

## Contents

T1_1	<a href="#"><u>Table 1.1 Measures in additional amending budgets in spring 2020 and proposals in the Spring Amending Budget for 2020</u></a>
T1_2	<a href="#"><u>Table 1.2 Scope and certain measures in extra amending budgets in spring 2020 and proposals in the Spring Amending Budget for 2020.</u></a>
T1_3	<a href="#"><u>Table 1.3 Combined budgetary impacts of Government policy 2019-2023 in relation to the previous year</u></a>
TC_1a	<a href="#"><u>Table C.1a Macroeconomic prospects</u></a>
TC_1b	<a href="#"><u>Table C.1b Price developments</u></a>
TC_1c	<a href="#"><u>Table C.1c Labour market developments</u></a>
TC_1d	<a href="#"><u>Table C.1d Sectoral balances</u></a>
TC_2a	<a href="#"><u>Table C.2a General government budgetary prospects</u></a>
TC_2b	<a href="#"><u>Table C.2b Revenue and expenditure forecasts</u></a>
TC_2c	<a href="#"><u>Table C.2c Amounts to be excluded from the expenditure benchmark</u></a>
TC_3	<a href="#"><u>Table C.3 General government expenditure by function</u></a>
TC_4	<a href="#"><u>Table C.4 General government debt developments</u></a>
TC_5	<a href="#"><u>Table C.5 Cyclical developments</u></a>
TC_6	<a href="#"><u>Table C.6 Divergence from previous update</u></a>
TC_7	<a href="#"><u>Table C.7 Long-term sustainability of public finances</u></a>
TC_7a	<a href="#"><u>Table C.7a Contingent liabilities</u></a>
TC_8	<a href="#"><u>Table C.8 Basic assumptions</u></a>

**Table 1.1 Measures in additional amending budgets in spring 2020 and proposals in the Spring Amending Budget for 2020**

SEK million

Measures and proposals	2020	Budget <sup>1</sup>
<b>The spread of the virus must be limited</b>		
Targeted funding for health and social care	3.000	SAB
Disease carrier's allowance	500	AAB2
Individual benefit for sick pay standard deduction	1.700	AAB2
Increased COVID-19 testing	1.000	AAB5
Removal of medical certificate requirement from day 8	350	AAB2
Removal of performance requirement for waiting list billions		SAB
Higher credit framework for National Board of Health and Welfare for preparedness investments		AAB2, AAB5
Funding for the Swedish Civil Contingencies Agency for information campaigns	75	AAB2
Funding for the Swedish Research Council for virus and pandemic research initiative	100	SAB
Other items	221	SAB
<b>Impact on Swedish jobs and businesses must be pushed back</b>		
<i>Reduced costs for businesses</i>		
Reduced employers' social security contributions (gross)	30.500	AAB4
Reduced individual contributions (gross)	2.180	AAB4
Short-term layoffs	19.500	SAB
Discount for fixed rental costs in vulnerable sectors	5.000	AAB5
Suspended sick pay responsibility for employers	6.500	AAB2
Support to sole traders in the event of illness	150	SAB
<i>Liquidity reinforcement measures</i>		
Higher allocation to tax allocation reserve	-1540 <sup>2</sup>	AAB4
Deferred payment of taxes and contributions	171	AAB2
VAT deferral for full-year reporters		AAB4
Other items	24	AAB2
<i>State credits and loans</i>		
State credit guarantees for loans to companies		AAB3
Increased and expanded credit facility, Swedish Export Credit Corpo		SAB
Increased guarantee facility, Swedish Export Credit Agency		SAB
Capital injection ALMI	3.000	SAB
Credit guarantees for airlines		AAB1
<i>Other consequences</i>		
Support to sport and culture	1.000	AAB5
Support to local journalism	200	SAB
<b>Security and transition for people who become unemployed</b>		
<i>Employment must be safeguarded</i>		
Funding to Arbetsförmedlingen	330	SAB
Summer jobs for young people	180	SAB
Green jobs	150	SAB
More programme measures	1.870	SAB
Extended time in new start jobs	50	SAB
<i>Reinforcement of unemployment insurance fund</i>		
Shorter membership condition in unemployment insurance fu	331	AAB5
Higher ceiling for income-related benefit	3.466	AAB5

Higher ceiling for basic amount	610	AAB5
Suspension of unemployment insurance fund qualifying days	397	AAB5
Relaxation of working conditions in unemployment insurance	427	AAB5
Simplified conditions for unemployment insurance for sole traders		AAB5
Processing cases at unemployment insurance funds	100	SAB
<i>Opportunities for education and training must be strengthened</i>		
Summer courses	177	SAB
More students in higher education	154	SAB
Foundation year at higher education institutions	277	SAB
Distance education initiatives in several forms of education	95	SAB
Regional vocational adult education	700	SAB
Expansion of folk high school	76	SAB
Investment in higher vocational education	369	SAB
Suspended income ceiling	1.000	AAB5
Other items	35	SAB

### **Continued fight against societal problems**

Higher general government grants to local government secto	20.000	SAB
Extended biogas support	120	SAB
Solar cells, higher authorisation <sup>3</sup>		SAB
National Board of Institutional Care	250	SAB
Migration courts	180	SAB
Other reinforcement of the judicial system	120	SAB
Legal councils	800	SAB
Support to vulnerable children and women and children subjected to violence	100	AAB5
<b>Other unavoidable items</b>	<b>736</b>	<b>SAB</b>

### **Total**

<i>of which SAB</i>	#####
Adjustment for impact on public finances	49.204
<b>Total impact on public finances</b>	<b>#####</b>

---

<sup>1</sup> AAB1: Additional Amending Budget for 2020 – Credit guarantees for airlines due to SARS-CoV-2 (Govt Bill 2019/20:136). AAB2: Additional Amending Budget for 2020 – Measures in response to COVID-19 virus (Govt Bill 2019/20:132). AAB3: Additional Amending Budget for 2020 – Credit guarantees for loans to companies (Govt Bill 2019/20:142). AAB4: Additional Amending Budget for 2020 – Further measures in the area of taxation in response to COVID-19 virus (Govt Bill 2019:20:151). AAB5: Additional Amending Budget for 2020 – Further measures in response to COVID-19 virus (Govt Bill 2019/20:146). SAB Spring Amending Budget for 2020 (Govt Bill 2019/20:99).

<sup>2</sup> The possibility of making higher allocations to tax allocation reserves also affects tax revenue for 2019. The impact on public finances for 2019 is negative and amounts to SEK -9 billion.

<sup>3</sup> The authorisation framework is increased by SEK 200 million for 2020, which is estimated to increase expenditure by SEK 100 million per year in 2021 and 2022. .

Source: Own calculations.

**Table 1.2 Scope and certain measures in extra amending budgets in spring 2020 and proposals in the Spring Amending Budget for 2020.**

SEK million

Measures and proposals

<b>Guarantees</b>	Increase
State credit guarantees for loans to companies	100.000
Increased and expanded credit facility, Swedish Export Credit Corpo	75.000
Increased guarantee facility, Swedish Export Credit Agency	50.000
Credit guarantees for airlines	5.000
<b>Total</b>	<b>230.000</b>
<b>Liquidity reinforcement</b>	amount
Deferred payment of taxes and contributions	315.000
VAT deferral for full-year reporters	7.000
Higher allocation to tax allocation reserve	13.000
<b>Total</b>	<b>335.000</b>

Source: Own calculations.

**Table 1.3 Combined budgetary impacts of Government policy 2019-2023 in relation to the previous year**

Changes in expenditure and revenue in relation to measures and funding adopted and announced previous year and those now proposed and announced.<sup>1</sup> Budgetary impact on general net lending. SEK billions

	2019	2020	2021	2022	2023
<b>Expenditure changes<sup>2</sup></b>					
Change in ceiling-limited expenditure principles in the central government budget and the National Accounts borrowing <sup>3</sup>	11,9	88,9	-51,8	-2,8	-3,3
	4,4	-1,2	4,1	-1,2	-0,3
	3,2	3,6	1,7	-1,6	-2,5
<b>Total expenditure changes</b>	<b>16,3</b>	<b>87,7</b>	<b>-47,7</b>	<b>-4,0</b>	<b>-3,6</b>
<b>Revenue changes<sup>2</sup></b>					
Taxes, gross	-27,5	-36,7	27,1	6,2	0,0
Indirect impact of taxes	0,5	8,9	-6,3	-0,8	0,0
Other revenue reforms	-0,1	0,8	0,6	0,1	0,0
<b>Total revenue changes, net</b>	<b>-27,1</b>	<b>-27,0</b>	<b>21,4</b>	<b>5,4</b>	<b>0,0</b>
<b>Changes in expenditure and revenue, impact on general government net lending<sup>2,4</sup></b>	<b>-43,3</b>	<b>-114,7</b>	<b>69,1</b>	<b>9,4</b>	<b>3,6</b>
<i>Per cent of GDP</i>	-0,9	-2,4	1,3	0,2	0,1

Note: The amounts are rounded off and thus do not always agree with the total.

<sup>1</sup> Table 1.2 includes budgetary effects of measures proposed by the government in SAB Spring Amending Budget for 2020 (Govt Bill 2019/20:99) that the Parliament is to process in June 2020.

<sup>2</sup> For expenditure reforms, a minus sign reflects a decrease in an appropriation or the cessation or reduction in scope of temporary programmes. For revenue reforms, a minus sign reflects a decrease in tax revenues. For the combined budgetary effects of expenditure and revenue reforms, a minus sign indicates a weakening in general government finances compared with the preceding year.

<sup>3</sup> This item shows the change in net borrowing for road and rail needs. Net borrowing consists of the difference between new borrowing and amortisation.

<sup>4</sup> Excluding the indirect impact of expenditure reforms on the revenue side.

Source: Own calculations.

**Table C.1a Macroeconomic prospects**

Annual percentage change

	<b>Mdkr</b>					
	<b>2019</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Real GDP	4.893	1,2	-4,0	3,5	3,4	3,1
Nominal GDP	5.026	4,0	-2,9	5,1	5,2	5,2
<b>Components of real GDP</b>						
Private consumption expenditure	2.185	1,2	0,1	2,8	3,6	3,6
Government consumption expenditure	1.263	0,4	0,6	-0,5	-0,3	-1,1
Gross fixed capital formation	1.235	-1,2	-10,7	5,5	5,2	5,0
Changes in inventories and net acquisition of valuables	34	..	..	..	..	..
Exports of goods and services	2.306	4,2	-6,0	6,2	5,0	4,1
Imports of goods and services	2.130	1,8	-5,4	6,7	4,0	3,4
<b>Contributions to real GDP growth</b>						
Final domestic demand		0,4	-2,5	2,5	2,8	2,6
Changes in inventories and net acquisition of valuables		-0,3	-1,0	1,0	0,0	0,0
External balance of goods and services		1,1	-0,5	0,0	0,6	0,5

Sources: Statistics Sweden and own calculations.

## Table C.1b Price developments

Annual percentage change

	Level					
	2019	2019	2020	2021	2022	2023
GDP deflator	102,7	2,7	1,1	1,6	1,8	2,0
Private consumption deflator	101,9	1,9	0,5	1,5	1,7	2,0
HICP <sup>1</sup>	106,9	1,7	0,6	1,3	1,4	1,6
Public consumption deflator	103,5	3,5	2,6	2,3	2,6	3,5
Investment deflator	102,3	2,3	1,2	1,5	1,5	1,5
Export price deflator (goods and services)	103,4	3,4	0,8	0,9	1,0	1,0
Import price deflator (goods and services)	102,9	2,9	1,0	1,1	1,2	1,2

Note: All deflators are indices. 2018=100.

<sup>1</sup> Index, 2015=100.

Sources: Statistics Sweden and own calculations.

## Table C.1c Labour market developments

Annual percentage change if not otherwise stated

	Level	2019	2020	2021	2022	2023
	2019					
Employment, persons <sup>1</sup>	5.124	0,6	-1,7	0,7	1,2	2,2
Employment, hours worked <sup>2</sup>	#####	-0,4	-1,8	1,8	1,1	1,5
Unemployment rate (%) <sup>3</sup>	373	6,8	9,0	9,0	8,4	7,0
Labour productivity, persons <sup>4</sup>	848	0,8	-2,4	2,8	2,2	0,9
Labour productivity, hours worked <sup>5</sup>	584	1,9	-2,1	1,9	2,7	1,2
Compensation of employees <sup>6</sup>	2.395	3,7	0,7	3,8	3,7	4,7
Compensation per employee <sup>7</sup>	#####	3,1	2,5	3,1	2,5	2,5

<sup>1</sup> Occupied population, national accounts definition. Level in thousands.

<sup>2</sup> National accounts definition. Level in ten thousands.

<sup>3</sup> Level in thousands. Per cent of labour force.

<sup>4</sup> Real GDP per person employed, SEK.

<sup>5</sup> Real GDP per hour worked, SEK.

<sup>6</sup> SEK billion.

<sup>7</sup> SEK.

Sources: Statistics Sweden and own calculations.

## Table C.1d Sectoral balances

Per cent of GDP

	2019	2020	2021	2022	2023
Net lending/borrowing vis-a-vis the rest of the world	4,5	4,3	4,0	4,3	4,5
<i>of which</i>					
Balance on goods and services	3,8	3,4	3,2	3,5	3,7
Balance of primary incomes and transfers	0,6	0,9	0,9	0,8	0,8
Capital account	0,1	0,0	0,0	0,0	0,0
Net lending/borrowing of the private sector	4,1	8,0	5,4	4,3	3,0
Net lending/borrowing of the general government	0,4	-3,8	-1,4	0,1	1,5

Sources: Statistics Sweden and own calculations.

**Table C.2a General government budgetary prospects**

Per cent of GDP

	SEK bn	2019	2020	2021	2022	2023
	2019	2019	2020	2021	2022	2023
<b>Net lending by sub-sector</b>						
General government	18	0,4	-3,8	-1,4	0,1	1,5
Central government	60	1,2	-2,8	-0,7	0,7	2,0
Local government	-48	-1,0	-0,8	-0,8	-0,8	-0,7
Social security funds	6	0,1	-0,1	0,1	0,1	0,2
<b>General government</b>						
Total revenue	2.496	49,7	49,8	49,7	49,6	49,4
Total expenditure	2.477	49,3	53,6	51,1	49,6	48,0
Net lending/borrowing	18	0,4	-3,8	-1,4	0,1	1,5
Interest expenditure	19	0,4	0,3	0,3	0,3	0,3
Primary balance	38	0,8	-3,4	-1,1	0,3	1,8
One-off and other temporary measures	0	0,0	0,0	0,0	0,0	0,0
<b>Selected components of revenue</b>						
Total taxes	2.010	40,0	39,7	39,9	40,0	40,0
Taxes on production and imports	1.104	22,0	22,1	22,3	22,1	22,0
Current taxes on income. wealth. etc.	906	18,0	17,6	17,6	17,8	18,0
Capital taxes	0	0,0	0,0	0,0	0,0	0,0
Social contributions	172	3,4	3,5	3,5	3,4	3,4
Property income	83	1,7	1,8	1,7	1,8	1,8
Other	230	4,6	4,8	4,6	4,5	4,3
Total revenue	2.496	49,7	49,8	49,7	49,6	49,4
Tax burden	2.155	42,9	42,7	42,8	42,8	42,9
<b>Selected components of</b>						
Compensation of employees + intermediate consumption	1.035	20,6	21,8	21,0	20,4	19,7
Compensation of employees	634	12,6	13,4	12,9	12,6	12,2
Intermediate consumption	400	8,0	8,4	8,1	7,9	7,6
Social payments	797	15,8	17,0	16,2	15,7	15,1
of which Unemployment benefits	31	0,6	1,0	0,8	0,7	0,6
Social transfers in kind supplied via market producers	177	3,5	3,7	3,6	3,5	3,4
Social transfers other than in kind	619	12,3	13,2	12,6	12,2	11,8
Interest expenditure	19	0,4	0,3	0,3	0,3	0,3
Subsidies	79	1,6	1,9	1,7	1,7	1,8
Gross fixed capital formation	248	4,9	5,3	5,4	5,2	5,1
Capital transfers	13	0,3	0,3	0,3	0,2	0,2
Other	287	5,7	7,1	6,2	6,0	5,7
Total expenditure	2.477	49,3	53,6	51,1	49,6	48,0
Government consumption (nominal)	1.307	26,0	27,6	26,8	26,0	25,3

Sources: Statistics Sweden and own calculations.

## Table C.2b Revenue and expenditure forecasts

Per cent of GDP if not otherwise stated

	SEK bn					
	2019	2019	2020	2021	2022	2023
Total revenue	2.496	49,7	49,8	49,7	49,6	49,4
Total expenditure	2.477	49,3	53,6	51,1	49,6	48,0

Sources: Statistics Sweden and own calculations.

**Table C.2c Amounts to be excluded from the expenditure benchmark**

Per cent of BNP if not otherwise stated

	SEK bn					
	2019	2019	2020	2021	2022	2023
Expenditure on EU programmes fully matched by EU funds revenue	4	0,1	0,1	0,1	0,1	0,1
of which investment fully matched by EU funds revenue	0,0	0,0	0,0	0,0	0,0	0,0
Cyclical unemployment benefit expenditure <sup>1</sup>	-1	0,0	-0,3	0,2	0,0	0,1
Effect of discretionary revenue measures	-17	-0,3	-0,7	0,5	0,1	0,0
Revenue increases mandated by law	-	-	-	-	-	-

<sup>1</sup> Annual change.

Source: Statistics Sweden and own calculations.

**Table C.3 General government expenditure by function**

Per cent of GDP

	<b>COFOG code</b>	<b>2018</b>
General public services	1	7,1
Defence	2	1,2
Public order and safety	3	1,3
Economic affairs	4	4,3
Environmental protection	5	0,5
Housing and community amenities	6	0,7
Health	7	7,0
Recreation, culture and religion	8	1,3
Education	9	6,9
Social protection	10	19,5
Total expenditure		49,8

Source: Statistics Sweden and own calculations.

**Table C.4 General government debt developments**

Per cent of GDP

	2019	2020	2021	2022	2023
Gross debt	35,1	39,9	38,3	36,2	32,4
Change in gross debt ratio	-3,7	4,8	-1,6	-2,1	-3,8
<b>Contribution to changes in gross debt</b>					
Primary balance	-0,8	3,4	1,1	-0,3	-1,8
Interest expenditure	0,4	0,3	0,3	0,3	0,3
Stock-flow adjustment	-1,9	0,0	-1,1	-0,1	-0,5
<i>of which</i>					
Differences between cash and accruals	0,3	0,6	-1,1	-0,2	-0,9
Privatisation proceeds	0,0	-0,1	-0,1	-0,1	-0,1
Valuation effects and others	-2,1	-0,5	0,1	0,2	0,5
Nominal GDP change	-1,8	-1,5	1,0	-2,0	-1,9
Implicit interest rate on debt	1,1	0,8	0,8	0,8	0,8

Sources: Statistics Sweden and own calculations.

## Table C.5 Cyclical developments

Per cent of GDP if not otherwise stated

	2019	2020	2021	2022	2023
Real GDP growth (%)	1,2	-4,0	3,5	3,4	3,1
Net lending of general government	0,4	-3,8	-1,4	0,1	1,5
Interest expenditure	0,4	0,3	0,3	0,3	0,3
One-off and other temporary measures	0,0	0,0	0,0	0,0	0,0
Potential GDP growth (%)	1,9	1,8	1,7	1,7	1,7
Output gap	0,8	-5,2	-3,6	-1,9	-0,4
Cyclical budgetary component	-0,1	-2,8	-2,0	-1,1	-0,2
Cyclically-adjusted balance	0,4	-0,9	0,6	1,2	1,7
Cyclically-adjusted primary balance	0,9	-0,5	1,0	1,5	2,0
Structural balance	0,4	-0,9	0,6	1,2	1,7

Sources: Statistics Sweden and own calculations.

**Table C.6 Divergence from previous update**

	2019	2020	2021	2022	2023
<b>Real GDP growth (%)</b>					
Previous update	1,6	1,6	1,6	2,0	--
Current update	1,2	-4,0	3,5	3,4	3,1
Difference	-0,4	-5,6	1,9	1,4	--
<b>General government net lending (% of GDP)</b>					
Previous update	0,6	0,7	1,1	1,9	--
Current update	0,4	-3,8	-1,4	0,1	1,5
Difference	-0,2	-4,5	-2,5	-1,8	--
<b>General government gross debt (% of GDP)</b>					
Previous update	34,5	32,8	30,9	28,2	--
Current update	35,1	39,9	38,3	36,2	32,4
Difference	0,6	7,1	7,4	8,0	--

Sources: Statistics Sweden and own calculations.

**Table C.7 Long-term sustainability of public finances**

Per cent of GDP

	2015	2020	2030	2040	2050	2060	2070
<b>Total expenditure</b>	<b>48,4</b>	<b>52,6</b>	<b>48,0</b>	<b>47,7</b>	<b>46,7</b>	<b>46,9</b>	<b>45,5</b>
<i>of which</i>							
Age-related expenditure	34,2	36,6	33,4	33,3	32,8	33,5	32,8
<i>of which</i>							
Pension expenditure	7,7	8,0	7,2	7,2	7,1	7,5	7,4
<i>of which</i>							
Social security pension	0,4	0,3	0,3	0,5	0,6	0,6	0,7
Old-age and early pensions	6,2	6,6	5,9	5,7	5,5	5,8	5,7
Other pensions (disability- and survivors- government)	0,5	0,4	0,4	0,3	0,3	0,3	0,3
Health care	6,2	6,8	6,4	6,4	6,3	6,4	6,2
Long-term care	5,2	5,5	5,4	5,7	5,9	6,2	6,2
Educational expenditure	5,0	5,4	4,8	4,6	4,3	4,3	4,1
Other age-related expenditures	7,7	8,1	7,4	7,2	7,1	7,0	6,8
Interest expenditure	0,6	0,3	0,7	0,7	0,3	0,0	0,0
<b>Total revenue</b>	<b>48,4</b>	<b>48,8</b>	<b>49,0</b>	<b>49,0</b>	<b>48,8</b>	<b>48,9</b>	<b>48,7</b>
<i>of which</i>							
Property income	1,5	1,7	2,1	2,3	2,4	2,5	2,6
<i>of which</i>							
From pensions contributions (or social contributions if appropriate)	0,7	0,7	0,9	1,1	1,2	1,3	1,5
Pension reserve fund assets	29,3	30,8	29,6	30,3	34,3	37,8	41,0
<i>of which</i>							
Consolidated public pension fund assets (assets other than government liabilities)	28,0	29,5	27,4	28,7	33,5	37,5	41,5
<b>Assumptions</b>							
Labour productivity	4,0	-2,1	2,1	2,1	2,1	2,1	2,1
Real GDP growth	4,4	-4,0	1,9	2,0	1,9	2,1	2,2
Unemployment rate	7,4	9,0	7,0	7,2	7,0	6,9	6,7
Population aged 65+ over total population	19,7	20,0	21,4	22,9	23,3	24,7	24,5

Sources: Statistics Sweden and own calculations.

## Table C.7a Contingent liabilities

Per cent of GDP

	2019
<b>Public guarantees</b>	<b>40,1</b>

Sources: Statistics Sweden and own calculations.

## Table C.8 Basic assumptions

Annual average if not otherwise stated

	2019	2020	2021	2022	2023
Short-term interest rate (annual average) <sup>1</sup>	-0,4	-0,2	-0,4	-0,5	-0,4
Long-term interest rate (annual average) <sup>2</sup>	0,1	-0,2	-0,2	0,1	0,3
USD/ € exchange rate (annual average)	1,1	1,1	1,1	1,2	1,2
Nominal effective exchange rate vis-à-vis the € <sup>3</sup>	10,6	10,9	10,9	10,8	10,6
World. GDP growth <sup>4</sup>	2,9	-1,0	4,5	4,5	4,0
EU GDP growth <sup>4</sup>	1,4	-4,0	3,5	3,5	3,2
Growth of relevant foreign markets <sup>4</sup>	2,5	-9,0	7,0	6,5	5,0
World import volumes, excluding EU oil prices (Brent USD/barrel, annual average)	64	38	39	42	44

<sup>1</sup> 6-months interest rate.

<sup>2</sup> 10-year government bond yield.

<sup>3</sup> SEK/€. Annual average.

<sup>4</sup> Annual percentage change.

Sources: Statistics Sweden and own calculations