



SWEDEN

State of Play – Winter 2018



MACROECONOMIC SITUATION

- Robust growth driven by solid domestic demand in 2017-2018, set to ease slightly in 2019
- Strong employment growth, but relatively high unemployment for people with a migrant background

Imbalances (in-depth review):

- High and increasing level of household debt
- House prices still high relative to economic fundamentals, in spite of some recent declines



PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

Substantial progress

- on constraining lending at excessive debt-to-income levels

Some progress

- on fostering investment in housing and improving the efficiency of the housing market

No progress

- on limiting mortgage interest tax deductibility or increasing recurrent property taxes



FISCAL SITUATION

- No deficit – budget in surplus
- Public debt, at 39.0% in 2017, stands significantly below the 60% of GDP reference value and decreasing



SOCIAL SITUATION

- Among top performers on social protection and inclusion
- Among top performers on provision of childcare
- Shortages of skilled workers emerging, among others in ICT, health and education sectors
- Adult participation in education and training is high, especially among unemployed
- Comprehensive approach to integration of the recently arrived migrants from outside of the EU in place



POLICY HIGHLIGHT

The so-called “Swedish model”, a consensus-based approach to decision-making, aims to foster inclusive growth and increase prosperity for all while safeguarding the autonomy and independence of citizens.