results may consist for example of new cooperation models and new work methodology.

2.6.5 Institutional arrangements for follow-up and evaluation

The vast majority of the policy initiatives presented in sections 2.2 to 2.5 are implemented, as mentioned previously, by agencies which report to the Swedish Government. These initiatives are followed up using the ordinary instruments for follow-up at the disposal of the ministries responsible. Feedback on the tasks given to the agencies in the appropriation directions is given to the Government in the annual report, with information for instance on expenditure, income and profit or loss. The Government can follow up and assess the activities of the agencies on the basis of the annual reports. Separate feedback is given on the assignments the agencies have received through special government decisions.

The county administrative boards supervise the activities of the municipalities and county councils. Every year, the county councils report the results of their supervision to the Government, which decides, on the basis of the reporting, what measures may need to be taken.

3. National strategy report on pensions – Incentives for a longer working life

Sweden has on two occasions, in 2002 and 2005, drafted national strategy reports on adequate and sustainable pensions on the basis of eleven common objectives approved by the European Council in Laeken in 2001. As the Swedish public pension system has recently been reformed, the national strategy reports as far as Sweden is concerned have also been descriptive in nature³. In view of this, the pension section in this report focuses instead on one of the key issues identified for continued work on adequate and sustainable pensions under the open method of coordination, namely the issue of incentives to prolong working life.

Changes in employment, productivity or demographic conditions do not threaten the financial stability of the general income-related pension system in Sweden. On the other hand, they are of great significance to the financial standing of the pension system and therefore the size of pensions. A labour market that works better and leads to a higher proportion of the population being in employment is therefore not just of interest to the part of the population that is of working age but to a great extent also to present and future pensioners. An important measure to increase employment is to create incentives in various ways to carry on working longer. This has been an important issue in the formulation of the new pension system.

3.1 Driving forces in the Swedish pension system for a longer working life

The general pension system is designed to encourage a longer working life in various ways. The principle of lifetime earnings is fundamental. A system based on lifetime earnings means that earnings made throughout the individual's life affect his or her pension, that is to say the longer someone works the higher their pension will be, which creates incentives for work. In the reformed pension system, the individual never stops earning pension entitlement. If a pensioner who has drawn his or her pension remains in gainful employment, his or her pension will be raised two years after the year of earning in relation to the newly accrued pension benefit. It is consequently possible to affect the size of one's pension by carrying on working, even beyond retirement age. A pension system based on lifetime earnings, in which each krona provides an equivalent earned pension entitlement, also provides incentives to refrain from working for undeclared payment.

It is important, however, in a system based on lifetime earnings, to be compensated with pension entitlements for payments received for loss of income, for instance in the event of illness, unemployment and parental leave. There is also a need for special compensation as regards pension for absence from the labour market, which for social reasons should not result

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³ For a brief description of Swedish pensions, see Annex 4.

in reduced pension entitlement, such as absence to care for small children, military service and education.

The flexible retirement age from 61 and the possibility of partial drawing of pension make it easier to gradually scale down the number of hours worked. There is a statutory entitlement to remain in employment up the age of 67.

The Swedish pension system has an actuarial structure, which means that the later someone retires, the larger the pension will be. On retirement, the annual amount of pension payable is calculated by dividing the individual's accumulated pension capital by an annuity divisor, which is based principally on the statistical remaining life expectancy at the time of retirement of people born in a particular year. Someone who defers his or her pension thus receives a higher pension, partly because there is greater accrued pension capital and partly because of a lower life expectancy based annuity divisor. It should be noted that the calculation is entirely actuarial and is financially borne by the pension system without consequences for other pensioners or for the government budget.

With flexible retirement options, it is important that there is interplay between the linked systems and the driving forces in the pension system. The age limit for entitlement to benefits in the basic pension scheme and in other social insurance systems is generally set at 65. This reduces the incentive to work beyond the age of 65, particularly for those who are entitled to guarantee pension or maintenance support for the elderly, that is to say those who have low incomes and people who receive most of their income before retirement from other types of social insurance.

An ambition is for basic security provision to be adequate enough to provide a reasonable standard of living. Basic security provision always has an adverse impact on the supply of labour among lower income groups. For a person with very low earned pension entitlements, additional contribution payments therefore do not necessarily mean that the final pension will be other than marginally higher. It is anticipated, however, that the number of recipients of guarantee pension will fall in the longer term as incomes can be expected to increase faster than the price-indexed limit for guarantee pension. Price index linking of the guarantee pension results in basic security provision that guarantees a certain level of purchasing power but also provides some incentive for work relative to the faster development of income in income-related pension.

Defined-benefit occupational pensions may provide an incentive to retire early for those whose salaries exceed the income ceiling in the public pension system. Defined-benefit elements in most cases also make it disadvantageous to reduce the number of hours worked as the benefit is based on pay in the last few years of employment. If the person concerned is not able to carry on working full-time, this design may make it more financially advantageous to give up work completely.

At the same time, it is important that the work culture is such as to encourage a prolonged working life in various ways. It is important for example to create incentives for employers to take on older labour. The employer's contributions amount to a total of 32.82 per cent of the contribution base, which is made up of gross wage including taxable benefits and is paid for an employee up to his or her 65th birthday. After that time, contributions are 24.6 per cent of gross pay. Payments of premiums for occupational pensions, which vary between different agreements, may, however, affect the demand for older workers. For defined-benefit occupational pensions the premium payments in some cases are substantially higher for older people, particularly for incomes above the earnings ceiling.

3.2 The length of working life and pensions in Sweden

The expected future shortage of labour means that it is vital to increase the labour supply. Increased employment is crucial if welfare is to be maintained. It is therefore important to tap unutilised resources in and outside the labour force by getting more people into work, reducing absence from the labour force due to sickness and extending the total length of working life.

In an international comparison, Sweden has a high employment rate amongst older labour-active people (see Annex 1, Table f). The future demographic trend, however, makes it necessary for people in the older age groups to stay in the labour market longer. The trend in average retirement age is therefore of great interest. The time at which old-age pension is drawn is not, however, always synonymous with the time when people stop working.

Table 3 Average age of exit from the labour market and average age at which old-age pension is drawn, 2005

	All	Women	Men
Average age of exit from the labour market ¹⁾			
labour market ¹⁾	63,1	62,6	63,4
Average age at which old-			
age pension is drawn ²⁾	64,8	64,8	64,7

Source: Swedish Social Insurance Agency

Women's retirement age has never been higher than it is now. This presumably reflects different labour-market behaviour in the generation of women who are now in their sixties, compared with previous generations who were more detached from the labour market. The average retirement age for men was higher before the 1970s, before the formal retirement age was lowered from 67 to 65. The average age at which old-age pension is drawn has been relatively stable despite the introduction of a flexible retirement age. One reason for this is that 65 is still considered to be the real retirement age both by people in public and in occupational pension schemes. The reformed old-age pension system favours working more

¹⁾ Average age at which old-age pension is drawn from the public pension system. The calculation is made for individuals who were working at the age of 50

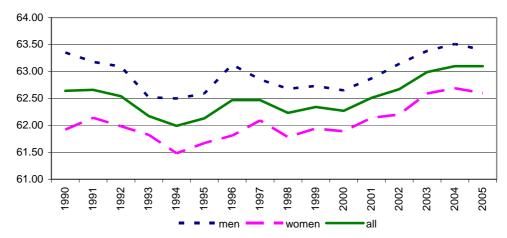
²⁾ Exit from the labour market with sickness and activity compensation and collective occupational pension is included in the calculation. The calculation also includes partial withdrawal of old-age pension.

years, but it is uncertain what impact the reformed rules are having as people who are now over the age of 60 are affected relatively little by them.

The proportion of those who draw old-age pension before the age of 65 is relatively low, but has increased in recent years. However, some of these draw the pension, partially or in full, but carry on working, full-time or part-time. Early withdrawal of pension is slightly more common amongst men than among women. Most people who defer the withdrawal of pension draw their pension at the age of 66. The number of people who have opted to defer the withdrawal of pension has increased slightly in recent years, but this has had only a marginal impact on the average retirement age.

The average age of exit from the labour market is lower than the average age at which old-age pension is drawn. Previous studies of how individuals in Sweden fund their exit from the labour force have shown that sick leave or periods of unemployment benefit is, in a very large proportion of cases, the first stage in the process of exit, but that this exit route is not equally common in all population groups.

Diagram 1 Average age of exit from the labour market for individuals who were working at the age of 50, 1990-2005



Source: Swedish Social Insurance Agency

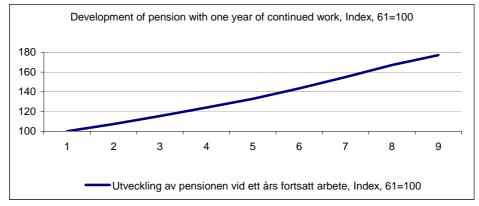
From an international point of view and in comparison with previous years, the average age of withdrawal from the labour market is high in Sweden, particularly for women. There has been a rise in age of withdrawal since the mid-1990s of one year. Possible explanations for this are that people in their sixties are now more highly educated than older generations and that they have a different occupational structure with fewer physically demanding duties. The average age of exit is three-quarters of a year higher for men than for women, but the difference has decreased since the start of the 1990s.

It is unclear whether the trend towards a higher age of exit will continue. The reformed rules in the national old-age pension system suggest that it will, because more years of work means a higher pension for more and more people. Another factor which should work in this direction is the increasing

general awareness of the need to work longer when we live longer. However, the effect may be limited by the fact that large groups of white-collar workers still have so called defined-benefit pensions in their employment contracts, where the level of pension is determined by income during the last few years of employment, regardless of the age at which these years are worked.

The way the public pension system is designed means that those who extend their working life receive a higher pension. The typical-case calculation below shows how pension increases with one extra year of work. The typical case is assumed to be a person born in 1981 who has been working for 40 years at the age of 65. The calculation assumes an annual initial income of 300,000 Swedish kronor and takes account of pension only in accordance with the reformed rules for the general pension system. The calculation shows the trend in disposable pension income, that is to say pension income after tax.

Diagram 2 Increase in disposable pension income in the reformed public pension system in the case of one extra year of work at age 61-69, per cent



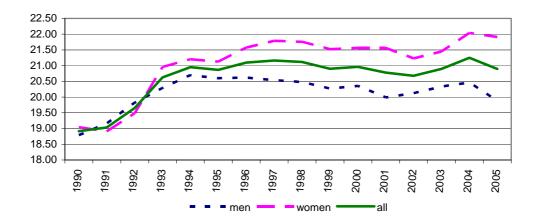
Source: Ministry of Health and Social Affairs

Note: The following assumptions are made: wage growth: 1.8 per cent, inflation: 0 per cent, real rate of return: 3.15 per cent

For each year of extra work, disposable pension income from the general pension system increases by 7 to 8 per cent. The rate of increase may, however, be slightly slower at higher incomes due to tax regulation. Deferred retirement results in a large increase in net pension, which was one of the aims of the new pension system. The extra year of work also generates higher income, as income from employment is generally higher than pension income.

The calculation above shows the marginal benefit of drawing pension one year later. However, in a system based on lifetime earnings it is not just the time of retirement that is important for the size of pension but also the total number of years of gainful employment. A longer working life amongst the insured also benefits the financial standing of the system and therefore the collective of beneficiaries.

Diagram 3 Average age of entry into the labour market 1990-2005



Source: Swedish Social Insurance Agency Remark: Age of entry is the average age when the labour-market supply is equivalent to 20 hours per week or more.

The establishment of young people in the labour market was delayed during the 1990s. Expansion of the education system has meant that people study longer than previously, and age of debuting in the labour market has consequently become higher. How pensions are affected probably has very little impact on how age of entry develops. However, as there is a clear correlation between the number of years worked and the size of pension, it is important that knowledge is spread among younger people so that they take informed and conscious decisions on what affects their pension.

3.3 Knowledge leads to a prolonged working life

Since 1999, everyone insured under the new pension system has received an annual mailing from the Swedish Social Insurance Agency with information on their own pension from the general system (known as the orange envelope). Since December 2004 there has also been an Internet portal (minpension.se), which is a cooperative venture by central government and the private pension companies. The insured person can obtain a complete overview of all his or her pensions through the pension portal - how much he or she has earned in income-related pension and premium pension entitlements, how much occupational pension he or she is entitled to and also information on his or her private pension savings.

Individual pension projections increase knowledge of the link between contributions and benefits. The information enables the insured to plan for how long they should work and wish to work in order to attain a reasonable pension and helps him or her to decide whether to build up supplementary pension protection on a voluntary basis.

Both the orange envelope and the pension portal provide details on the size of total earned pension capital and contain projections of future pension subject to various assumptions on growth and return and time of retirement. Because such information is given annually, and to people in the younger age groups, individuals can obtain an overview of their expected financial situation after retirement. Ignorance of one's pension and of the pension

system entails an obvious risk of saving too much or too little. The risk of excess saving is many times greater and may lead to a future disincentive to work.

An important element in information activity is the annual report for the pension system drawn up by the Swedish Social Protection Agency. As the size of pensions depends, among other things, on the financial standing and development of the pension system, an annual report on the system's assets and liabilities is essential. This is also required to enable a decision to be taken as to whether automatic balancing of the system needs to be activated. The annual report is intended to make it possible to follow and understand the financial development of the pension system, and to shed light on each of the factors that determine the size of both income-related pension and premium pension. One of the aims of the report is therefore to provide information on processes that may affect the pensions of those who are insured under the system. This means that the report has to shed light on the demographic, economic and behavioural risks and opportunities that determine the financial standing of the system and that directly influence, or may in the future directly influence, the value of pensions.

Another aspiration for the report is that, as far as possible, it should adhere to the accepted accounting policies for insurance companies. The annual report contains an income statement that illustrates the system's profit or loss for a particular year by calculating all the assets and liabilities of the general pension system. As a result, there is also an account of the balance figure which assesses the situation for automatic balancing during the following year.

3.4 Conclusions

In the new, reformed public income-related system, the pension can never be higher than the system can cope with in the long term. This means that it is always the pensioners and pension savers who bear the financial risk, just as what applies to private pension saving. There are no shortcuts for making pensions adequate: a sufficient number of people must be in employment. A high rate of employment and a length of working life adapted to average life expectancy are therefore what definitely guarantee a reasonable level of pension.

The Swedish general system is based on the principle of lifetime earnings: pension reflects earnings throughout someone's life. The motivation behind this is firstly fairness – you get what you pay for – and secondly a workencouraging perspective that gives an incentive for a longer working life and discourages undeclared work. Fundamental knowledge of factors that affect pensions is required if this is to have the intended effect. There are some deficiencies here that require long-term information initiatives if they are to be overcome.

4. National strategy for health care and long-term care

4.1 Introduction

The principle underlying Swedish health care is that it is to be provided to the whole population on equal terms, governed democratically and funded on the basis of social solidarity. The Swedish Health and Medical Services Act states that the aim of Swedish health care is for the whole population to have access to good care services on equal terms. A feature common to the initiatives taken with the aim of improving care and creating the basis for sustainable development is that they are generally targeted at the whole population and not individual groups. This reflects the Swedish policy of universal welfare that has emerged in a broad political consensus and with strong support among the population.

The running of care services, including care of the elderly and long-term care, is decentralised to the 21 county councils and 290 municipalities. The self-governance of the county councils and municipalities is enshrined in the Swedish Constitution and the Local Government Act. In each county council and municipality there is a democratically elected decision-making assembly. The county council and, to some extent, the municipalities are responsible through taxation for the principal funding of health care and the municipalities long-term care. The obligation of the county councils and municipalities to provide health care is governed by the Swedish Health and Medical Services Act. The municipalities are responsible for health care in special accommodation and the county councils are responsible for providing medical services in people's own homes.

The obligation to provide long-term care is regulated by the Social Services Act. Under this Act, the municipalities are obliged to offer care services and special accommodation to elderly people in need of support.

The objectives on which the EU's Member States will be discussed in the following sections:

- j) Ensure access for all to adequate health and long-term care for the whole population.
- k) Ensure quality in health and long-term care and adapt care, including preventive care, to the changing needs and preferences of society and individuals, notably by developing quality standards reflecting best international practice.
- l) Ensure that adequate and high-quality health and long-term care remains affordable and financially sustainable by promoting a rational use of resources, notably through appropriate incentives for

users and providers, good governance and coordination between care systems and public and private institutions.

4.2 Accessibility

4.2.1 Accessibility in health care

National maximum waiting time guarantee and action plan

Several initiatives have been taken in recent years to improve accessibility in the long term and reduce waiting in both primary care and hospital care.

Important initiatives include:

- the Government's national action plan for the development of health care.
- initiatives aimed at improved accessibility of care
- opportunities for patients to have a free choice of care-providing county council,
- development of database to enable waiting times for care to be compared,
- the work of the National Board of Health and Welfare on guidelines for priority-setting.

In 2005, the maximum waiting time guarantee, which has been in existence since 1997, was expanded into a national maximum waiting time guarantee for treatment (extended maximum waiting time guarantee) through an undertaking for the county councils to offer care within 80 days from the time when a decision on treatment has been taken. The guarantee covers all treatment in the county councils' planned care, but does not cover urgent medical care.

Patient and pharmaceutical fees

With the aim of guaranteeing good accessibility of care and medicines, it is required that care is not too costly for the individual. However, the county council lay levy care fees to be paid by patients. A lower fee is generally charged for visits in primary care than for visits to hospitals or specialists. The maximum amount payable by a patient over a 12-month period under the Health and Medical Services Act is 900 Swedish kronor. The costs for children under the age of 18 in the same family are aggregated. For inpatient care, the county councils can levy a charge of 80 Swedish kronor per bed day. This charge also includes any medicines given during inpatient care. There is a well developed social assistance system for people who do not have any assets at all. Almost all the county councils have decided that children and young people below the age of 20 will not pay any fee in outpatient health care.

The compensation payable to the county councils for the costs of pharmaceutical benefits (medicines in outpatient care) has been governed, since 1997, by agreements between central government and the Federation of Swedish County Councils (Swedish Association of Local Authorities and Regions). There is also a high-cost protection scheme for medicines. A patient need never pay more than 1,800 Swedish kronor during a 12-month period for prescribed medicines included in the pharmaceutical benefit scheme.

Psychiatry

The Swedish Government appointed in 2003 a national psychiatry coordinator with the task of reviewing issues concerned with forms of work, collaboration, resources and personnel in psychiatry. In response to the coordinator's proposal, the Government has invested a total of 700 million Swedish kronor in 2005 and 2006 in care, employment, accommodation and the development of activities for people with mental health problems or mental disabilities. One of the aims of this initiative has been to strengthen the collaboration between the responsible authorities in relation to these target groups. In addition, 250 million Swedish kronor per year is being invested in 2007 and 2008 in targeted support for increased accessibility in child and adolescent psychiatry.

Special measures have been taken to improve the way in which the responsible authorities work together. In 2003 and 2004 municipalities and county councils were given greater opportunities to cooperate, firstly through the Act on Financial Coordination of Rehabilitation Measures, which makes it possible to make effective use of resources for persons who are in need of coordinated rehabilitation measures, and secondly through the Act on Joint Committees Within Health Care and Nursing, which enables municipalities and county councils to collaborate in a joint committee on issues relating to health care and social services

IT

In the National IT Strategy for Health Care presented by the Government in the spring of 2006, the principles of good accessibility and patient influence were established as key elements in the modernisation of health care. Use of IT and telephone services will increase accessibility of health care but also relieve the health-care system of visits that are not necessary, and in doing so make the utilisation of resources more efficient. A national, publicly financed portal already offers quality-assured and free-of-charge health information on the Internet. In addition, the county councils have a telephone-based medical advice service which is now being coordinated nationally, for instance by introducing a common telephone number.

4.2.2 Accessibility in long-term care

To enable access to present-day health care and long-term care to be assessed, there is also a need for a picture of needs related to health and functional capacity. The current state of knowledge provides a composite picture in which the functional capacity of elderly people has improved sharply while self-reported health has deteriorated.

The National Board of Health and Welfare's 2005 status report shows that the proportion of those over the age of 80 who have home helps or special

housing fell by just over 1 per cent between 2000 and 2004. In the whole group of people over the age of 65, the proportion who have home helps or special housing fell by 0.4 per cent over the same period. Coverage and also costs vary widely between different municipalities. The current statistics do not make it possible to see to what extent other initiatives, such as respite, alarm, meals-on-wheels, companion service etc., reach those who do not have home helps or special housing. It is therefore not possible, on the basis of the statistics, to draw far-reaching conclusions on what coverage for the whole of long-term care is like or how it has changed. The increase in financial resources for health care and social services for people over the age of 65 was 1.5 times greater between 2000 and 2004 than the increase in the number of people over the age of 65. It is the county council sector that can show an overall increase in financial resources. The total municipal sector shows a decrease.

Statistics and research show that public social care is of greater significance to women than to men. While men more often receive help from a spouse, usually younger, even when there is long-term care provision, women who need help are often living alone and consequently more dependent on home helps, for example.

Research studies from the School of Health Sciences at Jönköping University shows that the proportion who received public assistance was almost the same in 2002/03 as in 1988/89, despite the fact that the proportion assisted with home helps or special housing fell over the same period. The explanation is that so many more people, due to improved functional capacity, are coping on their own or with services provided by the public institutions. Assistance from family members is also increasing as more elderly people have relatives and stay living at home for longer. A conclusion emphasised by the National Board of Health and Welfare is that in those municipalities that have a high level of use of home helps the prospects of extensive efforts by family members are also better, and that the converse is also the case. Shared responsibility also appears to work well and also to be what family members prefer.

Over the last 15 years health care and long-term care have undergone substantial structural changes. The main thrust of change has been to completely do away with living in institutions and instead to offer accommodation and efforts adapted to the individual's needs. The standard of accommodation, both in ordinary housing and in special forms of accommodation, has improved. The number of places in special accommodation where the resident has to share a room with someone other than a spouse has fallen sharply. Home help and home nursing have been expanded so that it is increasingly possible for advanced care services to be provided around the clock. This change has taken place alongside shorter periods of treatment and extensive reductions in the number of places in inpatient hospital care. The trend has accorded with most people's wishes and needs. The municipalities are responsible for health care in special housing, and half of the municipalities in Sweden are also responsible for home nursing services in people's own homes. Home medical care needs to be expanded and improved, for example with increased access to doctors, reviews of medication, rehabilitation and improved efforts in relation to nutrition. In 2006 the Swedish Government earmarked 600 million kronor for this purpose and intends to set aside another 1 billion kronor in 2007. A new provision is introduced into the Health and Medical Services Act on 1 January 2007 which means that the county council has to enter into contracts with the municipalities on the extent of involvement of doctors in special housing and in day centres and how this is organised. The same applies in people's own homes if the municipality is responsible for this care. If the county council fails to meet its obligations, the municipality is entitled to engage the services of a doctor and obtain reimbursement of its expenses from the county council.

The quality of dementia care needs to be raised, and the Government intends to earmark 200 million Swedish kronor per year for this purpose from 2007. Improved expertise is important to enable suspected dementia to be diagnosed. Teamwork, top-level expertise and collaboration are essential for good dementia care. Knowledge of, and information on, forms of dementia and assistive devices for people with dementia and their families need to be improved.

The drive to extend support in elderly people's own homes and to enable them to carry on living there has been given priority, together with improvements in quality in the separate forms of accommodation. This has led to the decrease in the number of places in special forms of housing, which has been happening over a long period, continuing in recent years. There is a shortage of places in special housing in some places, which is leading to long waiting times. To some extent the demand or need for special housing depends on how well the home-help service and home nursing services are able to meet the needs of elderly people and their families. A large financial investment is being made to improve access to suitable housing. The investment amounts to 250 million Swedish kronor in 2007 for new construction and conversion of special housing. In addition, a housing commission was set up in 2006 to monitor and analyse needs for and trends in housing for the elderly.

A weakness in long-term care is that the municipalities and county councils do not work together sufficiently. Under a new provision in the Health and Medical Services Act introduced on 1 January 2007, county councils and municipalities have to work together so that individuals receive the care and treatment their condition necessitates. Care and treatment includes habilitation and rehabilitation. This obligation also applies to the health and social care provided to individual people who need integrated services provided by the county council's specialist and primary care, as well as primary care and social services provided by the municipality.

4.3 Quality

4.2.1 Quality in health care

Follow-up of activity

More and more interest and resources are being focused on assessing the results and performance levels of health care. This makes it necessary to have well-developed follow-up of activity. Open reports and comparisons of the quality of activity are developed by national actors such as the National Board of Health and Welfare, the Swedish Council on Technology Assessment in Health Care and the Swedish Association of Local Authorities and Regions, but the health care authorities are also involved. This work spans a number of areas: development and elaboration of uniform terms and concepts, national quality indicators, appropriate care documentation, compatible electronic patient record systems and support for existing and new quality registers.

National guidelines

National guidelines for care and treatment which the National Board of Health and Welfare has been commissioned to draw up are an important element in this quality work. The guidelines are intended to provide knowledge support for the work of the responsible authorities on health-care programmes and are based on systematic overviews of knowledge produced for example by the Swedish Council on Technology Assessment in Health Care. National guidelines have been drawn up for diabetes, stroke, hip fractures, heart disease and venous thromboembolism, as well as for asthma and chronic obstructive pulmonary disease. Work is in progress on guidelines for breast, prostate and colorectal cancer, depressive illnesses, states of anxiety, dementia, diseases of the musculoskeletal system and lifestyle-oriented prevention.

Quality indicators

The Swedish Government has commissioned the National Board of Health and Welfare, in cooperation with the Swedish Association of Local Authorities and Regions, to devise national quality indicates relating for example to patient-perceived quality, primary care, patient safety and mental health. The indicators have to be clear, dependable, measurable, accepted and capable of being registered in other data sources. The National Board of Health and Welfare intends in the long term to draw up a "national set of indicators for good care", which is to be capable of reflecting all the dimensions of care at an aggregated level. It is important to note that quality, in an area as complex as health and medical care, is a multi-dimensional concept. It should be looked at from various perspectives such as medical quality and quality perceived by patients, but also in terms of quality from the point of view of time, that is to say whether care is provided at the "right time".

National quality registers

An important source for work on quality are the 57 national quality registries that currently exist in Sweden. The registries contain individual-based data on diagnoses, treatments and outcomes. A feature common to all the registries is that they have been started by representatives of the profession and built up as support for the development of quality of clinical work. Three national centres of expertise support the creation of new registries and assist in the processing and analysis of data for annual reports etc. The national quality registers illustrate the value of a continuous follow-up of activity with regard to medical practice and quality.

Evidence-based care

To ensure high quality and patient safety, there is a need for scientific evaluations of both established methods and medical innovations. The Swedish Council on Technology Assessment in Health Care reports its conclusions on which methods are of greatest benefit and which are most cost-effective. This Council also identifies methods which are used in health care but do not provide benefit or are not effective.

IT

IT support forms an important part of the work to improve quality and raise patient safety. The National IT Strategy for Health Care and Social Services creates the conditions necessary for the various IT systems in health care to be able to exchange information electronically in an effective manner so that the care documentation is better able to follow the patient between different care units and levels of care.

As a result of the National IT Strategy there is now broad agreement on the principle that investments in new information systems are to be made on the basis of requirements defined by central government, the authorities responsible for medical care and other key actors. In this way opportunities are created for all relevant information on a patient's previous treatments to be available to treating health-care professionals. This is particularly important when the patient moves, for example, between health care run by the county council and municipal social services for the elderly, in order to avoid unnecessary samples being taken, incorrect medication being given and so on.

In the longer term, the patient record systems should be integrated with automatic reporting to national health-data and quality registries and also contain decision-making support for the prescribing of medicines. The new law on the listing of medicines gives the prescriber an overview of the medicines dispensed to a patient in pharmacies over the last 15 months.

Supervision

The National Board of Health and Welfare has supervisory responsibility over health and medical care and its personnel. The primary aim of this supervision is to strengthen patient safety and improve the quality of care by preventing harm and eliminating risks in care. There is also an obligation for health care providers to notify the National Board of Health and Welfare

if a patient in connection with health care suffers, or is at risk of suffering, severe harm or illness. The National Board of Health and Welfare compiles and feeds back information on serious incidents in health care and also issues binding regulations for health care on matters relating to patient safety and quality.

Highly specialised care

Sweden has too small a patient base for all the regions to be able to develop and run the most highly specialised health care, known as highly specialised care. Highly specialised care covers less than one per cent of all inpatient episodes and among other things comprises some advanced cardiac care, neurological care and cancer therapy.

To raise the quality of national health care and to utilise resources more effectively, this care will be coordinated nationally to an increased extent. A national health-care committee is to decide what health care is to be termed national health care and where it is to be undertaken. To allow decisions to be made on this, the National Board of Health and Welfare will devise indicators that make quality and productivity comparisons possible.

4.3.2 Quality in long-term care

Government policy for tackling current problems and supporting a positive orientation in future development has been set forth in the National Development Plan for Health Care and Social Services for the Elderly (Government Bill 2005/06:115). Over the next ten-year period, the Swedish Government intends to raise the level of aspiration and quality in medical care and social services for the elderly. This trend requires national backing. A boost to resources is required to encourage a higher level of aspiration, and changes in the regulatory framework are required to strengthen legal certainty and increase clarity. In the development plan, the Government's efforts are grouped in six development strands. The Government is committing just over 600 million Swedish kronor in 2006 and around 1.75 billion from 2007 in level-raising funds to encourage work in the six development strands. The initiatives are to be followed up, and the Government intends to return to the Riksdag, the Swedish Parliament, with further initiatives over the next few years.

Health and social care for the most ill elderly

This relates to the integrated and flexible efforts needed primarily for elderly persons with multimorbidity and rapidly changing needs and for people with dementia. Increased resources have been earmarked to improve access to doctors who have time to make home visits and personnel with specialist knowledge of health and social care of elderly people with multimorbidity and for people with dementia.

Good housing

The prospects of elderly people being able to find good alternative forms of housing need to be improved. The Swedish Government has therefore appointed a special commission to present proposals on ways in which the development of housing and accommodation for the elderly can be promoted.

Social care

A national policy document is needed to guide personnel in health and social care. The fundamental values need to be emphasised to provide clearer pictures of what qualities health care and social services should aim to attain in relation to the elderly. The Government is targeting special resources to develop long-term care adapted to a multicultural society.

National equivalence and local development

Individually based statistics now being introduced provide better information for the follow-up and evaluation of activity. The National Board of Health and Welfare is to be tasked with devising quality indicators and promoting the development of quality registers. National surveys of users are to be conducted. Increased resources will be committed to research on the elderly from 2007. A national centre of expertise for compiling and disseminating knowledge on health and social care of the elderly, including issues relating to dementia and the families of dementia patients, is under construction. Development of new everyday technology is to be financially supported.

Preventive work

Measures that prevent harm are given increased priority. The Government is targeting special resources to strengthen the health-promoting and preventive work of the municipalities, for example in the form of preventive home visits, which can fulfil several functions.

Personnel

Knowledgeable, capable and committed personnel are essential if this activity is to preserve high quality. Through two large initiatives, Steps for Skills (Kompetensstegen) and Educational-Leave Substitute Positions (Utbildningsvikariat), the Government has laid the foundation for the development of workplace-based learning and training which provides several basic occupational skills for work in health and social care To further strengthen development, highlight skills needs and raise the status of the profession, the Government intends, in an inquiry, to draw up a proposal for a national system of vocational requirements, skills development and measures to facilitate future supply of skills in the health and social care of the elderly.

4.4 Financially sustainable development

4.4.1 Financially sustainable development in health care.

Development of productivity and effectiveness

The future demographic trend, combined with the widening gap between what health care can achieve on the one hand and what society is capable of funding on the other, is making greater demands on effective utilisation of care resources. This highlights the need to further improve both the productivity and effectiveness of health care. Opportunities for development in health care also depend heavily on good economic growth, which among other things relies on an increased supply of labour.

The structural transformation raising quality and productivity which has been a feature of health care in recent years, for example with a sharp increase in the proportion of day-surgery procedures, must continue. Advances in medical technology which can lead to both increased patient benefit and increased efficiency must have an immediate impact in care.

A successful example of a cost-effective measure in the area of medicines is the introduction of what is known as generic substitution. Since October 2002, pharmacies have been replacing prescribed medicines with the cheapest equivalent drug. The reform has brought financial savings amounting to many billions of Swedish kronor without any loss of treatment quality.

Evidence-based care

A condition to be met to be able to ensure sustainable funding is that all care is carried out with the most appropriate treatment for each situation, while procedures which are not medically justified are eliminated. The compilations of studies performed by the Swedish Council on Technology Assessment in Health Care have a major impact in health care and in getting rid of ineffective treatments. However, there is a need to develop greater control with regard both to the dissemination of information on new methods of treatment and to the structures for obtaining new knowledge in the health-care organisation.

IT

In much the same way that methods of treatment have to be evidence-based and build on knowledge and proven experience, administration of health care must be quality-assured. As well as effective IT support contributing both to improved quality of care and to greater patient safety, IT represents a tool for improving the efficiency of health-care administration. Here too, the National IT Strategy for Health Care and Social Services is essential in affording health-care personnel access to IT support that works well and improves the efficiency of administrative processes.

Highly specialised care

Concentration of the most highly specialised care can be expected to lead to more efficient utilisation of the resources of the health and medical services, for instance because investments in new technology can be coordinated. Greater patient volumes can also lead to more effective utilisation of premises and equipment and to improved results of treatment, which in turn leads to economic gains.

Governance and distribution of responsibilities

A parliamentary inquiry currently in progress, the Committee on Public Sector Responsibilities, is studying the prospects of the present-day system of public administration meeting its public welfare commitments. With regard to health care and long-term care, the committee, where justified, is to propose changes to the present-day structure and distribution of tasks between central government/agencies, municipalities and county councils. In its proposals, the Committee is to pay special attention to the need to make it easier for the different levels of care to interact in the system of public administration. Funding of the welfare commitments of society on the basis of solidarity is one of the fundamental factors the committee has to consider in its work. The Committee on Public Sector Responsibilities is due to submit its final report in February 2007.

Development of public health and preventive measures

The self-assessed perception of mental well-being has gradually deteriorated in the Swedish population since the second half of the 1990s. The proportion of overweight people is increasing in all age groups, among both men and women, and in some regions alcohol-related mortality has increased in certain age groups. If these trends continue, it will affect the future need for health-care services. An important challenge consists in halting the adverse trend in the health of the population, with the aim of improving the prospects for sustainable development.

4.4.2 Financially sustainable development in long-term care

Creating long-term sustainability in a system as important to welfare as health care and social services for the elderly is a key task for society. A condition that needs to be met if long-term sustainability is to be achieved is that society is able to fund its commitment for health and social services through sound public finances and a high rate of participation in the workforce.

The Swedish Government's national development plan for health and social services for the elderly contains several initiatives to support municipalities and county councils in their efforts to achieve better quality and improved efficiency. Investments in improved skills, research, statistics and follow-up and technological development can be mentioned as examples. Good quality and good efficiency are essential if long-term legitimacy is to be gained for this activity among the public.

The Ministry of Health and Social Affairs is preparing a project which, through an in-depth study of the material in the long-term inquiry, is to shed light on the long-term demand for and costs of welfare services, including health and social services for the elderly. Various aspects will be looked at in this work. Examples of these are demographics, trends in health, income, technologies, changes in expectations and values and the relationship between the efforts of the public institutions and those of family members.

Annex 1 Statistics and indicators

a) Risk of poverty in 2003 (Per cent)

		\mathbf{EU}	Sweden
Whole population		16 s ⁴	11
Children aged 0-15	i	20 s	11
Adults aged 16+	All	16 s	11
	Men	14 s	10
	Women	17 s	12
Adults aged 16-64	All	15 s	10 b
	Men	14 s	11 b
	Women	16 s	10 b
Adults aged 65+	All	18 s	14
	Men	15 s	9
	Women	20 s	18

Source: EU Survey on Income and Living Conditions (EU-SILC)

Disposable income is divided by its 'equivalent size' so that households with different numbers of adults and children become comparable.

The EU equivalence scale has been used, which means:

The first adult is given the equivalence weighting 1.0.

Children aged 0-13 are given the weighting 0.3.

Older children and other adults are given the weighting 0.5.

[&]quot;Risk of poverty" shows the proportion of people with equivalised disposable income below 60% of median income.

⁴ s=Estimates by Eurostat

b) Remaining life expectancy at birth, at the age of 45 and 54 and expected number of healthy life years at birth 1995-2003

		1995	1996	1997	1998	1999	2000	2001	2002	2003
Life expectancy at birth - men	\mathbf{SW}	76.2	76.5	76.7	76.9	77.1	77.4	77.6	77.7	77.9
Remaining life expectancy at age 45 - men	\mathbf{SW}	33	33.2	33.4	33.5	33.7	34	34.2	34.3	34.4
Remaining life expectancy at age 65 - men	\mathbf{SW}	16	16.1	16.2	16.3	16.4	16.7	16.9	16.9	17
Expected number of healthy life years at birth -	\mathbf{SW}	:	:	62.1	61.7	62	63.1	61.9	62.4 (e)	62.5 (e)
men										
Life expectancy at birth - women	SW	81.4	81.5	81.8	81.9	81.9	82.0	82.1	82.1	82.5
Remaining life expectancy at age 45 - women	SW	37.5	37.6	37.9	37.9	37.9	37.9	38.1	38.1	38.4
Remaining life expectancy at age 65 - women	\mathbf{SW}	19.6	19.7	19.9	19.9	19.9	20	20.1	20	20.3
Expected number of healthy life years at birth - women	SW	:	:	60	61.3 (e)	61.8	61.9	61	61.9 (e)	62.2 (e)
Life expectancy at birth - men	EU	72.8	73.2	73.5	73.5	73.8	74.4	74.7	75	75.1
Remaining life expectancy at age 45 - men	EU	:	:	:	:	:	31.8	32.1	32.2	32.3
Remaining life expectancy at age 65 - men	EU	:	:	:	:	:	15.7	15.9	16	16.1
Expected number of healthy life years at birth - men	EU									
	EU	79.7	79.9	80.2	80.2	80.4	80.8	81.1	81.2	81.2
Life expectancy at birth - women	EU	:	:	:	:	:	37.2	37.4	37.5	37.4
Remaining life expectancy at age 45 - women	EU	:	:	:	:	:	19.4	19.6	19.6	19.6
momen										

c) Persons of low educational attainment who do not continue studying (Per cent)

	EU	Sweden
1999 All	:	6,9
Women	:	6,1
Men	:	7,7
2004 All	15.6i	8,6
Women	13.1i	7,9
Men	18i	9,3
2005 All	15,2	8.6p
Women	13,1	7.9p
 Men	17,3	9.3p

Source: Labour Force Surveys:

Proportion of persons aged 18-24 whose highest level of education is primary and lower secondary school (grundskola) and who have not been in education or training in the last four weeks.

(Values 0, 1 or 2 according to the international scale ISCED 97)

d) Forecast total public expenditure

Total age-related public expenditure: pensions, health care, long-term care, education and unemployment transfers (% of GDP), baseline scenario

		Change	Change	Change	Change	Change
		2004-	2004-	2004-	2004-	2004-
	2004	2010	2020	2030	2040	2050
EU	23.4	-0.7	-0.2	1.5	3	3.4
Belgium	25.4	-0.3	1.2	4.5	6.2	6.3
Czech Republic	19.3	-0.5	-0.1	1.7	4.8	7.1
Denmark	26.8	0.2	1.8	4	5.3	4.8
Germany	23.7	-1.2	-0.8	1	2	2.7
Estonia	17.1	-0.6	-2	-2.3	-2.8	-2.7
Greece*	8.9	-0.2	-0.2	0.2	0.8	1.3
Spain	20.1	-0.4	0.3	3.3	7.2	8.5
France	26.7	0	0.9	1.9	2.9	2.9
Ireland	15.5	-0.1	1.6	3.3	5.2	7.8
Italy	26.2	-0.5	-0.3	1.1	2.5	1.8
Cyprus	16.4	0.1	1.2	4.1	7	11.8
Lithuania	16	-0.7	-0.9	0.3	0.8	1.4
Latvia	17.5	-2.9	-2.9	-1.5	-1.3	-1.3
Luxembourg	19.5	-0.1	2.1	5.5	7.9	8.3
Hungary	20.7	0.3	1.6	2.8	5.7	7
Malta	18.2	0.9	2.2	1.8	1	0.3
Netherlands	20.9	-0.3	1.5	3.8	5.3	4.9
Austria	25.2	-1	-1	0.8	0.9	0.1
Poland	23.7	-3.5	-5.8	-6.1	-6.4	-6.7
Portugal	23.8	0.4	2.5	4.2	7.3	9.8
Slovenia	24.2	-0.2	1.3	4.4	7.5	9.6
Slovakia	16.2	-0.8	-0.9	0.3	1.5	2.9
Finland	25.4	0.2	2.3	4.7	5.3	5.2
Sweden	29.6	-1.4	-1	1.3	2.3	2.2
United Kingdom	19.6	-0.2	0.3	2.2	3.3	4

¹⁾ The total expenditure for GR does not include pension expenditure.

^{2).} The total expenditure for GR, FR,, PT, CY, EE, HU does not include long-term care.

³⁾ the forecasts for public expenditure on long-term care for Germany do not reflect current legislation, where contribution levels are constant. A scenario which comes closer to current legislation forecasts that public

expenditure as a percentage of GDP will remain constant over the forecast period.

Note: These figures refer to the baseline forecast for social expenditure on pensions, education and unemployment.

The "AWG reference scenario" is used for health care and long-term care.

e) Equivalised median disposable income for persons aged 65+ relative to income persons aged 0-64

 \mathbf{EU} **Belgium** 0.76 Czech 0.83 Republic Denmark 0.71 Denmark² 0.75 Germany 0.88 0.76 **Estonia** Greece 0.78 **Spain** 0.77 **France** 0.90 **Ireland** 0.62 Italy 0.95 **Cyprus** 0.55 Lithuania 0.80 Latvia 0.89 Luxembourg 1.00 Hungary 0.87 Malta 0.90 Netherlands 0.84 0.93 Austria **Poland** 1.13 **Portugal** 0.76 Slovenia 0.87 Slovakia 0.89 **Finland** 0.75 Sweden 0.77 United Kingdom

0.74

² Including standard estimated income for own home.

f) Employment rate for elderly persons

% of p	opulation aged 55-64	EU	Sweden
1998			
	All	35.8	63
	Men	46.6	66.1
	Women	25.5	60
2000			
	All	36.6	64.9
	Men	46.9	67.8
	Women	26.9	62.1
2002			
	All	38.7	68
	Men	48.8	70.4
	Women	29.2	65.6
2004			
	All	41	69.1
	Men	50.7	71.2
	Women	31.7	67
2005			
	All	42.5	69.5
	Men	51.8	72.4
	Women	33.7	66.7

Source: Eurostat – Labour force survey, Annual averages.

g) Risk of poverty % by most frequent employment status and gender.

		EU	Sweden
All	All	16	11
	Men	14	10
	Women	17	12
In work	All	9	6
	Men	9	6
	Women	8	6
* Employed	All	:	:
	Men	:	:
	Women	:	:
* Self-employed	All	:	:
	Men	:	:
	Women	:	:
Not in work	All	23	18
	Men	23	16
	Women	24	19
* Unemployed	All	42	26
	Men	46	31
	Women	37	18
* Pensioners	All	16	14
	Men	15	11
	Women	17	16
* Other inactive	All	26	24
	Men	26	23
	Women	26	25

h) Workforce participation (% of population aged 15-64)

		EU	Sweden
1998			
	All	68	76.2
	Men	77.4	79
	Women	58.7	73.5
2000			
	All	68.7	77.3
	Men	77.4	79.8
	Women	60	74.8
2002			
	All	69	77.6
	Men	77.3	79.4
	Women	60.7	75.8
2004			
	All	69.7	77.2
	Men	77.5	79.1
	Women	62	75.2
2005			
	All	70.2	78.7 b
	Men	77.8	80.9 b
	Women	62.5	76.3 b

 ${\it Source} : Eurostat-Labour\ market\ surveys,\ Annual\ averages.$

Workforce participation is the proportion of the population aged 15-64 in employment or unemployed

⁽b) break in time series

i) Regional cohesion

	1999	2004
EU 25	13.4	12.2
BE	8	8.7
CZ	5.6	5.6
DK	-	
DE	5.4	6.2
EE	-	
EL	5.2	4.1
ES	10.7	8.7
FR	7.1	7.1
<u>IE</u>	-	
IT	17.4	15.6
CY	-	
LV	-	
LT	_	
LU		
HU	9.1	9.4
MT	_	
NL	2.3	2.3
AT	2.3	3.5
PL	4.8	6.4
PT	2.6	3.5
SL	-	
SK	8.1	9
FI	6.7	5.5
SE	. 5	4.4
UK	7.1	5.8
	_	

Source: Eurostat - Labour Force Survey,

Annual averages

Standard deviation of regional employment rates divided by the weighted national average (age group 15-64 years) NUTS II (=National Areas (Riksområden) in Sweden)

Annex 2 Good practice

University course for student social workers and former clients together

Under the Equal Programme, Basta Work Cooperative and the School of Social Work at Lund University have launched and run three university courses. These courses mix student social workers with students who have previously been clients/marginalised. The course lasts for 6 weeks and gives both groups – future social workers and former clients – a mutual opportunity to gain a greater understanding of and insights into the working and living conditions of the other group. The content of the course is concerned with empowerment and how clients' own resources are to be coordinated and organised so that exclusion can be overcome, and in what way social workers can contribute to such development.

The client students have no previous university experience and have not formally had authorisation to pursue university studies. After completing the course the students, including the former clients, are awarded 5 European credit transfer (ECT) points. The course has been a success and will be made permanent. The course will also be presented at the world congress of schools of social work in Santiago de Chile (IASSW, during August 2006).

Komet programme - Social inclusion through prevention

The Komet programme consists of several different parts and is aimed at the child's parents or teachers. It has been developed from the Komet project in the city of Stockholm in cooperation with several different central-government actors.

Research shows that children who are unruly and disruptive and do not concentrate are at greater risk of failure at school and in social relations. This in turn increases the risk of employment, substance abuse and criminality. Komet stands for KOmmunikationsMETod (Communication Method), the core components of which are breaking the child's pattern of behaviour early on by people around the child reinforcing what it does well.

A randomised controlled study of FöräldraKomet ('Parent Komet') is currently in progress and will be presented in the autumn of 2006. The study is based on around 150 families. Among those who have taken part, problems decrease by 30% after 4.5 months and by 40% after 10 months. On the waiting list the problems decrease by 3% after 4.5 months.

Good housing in Bergsjön – Project to prevent evictions

Good Housing in Bergsjön is a project that has received funding from the National Board of Health and Welfare to develop its work on preventing evictions and working together with property owners. The principal aim is for households in this city district who do not have anywhere to live to be offered assistance with a housing career aimed at adequate housing in the ordinary housing market.

The background to this project is that there are around 14,500 people living in Bergsjön, the majority of whom have a foreign background. Almost half of all the inhabitants of this city district receive social welfare allowance. This leads to difficulty in finding an apartment in the regular housing market as most landlords require prospective tenants to have an income of their own and to be self-supporting. Complaints from the landlords about rent arrears and disturbances had also increased. It was also very difficult for the social services to arrange good housing for families as the supply of apartments was poor.

Two housing support officers were appointed. These officers were to work on supporting clients who were threatened with eviction and also assist clients who had a chance of obtaining a 'first-hand' contract but did not have any references. The housing situation in Bergsjön could not be resolved by the social services alone, and other actors, particularly the property owners, had a crucial role. The project has not solved the problems of homelessness in this city district. However, the social services have succeeded in finding ways of tackling evictions, putting homelessness on the agenda in their own organisation and finding procedures for working together with relevant actors.

Annex 3 Contribution from the Network Against Social Exclusion

General aspects

A strong and universal welfare policy is a fundamental requirement if a fair society based on solidarity is to be attained, as it prevents marginalisation and alienation. Particular significance is attached to labour market, housing and health-care policy.

If the action plan is to decisively improve the life situation of the most vulnerable, it must be based on an all-embracing perspective and coordination. The most vulnerable people must be guaranteed their basic rights. They must have the right to dignity, equal treatment, access to welfare services such as health care, long-term care, education and housing according to need and on equal terms. The Government should define the key areas for welfare as "social services in the public interest" so that they cannot be made subject to market forces and competition rules that create social injustices.

Work is a fundamental factor, and higher employment targets should therefore be set. The labour market and labour-market policy must be broadened so that vulnerable groups become full participants in working life. The target should be for the rate of employment to be the same as for the population at large. It should be possible for social assistance and other social welfare allowances to be converted to employment support. The commitment and experience of the organisations in the network must be utilised to a much greater degree to give those who are vulnerable a firmer foothold in the labour market. We wish to emphasise that it is important that a parallel labour market where there is a risk of an A team and B team being established, and where dependence on social assistance undermines people's basic rights, is not developed.

Strengthen collaboration - work locally

The organisations in the network that work with vulnerable groups and their specific problems have a key role to play in tackling poverty and integrating the most vulnerable into society. The bottom-up perspective, an all-embracing view and participation are at the core of their activity. The collaboration between the public sector and the organisations in the network must therefore be reinforced, both to formulate and to implement policy. Collaboration must take place at all levels: locally, regionally, nationally and at the European level.

It is equally important that coordination between the authorities improves, in particular the coordination between the municipalities, the employment service and the Swedish Social Insurance Agency.

It is particularly important that the municipalities, in collaboration with the organisations in the network, make a commitment to draw up local action plans for social integration. Policy for social integration must be adapted to the needs of each group of socially vulnerable people: the homeless, substance abusers, people with mental and physical disabilities, children at risk, women exposed to violence, refugees and asylum-seekers (including those who do not have papers), criminals who want to break their social exclusion and so on. There is also a need for individually adapted measures as the problems of exclusion differ.

With the aim of creating a framework for collaboration between the public sector and the organisations, a clear framework and clear rules of play are required which establish joint objectives and define roles, responsibilities and financial resources to attain the established aims. These rules of play are to guarantee clarity, transparency and a long-term approach.

User influence and treatment

It is essential that people from vulnerable groups have a greater opportunity to have their voices heard and to influence their situation. A system for real user involvement must therefore be set up at all levels.

Experience from the Users Commission in the Ministry of Health and Social Affairs has been favourable. It has allowed those who are vulnerable to have a say and has emphasised their situation. Problems and solutions that have been highlighted should have a greater impact on policy, not just in the areas of responsibility of the Ministry of Health and Social Affairs but also in other ministries. The Network Against Social Exclusion therefore considers that the users commission should be given permanent status.

The most vulnerable people must be treated with respect and dignity both by authorities and by organisations. It is essential ways to look at the individual and never to reduce people to cases. Municipalities and authorities should improve the way they treat people through special programmes, guidelines, organisational changes and training.

Vulnerable people must receive support and be given opportunities to seize control of their own lives - empowerment. By doing so they can regain self-esteem. To implement this, a policy and activities based on participation and user influence are required.

Use the experience that exists

There is knowledge and experience of social integration today among the organisations in the network. If this knowledge and experience are used, they contribute to better and more targeted policy for social integration.

The social enterprise has proved effective in integrating vulnerable people into the world of world. With regard to the mentally disabled, substance abusers and people with criminal records, social enterprise is beginning to be recognised in policy relating to these groups. It can also be of great

significance for other vulnerable groups, for example groups with a foreign background, and for organising work for recipients of social assistance. The Government should therefore implement an extensive programme of social enterprise. There is also a need for government funds to encourage municipalities and organisations to implement innovative initiatives for social integration.

There is a great deal of experience from the Swedish Equal Programme that can be used in different political programmes for various vulnerable groups. A large proportion of the conclusions in this document are supported by experience from various Equal projects. We wish to emphasise that the Equal experience must be applied in policy to tackle social exclusion.

The individual organisations in the network must have better conditions with regard to use of the structural funds, and better opportunities to exert influence within them, so that they can implement innovative social solutions.

The Swedish Parliament and its committees must actively discuss the action plan

Important principles and measures from the Swedish action plan for social integration must be reflected in the Swedish Lisbon strategy (which is due to be submitted on 15 October 2006). Sweden can show, in this way, that it takes seriously the principle of social participation as a third pillar in this strategy. The Swedish Parliament (Riksdag) and its committees must deal with the action plan more actively than it has done to date in order to give elected representatives an opportunity to influence and propose practical measures.

The work on the action plan must result in practical initiatives that change and improve the situation of users today and we, in the Network Against Social Exclusion, wish to take part in this in collaboration with the Government.

Annex 4 Brief comments on Swedish pensions

Work commenced in Sweden in the 1990s which culminated in the pension reform implemented from 1999. The new public pension system which has been introduced is flexible in relation to both democratic and economic fluctuations and is financially stable.

The incomes of Swedish pensioners come for the most part from the general pension system. The reformed old-age pension system is definedcontribution. An important feature of the system is that it is based on lifetime earnings. The direct link between contributions paid in and benefits paid out provides an incentive to work longer. It is also important that the general system is financially stable due to its flexibility in response to economic and demographic changes. The indexing of pensions and pension entitlements follows the development of incomes in society, and the level of pensions is affected by average life expectancy at the time of retirement. There is also an automatic adjustment mechanism that balances the finances of the pension system in the event of unfavourable economic development by adjusting the indexation of pensions and pension entitlements. The system also permits individual flexibility through a flexible retirement age and the possibility of partial drawing of pension. The system is autonomous and is not affected by fluctuations in the central government budget, and the income and expenditure of the old-age pension system can only be utilised for old-age pension purposes.

A state tax-funded guarantee pension is paid for those who have not themselves earned a reasonable income-related pension. For those who do not qualify for a sufficiently large guarantee pension because they have not been resident in Sweden for a sufficiently long time, there is a so-called maintenance support for the elderly. Many people are also entitled to a means-tested housing supplement. This basic protection is intended to provide pensioners with an adequate standard of living.

Alongside the public system, almost everyone receives an occcupational pension, which supplements the public pension and provides the principal protection for incomes above the income ceiling in the public system.

Annex 5 Descriptive material on health care

National IT strategy

IT use forms a natural part of health-care activity today. Electronic patient records and prescriptions and digital messaging are used. However, there is great potential to make the use of IT more efficient and to improve it. This is partly due to the fact that it varies in the care sector, and partly because many of the various forms of IT support used cannot communicate with each other.

Against this backdrop, the Swedish Government and the Swedish Association of Local Authorities and Regions agreed to develop close cooperation on IT development in the health-care and social services sector. The *National Steering Group for IT in Health Care and Social Services* was appointed in March 2005. The group contains representatives of the Ministry of Health and Social Affairs, the Swedish Association of Local Authorities and Regions, the National Board of Health and Welfare, the Swedish Medical Products Agency, Apoteket AB and Carelink. The work is undertaken under the Dagmar agreement, a government-financed agreement between central government and the county councils for special development projects to develop health care.

The steering group's work has resulted in a national IT strategy which is to serve as support for local and regional development work. A number of measures will be required to attain IT use which in the best way possible promotes work in the care sector. The measures must be taken at various levels, at county council and municipal level and also at national level. County councils and municipalities have responsibility for operational activity and thus have the principal responsibility for the development of IT use, while central government and several other actors have the task of taking measures at various levels of decision-making.

The work which needs to be performed has been divided into six strands:

- 1. Harmonise laws and regulations with increased IT use
- 2. Create a common information structure.
- 3. Create a common technical infrastructure.
- 4. Create the necessary conditions for collaborating and activity-supporting IT systems.
- 5. Make possible access to information across organisational boundaries.
- 6. Make information and services readily accessible for the public.

Work to attain increased national collaboration in these matters will be done in stages. Elaboration of the new National IT Strategy represented the first stage. A second stage will be begun in 2006, in which the contents of the national IT strategy are to be endorsed by all the county councils and municipalities and other actors in health care. Following discussion with

the various actors, the steering group for IT in health care will present its position on planning, implementation and funding of continued work. The group is due to report by March 2007.

The various authorities responsible for health care, the county councils, municipalities and private care providers, decide for themselves how IT is to be used and develop for themselves the IT support they decide on. However, the private care providers must comply with the requirements for processing of information and reporting that follow from agreements with county councils and municipalities.

Swedish Council on Technology Assessment in Health Care (SBU)

The Swedish Council on Technology Assessment in Health Care (SBU) was set up under the auspices of the Swedish Government Offices in 1987. It has been an autonomous government agency since 1992. Its task is to critically examine the treatment methods used in health care from a combined medical, financial, ethical and social point of view. SBU describes which methods provide most benefit and cause least harm and which ones are most economical with resources. It can also identify methods that do not provide benefit, have not been studied or are not cost-effective. The agency's reports emphasise a scientific basis for reporting on the weaknesses and strengths of the various methods.

SBU's assessments are undertaken in project form. Interdisciplinary working groups are recruited for the major projects. These consist of leading Swedish and/or foreign experts who work in both clinical medicine and research. The length of projects varies widely. Some may extend to several years, while other, often more limited, projects are completed far more quickly. SBU does not perform any research of its own but gathers and assesses research results that already exist.

SBU's reports have several target groups. They are aimed both at people in the profession and decision-makers at local, regional and national level and at patients, families of patients and the public.

To reach out with its reports, SBU runs a recipient programme which means that each county council is expected to have a recipient function that can implement SBU's recommendations in the county concerned.

As well as the work SBU undertakes in project form, it produces what are known as Alert reports. New methods of treatment and their anticipated expects are described in the reports. This is a way of identifying new methods and assessing them early on. One of the principal aims is to contribute towards new methods in health care being introduced in a way as effective as possible and the introduction being preceded by scientific assessment. In addition, an improved basis for decisions on setting priorities in health care is offered with the reports.

National quality registers

At present there are 57 national quality registries divided among the country's hospitals and clinics. The registry holders, who are representatives of the profession, have built up the registries as support for quality development in clinical work. The Swedish Association of Local Authorities and Regions and the National Board of Health and Welfare have been collaborating for more than ten years to support the national quality registries. Collaboration takes place in what is known as the Decision-Making Group for the National Quality Registries. As well as representatives of the Swedish Association of Local Authorities and the National Board of Health and Welfare, the Decision-Making Group contains representatives of the Swedish Medical Association and the Swedish Society of Nursing.

The quality registries, of which there are currently 57, are principally funded through the Dagmar Agreement. The decision-making group decides how financial support is to be distributed between those quality registries which have applied for grants. As well as the registries, grants are allocated to three 'centres of expertise', which are tasked with working towards the addition of new quality registries and creating synergistic benefits in the cooperation between registries in various respects, for example in technical operation or analysis.

To assist it, the Decision-Making Group has recruited an Expert Group. This group examines incoming application documents every year and assists the Decision-Making Group with proposals for decisions on the allocation of grants. There is expertise in a number of different fields in the Expert Group: health care, epidemiology and statistics, registry operation and clinical enhancement.

The quality registries will play a key role in the future, as there is an increasing requirement to report results in the health-care sector. To make continued positive development possible, it is desirable to integrate the National Quality Registries with health-care record systems and to carry out a review of the legislation relating to work on the quality registries. Collaboration will also be required here with the development work in progress for IT in health care.

Open comparisons

In the report "Öppna jämförelser av hälso- och sjukvårdens kvalitet och effektivitet" ("Open comparisons of the quality and efficiency of health care"), the Swedish Association of Local Authorities and Regions (SALAR) and the National Board of Health and Welfare present comparisons between county councils for a number of different measures of quality and efficiency in health care. SALAR and the National Board of Health and Welfare have previously presented separate reports on different aspects of health care. The report on open comparisons is thus the first to have been produced jointly, and this joint activity has made it possible to collaborate with regard to data sources, skills and experience.

Open comparisons are a type of development work and form part of a long-term strategy for *Good Care*, which develops when evidence-based knowledge, open comparisons and enhancement activity come together in one entity.

The report presents comparisons with regard to medical results, patient experiences, accessibility and costs. The primary aim of the report is to provide the responsible authorities with supporting material and encouragement for a discussion and in-depth analyses of their health care. Another purpose is to encourage improvements in health care. The comparisons can be used to drive development and quality enhancements. A third, more indirect aim is for the report to prompt improved access to and quality of data. A good public debate in health care is dependent on relevant data of good quality.

The report is regarded as a first step in work on open comparisons in health care and in disseminating good practice to other parts of the care sector. The comparisons presented in the report are snapshots of the situation in health care, but the comparisons are gradually to be developed and increased in number so that they provide better coverage of the whole of health care. It is hoped that in future comparisons will also be made between hospitals and clinics.

Maximum waiting time guarantee for visit and treatment

Since 1997 there has been a maximum waiting time guarantee for visit, which means that the primary care sector has to offer assistance, either over the phone or through a visit, on the same day as contact is made. If contact with a doctor is required, the waiting time must be no more than 7 days and a person referred to specialist care must be offered this within 90 days. Central government and the Swedish Association of Local Authorities and Regions (SALAR) have now agreed to extend this guarantee to a national maximum waiting time guarantee, which also covers waiting time for treatment.

The national, extended maximum waiting time guarantee has applied throughout the country since 1 November 2005 and covers *all* treatment in the county council's *planned* care. The guarantee signifies a commitment for the county councils to offer treatment within 90 days from the time when a decision on treatment has been taken. If the county council cannot meet the deadline, the patient must be helped to obtain care in another county council area within the guarantee period. If the treatment is given in another county council area under the maximum waiting time guarantee, this must be done at no extra cost to the patient.

The extended maximum waiting time guarantee was introduced in conjunction with a continued investment in improved accessibility in health care. The Government's aggregate investment in a national maximum waiting time guarantee and improved accessibility totals 1.95 billion Swedish kronor in 2005 and 1.75 billion kronor per year from 2006 on.

The county councils have to submit reports annually to the National Board of Health and Welfare on how the maximum waiting time guarantee is being met and on the measures taken to improve accessibility. The National Board of Health and Welfare is to report the effects of introducing the national maximum waiting time guarantee, firstly in an interim report due by 1 November 2006 and secondly in a final report to be submitted by 1 November 2007.