

(HRH Prince Bertil of Sweden - Luncheon sponsored by Empire Club and Canadian Club, Royal York Hotel, ~~Monte~~ Toronto, November 23)

The annual opening of the more than 500-year-old Swedish Parliament in the Hall of the Realm in Stockholm's Royal Palace is, by far, the most venerable of our official ceremonies. The ritual is rooted in practices that date back, at least, to the sixteenth century. Even my own participation began a long time ago, when I was still a young boy.

For once, the King sits on a throne, surrounded by members of the court and other dignitaries. The high point of the ceremony is his reading of a carefully prepared address, known as the Speech from the Throne. From a balcony, the ladies of the royal family curtsy three times, when they enter and leave; once to the foreign diplomats, once to the Upper House of Parliament, and once to the Lower. And from another balcony a military band strikes up a march dating from the era of Charles or Carolus XII, while with heavy footsteps rugged-looking Caroline soldiers tramp through the Hall - this despite the fact that King Charles himself, our great warrior of the early seventeen-hundreds, did not care a straw for the Parliament.

Today, in our parliamentary democracy, the Speech from the Throne is drawn up by the government. And a single sentence, heard a few years ago, I should like to borrow as a leading theme of my remarks today. "Rapid change and dynamic development are," it said, "characteristic of Sweden."

My choice will perhaps surprise many of you, as you may well associate Sweden with balance, continuity, and stability, rather than change. You may, for instance, think of our monarchy, which goes farther back than written history. You may think of our long period of peace, which after numerous wars began 150 years ago. You may know that Sweden has never, or at least not during the modern era, had any violent social upheavals. You may also know that for nearly 35 years we have had a government based wholly or primarily on the same party, the Social Democrats. They did suffer a setback in our recent local elections, but their present leader has been the prime minister for no less than twenty consecutive years.

You may, finally, regard modern Sweden as, first and foremost, a land of unusual internal security, with permanent full employment and a system of social welfare that protects its citizens against economic hardships. But this is where I shall start trying to moderate your impressions.

It is true that full employment of our manpower and other resources is one of our national goals, and that during the last two or three decades we have, on the whole, been able to achieve it. Sometimes, we have even overshoot the mark. However, we have been relatively successful not because we have been protected against or tried to resist change, but, on the contrary, because we have constantly been exposed to it and even done our best to promote it, to live with it and adapt ourselves to it.

As a result of unusually low tariffs and an active interest in progress abroad, our doors have long been open both to foreign products and to new ideas and experience. Such imports result in change and, in general, betterment. They do this not only because they raise our living standards and improve our industrial equipment and methods, but also because they mean keen competition for our domestic manufacturers. They have to be on the alert and struggle hard to remain competitive. And if they do not manage to hold their own, their manpower and material resources must seek more profitable applications.

Such transformation will lead to temporary unemployment and other difficulties, but it is actually favored by our trade unions. They support it not only because they have reason to believe that the displaced workers will soon again be employed, but also because they realize that the high wages they want can be provided only by an efficient enterprise. Consequently, our unions also welcome increasing automation and other laborsaving advances. Up-to-the-minute work measurement, for instance, has been introduced in our industry on a larger scale than anywhere else in Europe.

So far, at least, continual adjustment toward more productive use of capital and manpower has been possible in the Swedish economy. Industrial growth in other countries has given us many new opportunities, but we have

had to make inventive and determined efforts of our own, both private and public. In almost all economic fields there is a wide scope for free enterprise. The government owns, for example, only a small fraction of our manufacturing industry, and that segment is, moreover, concentrated in the far north, near the Arctic Circle. But the government naturally plays a vital role in other ways, and not only because it charts basic economic policies. By providing the retraining and relocation of displaced workers, for instance, one public agency contributes directly toward industrial adjustment and employment.

The heavy imports that Sweden needs and wants can be paid for only by corresponding exports of goods and services, and we have, in fact, increased our foreign sales from one year to another. Today, one out of every four able-bodied citizens works for foreign customers. This not only underlines the vital importance of our competitive capacity. It also shows that Sweden is indeed vulnerable to economic fluctuations abroad, and that the nation will be directly affected by commercial policies in other countries. And it means, of course, that Swedish industry steadily contributes to economic advances and higher living standards in many areas of the world.

Sweden - and I am now coming to a necessary conclusion - Sweden is obviously not trying to achieve or maintain any kind of full employment. What we have to aim at is full productive use of our human and other resources, within the framework of the world economy where we belong. But our full potential we can reach only in a more and more integrated international market, which would offer other countries the same greater opportunities. Full productive employment of the resources on this earth must, in fact, be in the interest of everybody. We can move in that direction only by a broader international cooperation and sustained progress toward a comprehensive free trade.

In a world of increasing economic integration even stronger winds of competition and change will blow over Sweden, but our experience is such that we are willing to face the challenge. Under the impact of the competitive

system and a wage level that is the highest in Europe, practically all our economic activities are constantly being further streamlined.

Most of our cellulose and paper mills, for instance, have long been of relatively modest size by North American standards, but a transformation leading to larger and more efficient units is well under way. In our textile industry the number of manufacturers is now much smaller than only a few years ago, but the remaining ones are highly productive, as well as up to date in their styling. A recent steep rise in textile imports, even from Asia, has therefore been accompanied by a progressive increase in our own exports.

In our retail trade, competition is fierce, and only really efficient units are able to survive. Even our farming industry, which for defense and other reasons still enjoys substantial public support, has changed drastically during the last few decades, and the end is not yet in sight. Modern machinery has gradually replaced manpower, and every year thousands of small farms are either abandoned or combined with other units. So far, production has remained virtually unchanged, but we may decide to cut it down somewhat, and thus raise our food imports.

Much of the manpower no longer needed in such fields as farming, forestry and textiles has been absorbed by our metalworking or engineering industries, which for many years have grown faster than any other industrial section. Their output includes a number of our internationally best-known products, such as specialty steels, tools, ball bearings, office machines, telephones, separators, drilling machinery, automobiles, ships, and electric equipment. This group of manufacturers certainly also lives in a tough competitive climate, but its need of skilled labor will in all likelihood continue to grow. At present we are not at all certain that all of it can be met.

My leading theme of today, changing and dynamic Sweden, could be pursued much further, for our country is also being transformed by, for instance, its social-welfare legislation, its greatly expanded school system, and an exceedingly rapid increase in university enrollments.

I have to stop somewhere, but before I do, let me say, also on behalf of my fellow delegates, that we Swedes enthusiastically look forward to a gradual change in our contacts with Canada and its people. Our two nations have in common fundamental ideals and cherished traditions, and more active relations, in trade, travel and cultural exchange, would, I am sure, serve the interests of both. Much has already been done, especially in commerce, but even there we undoubtedly have more to offer each other. Let's do our best for mutual enlightenment and tangible results!

I hope, finally, that my main theme of today will not leave you with the impression that the Swedes now are interested only in efficiency and productivity. In fact, as often as they possibly can, they get away from all such problems and relax in their homes, in their summer or weekend cabins, in their boats, on their skis, on the beaches of the Mediterranean, and what not. And I am no exception. I love my holidays.

But I also like to travel, even on business - especially when I can combine it with pleasure. And I know that Canada, in all its beauty, variety and friendliness, will be an unforgettable experience. Last year I visited Australia and New Zealand, and last summer, as president of the Swedish Sports Federation, I made another most interesting tour in Russia, where I covered 6,000 miles. Unfortunately there was no golf course, but I have reason to believe that the Russians will soon start teeing off, just as they took up tennis not so long ago.

Samuel Johnson, I believe, described a set of golf clubs as one of "the playthings of childhood." But in my opinion, and I think you will agree, golf is above all an unmistakable evidence of happy maturity. When this noble game is played all over the world, the foundation for peaceful change and progress will be more solid than it is today.