

STATE OF THE NORDIC REGION 2018



State of the Nordic Region 2018

State of the Nordic Region 2018 gives you a unique look behind the scenes of the world's most integrated region, comprised of Denmark, Finland, Iceland, Norway and Sweden, along with Greenland, the Faroe Islands and Åland.

The report presents a series of facts and figures showing the current state of play within core socio-economic sectors, including demography, economy, the labour force and education.



Focus areas

Bioeconomy



Digitalisation



Health



Culture



Immigration and Integration Edition



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Demography

Main trends

The current demographic situation in the Nordic Region is characterised by four main trends:

- The Nordic population is growing, driven to a large extent by immigration
- Increasingly concentrated in urban settlements
- The average age of the population is also increasing
- Growing share of people have a foreign background.

All of these trends are expected to continue in the years to come.

	Total population size		Population change, 2007-2017 (in percentage)		
	2007	2017	Total	Natural increase	Net migration
Nordic Region	24,931,018	26,949,609	8.1	2.3	5.8
Denmark	5,447,084	5,748,769	5.5	1.3	4.2
Finland	5,250,032	5,474,083	4.3	1.4	2.9
Sweden	9,113,257	9,995,153	9.7	2.4	7.2
Iceland	307,672	338,349	10.0	8.0	2.0
Norway	4,681,134	5,258,317	12.3	4.0	8.4
Faroe Islands	48,268	49,864	3.3	5.3	-1.9
Greenland	56,648	55,860	-1.4*	6.6*	-7.5*
Åland	26,923	29,214	8.5	0.6	7.8

Table 2.1 Population change, 2007–2017.

* Natural increase and net migration values do not add up to the total population change (in %) shown here. This is due to a correction term that Statistics Greenland uses in updating its statistics (not included in the table).



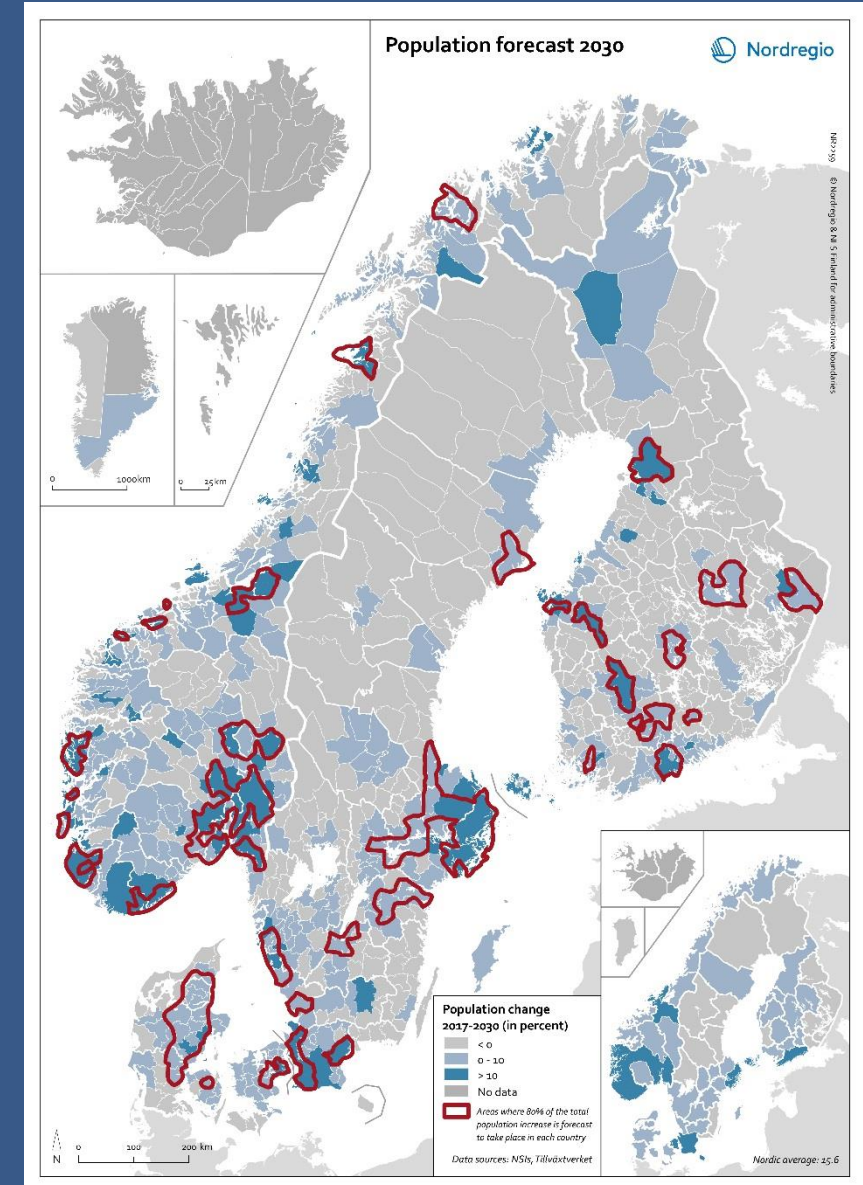
Demography

Population forecast

By 2030, the Nordic Region is expected to have almost 30 million inhabitants, an increase of more than 10% from the current 27 million.

In Sweden, almost 80% of the population increase is expected to occur in the densely populated urban areas in the southern half of the country.

In the other Nordic countries, population growth remains more decentralised and in many cases medium-sized towns may grow faster than capital areas.



Demography

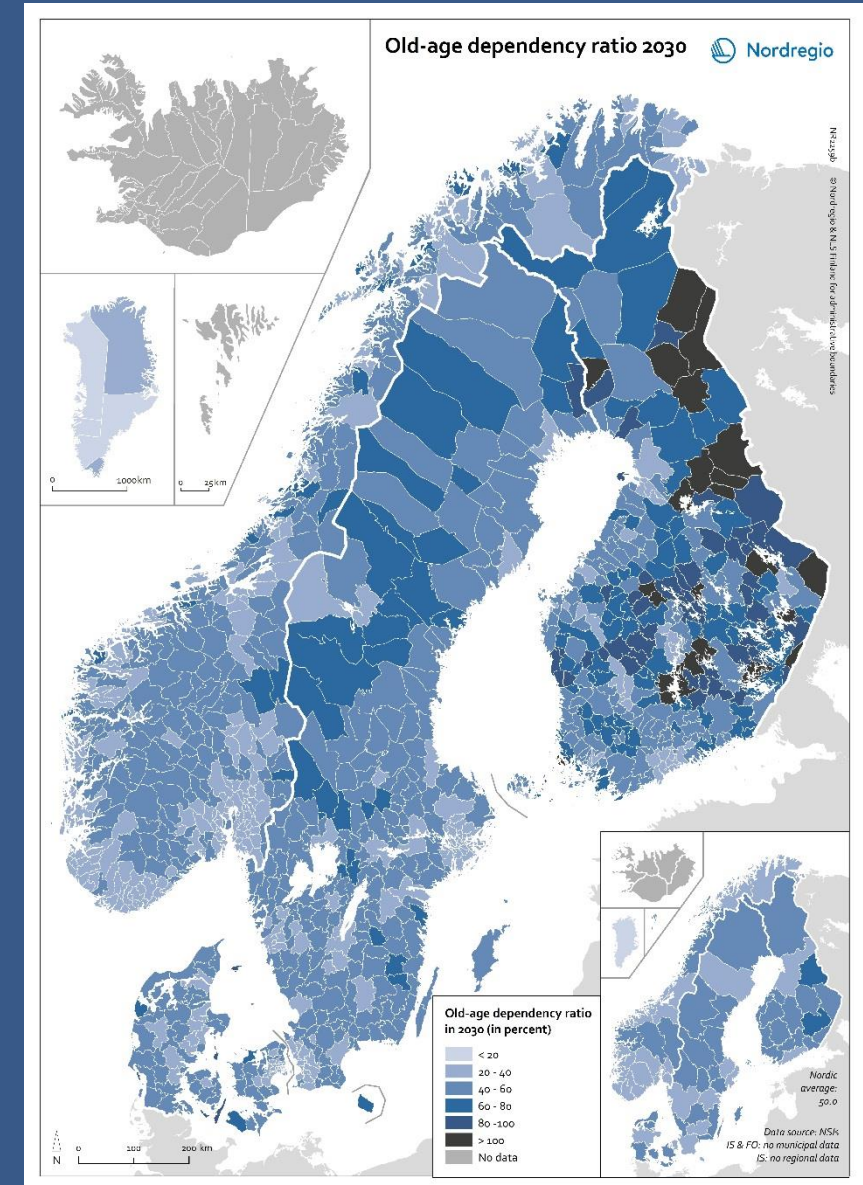
Population forecast

Over the past ten years, the population of the Nordic Region has grown quicker but also aged faster as a whole than in many other European regions.

Nordic municipalities and regions experience very different, often contrasting, demographic trends, presenting specific opportunities and challenges to each:

- Population growth is largely concentrated in the urban areas
- Many remote and sparsely populated areas face population decline and high rates of population ageing.

By 2030, large parts of northern and eastern Finland are expected to have 50% of people over 15 are aged 65 or more.

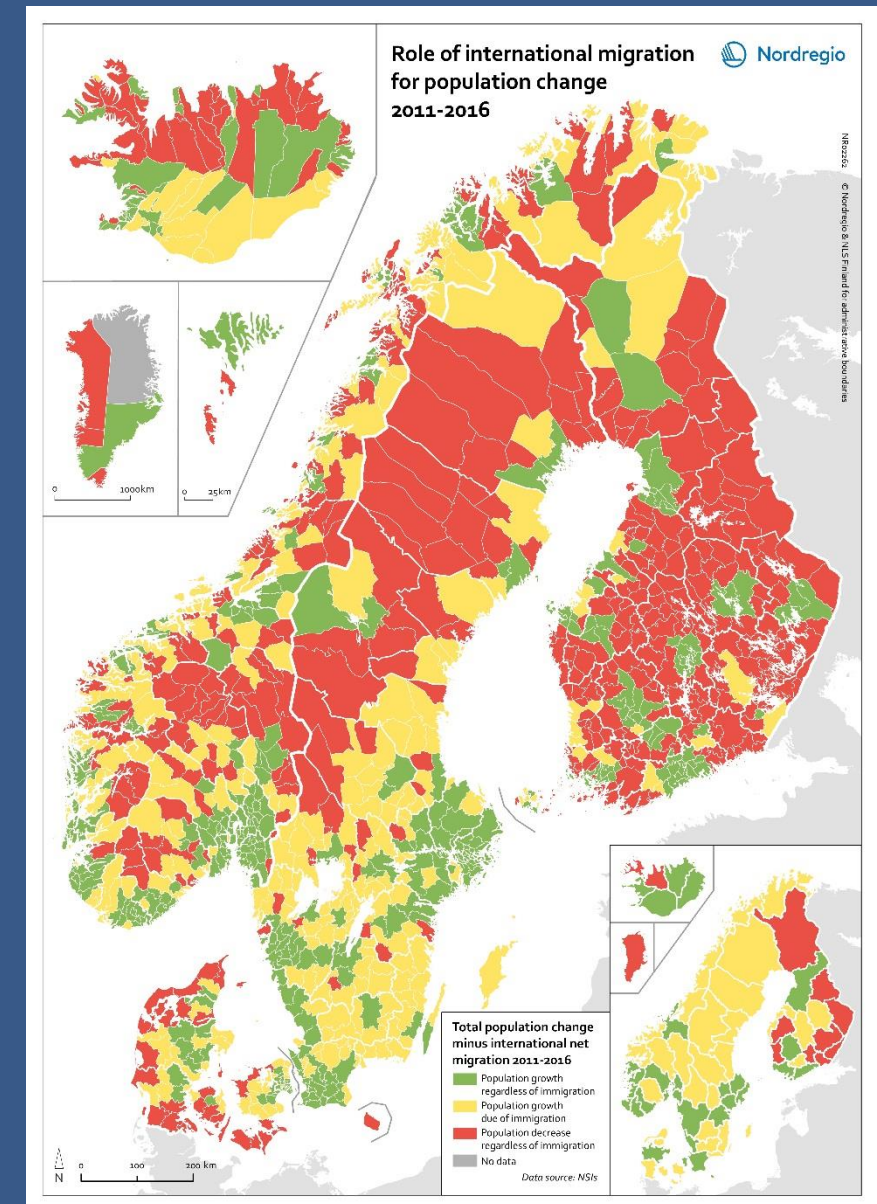


Demography

International migration

Roughly 26% of all Nordic municipalities increased their population between 2011 and 2016 only due to international migration.

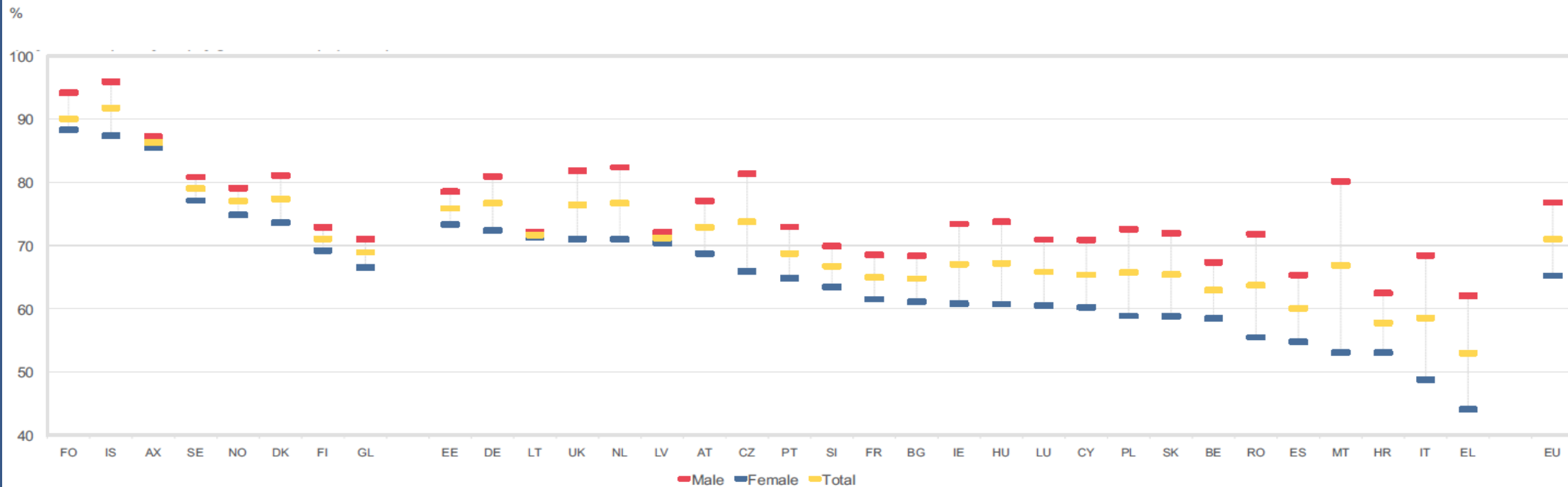
As of 2017, one in eight Nordic residents were identified as having been born abroad, either in another Nordic country or outside the Nordic Region.



Labour Force Employment

Sweden boasts the highest employment rate in the EU while Iceland has the highest rate in Europe. High employment rates for women in particular stand out as a basic feature of Nordic labour markets.

Figure 5.3 Employment rate (20–64 years) by gender in 2016.

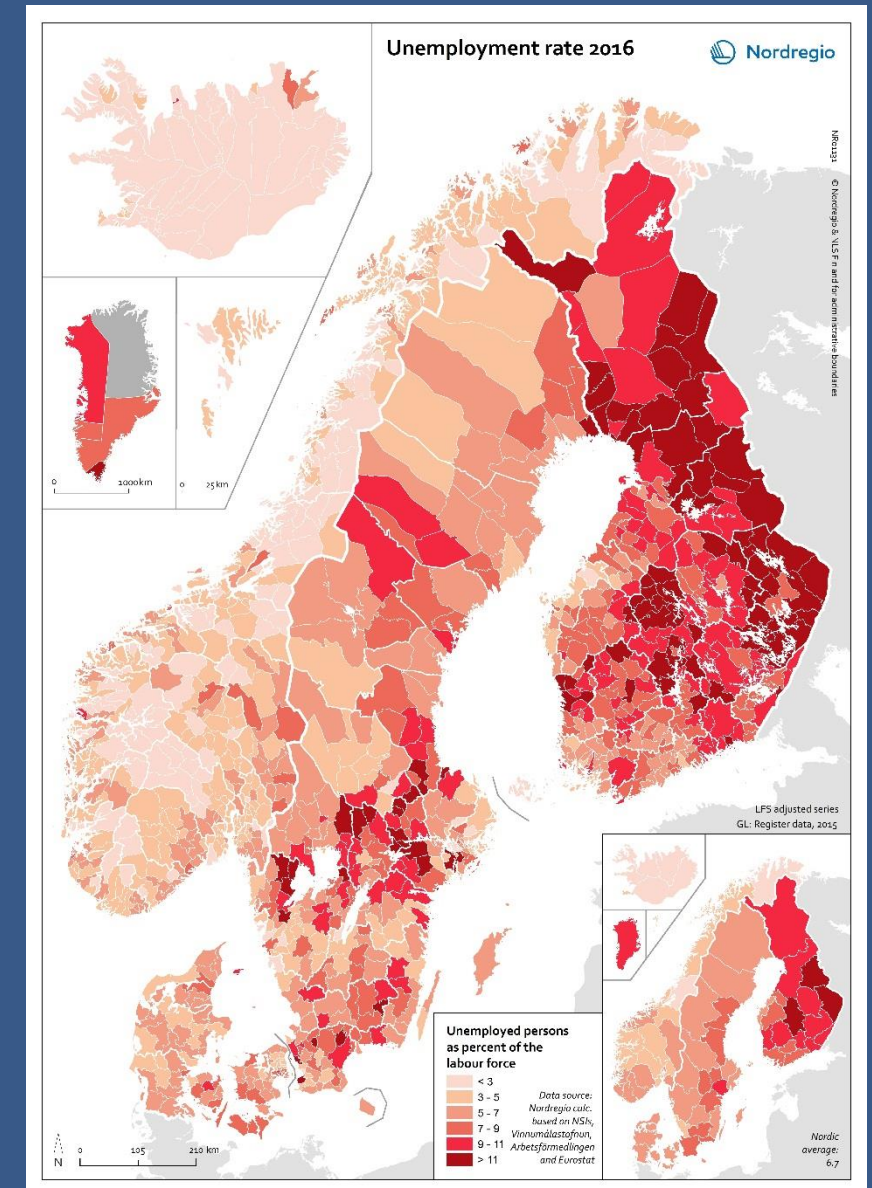


Labour Force Unemployment

Unemployment nevertheless remains low while in certain sectors it is difficult for employers to find people with the right competences.

Unemployment rates, especially for younger people, are highest in old industrial towns and some sparsely populated areas. In general, jobs tend to move from rural to urban areas and many municipalities are not as resilient to change as the general Nordic trend would indicate.

The foreign-born population has higher unemployment rates in 2016 than the native-born population in all Nordic countries, especially those born outside the EU.

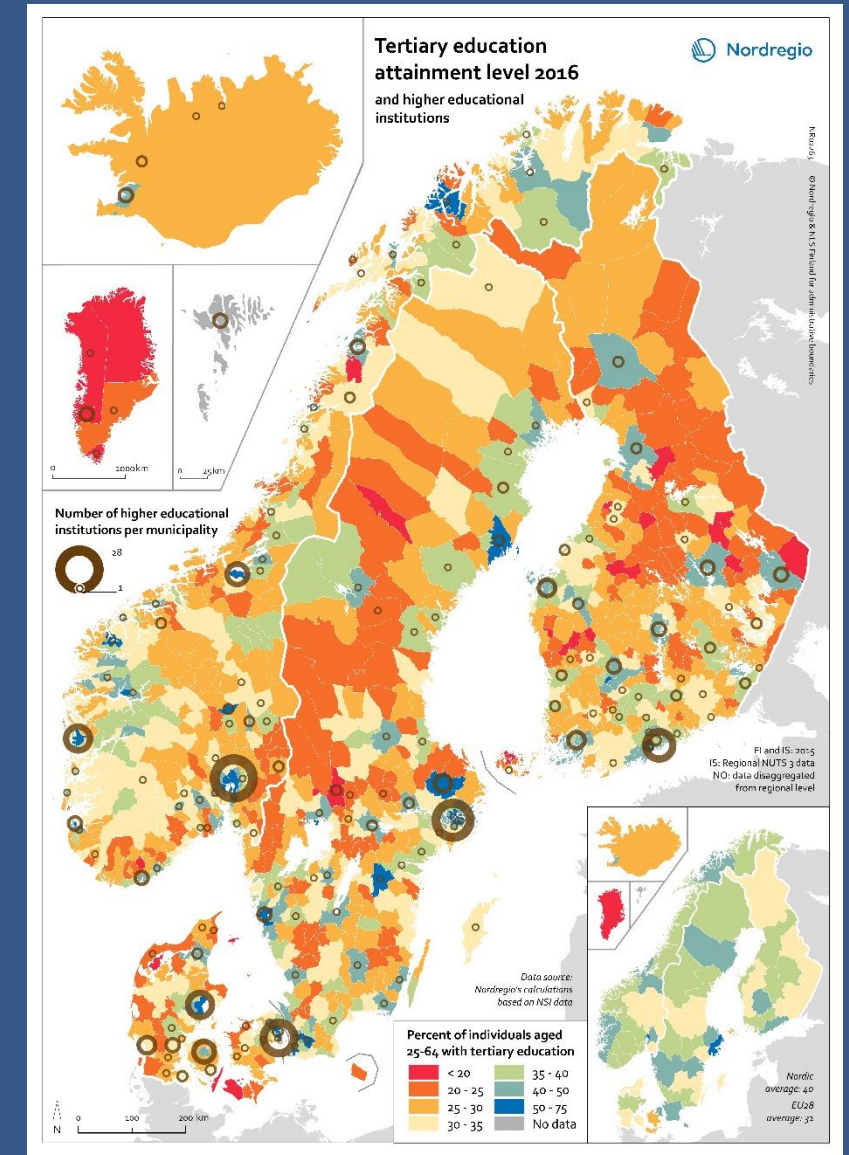


Labour Force Education: tertiary education

There is considerable regional variation in tertiary education levels, with rates as low as 9% (Qaasuitsup, Greenland) and as high as 73% (Danderyd, Sweden).

Shares of persons with tertiary education can be found in municipalities in the capital regions (25 out of the top 50) as well as in smaller cities with universities or larger university colleges.

Constant with the situation in Europe as a whole the municipalities with the lowest shares of tertiary education in their populations were all rural.

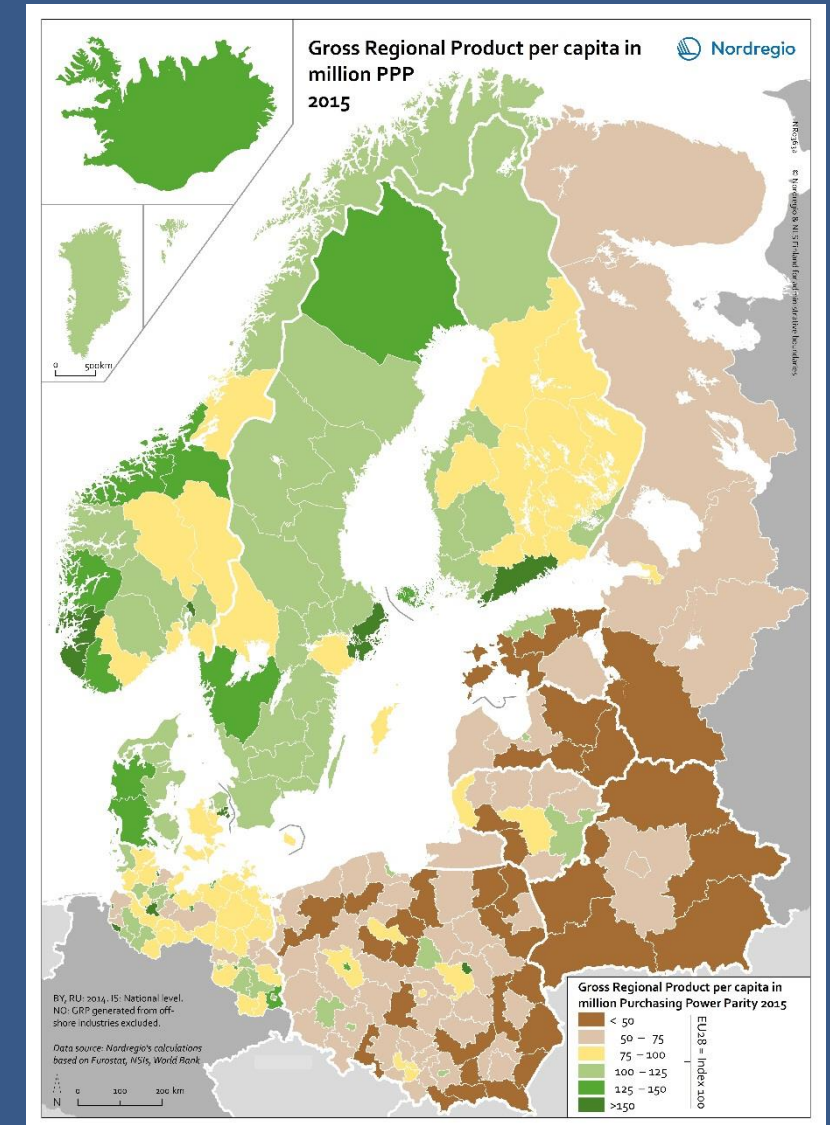


Economy

Economic development

The Nordic countries are generally performing well above the EU average when it comes to economic development. From a macro-regional perspective, the Nordics constitute a very coherent region. Nevertheless, large and economically significant variations remain, at both the regional and national levels.

Norway has seen a decline in its economic performance in recent years, whereas Iceland has enjoyed significant growth. In terms of GDP per capita, Iceland, Sweden and Denmark are rapidly catching up with Norway. Though, on disposable household income, Norway is still well ahead.

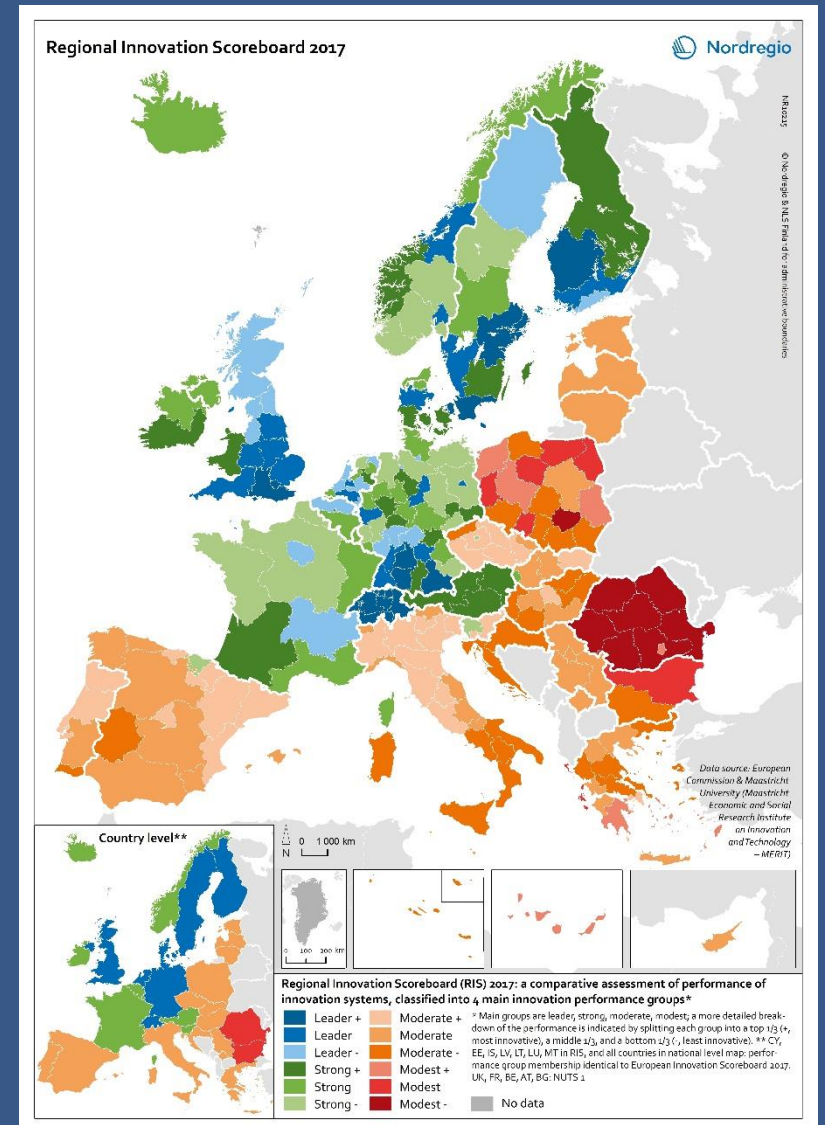


Economy Innovation

The Nordic countries rank highly and in all Nordic regions, the share of employment in knowledge-intensive sectors is well above the EU28 average.

A large share of high tech jobs can even be found in the more peripheral regions.

The Nordic countries have maintained a strong position in the field of green solutions, but many of their European competitors are now beginning to catch up. Even so, the Nordics still make up the most innovative region in Europe and almost all regions, with the exception of some areas of Finland, exhibit a stable pattern when it comes to R&D expenditure.

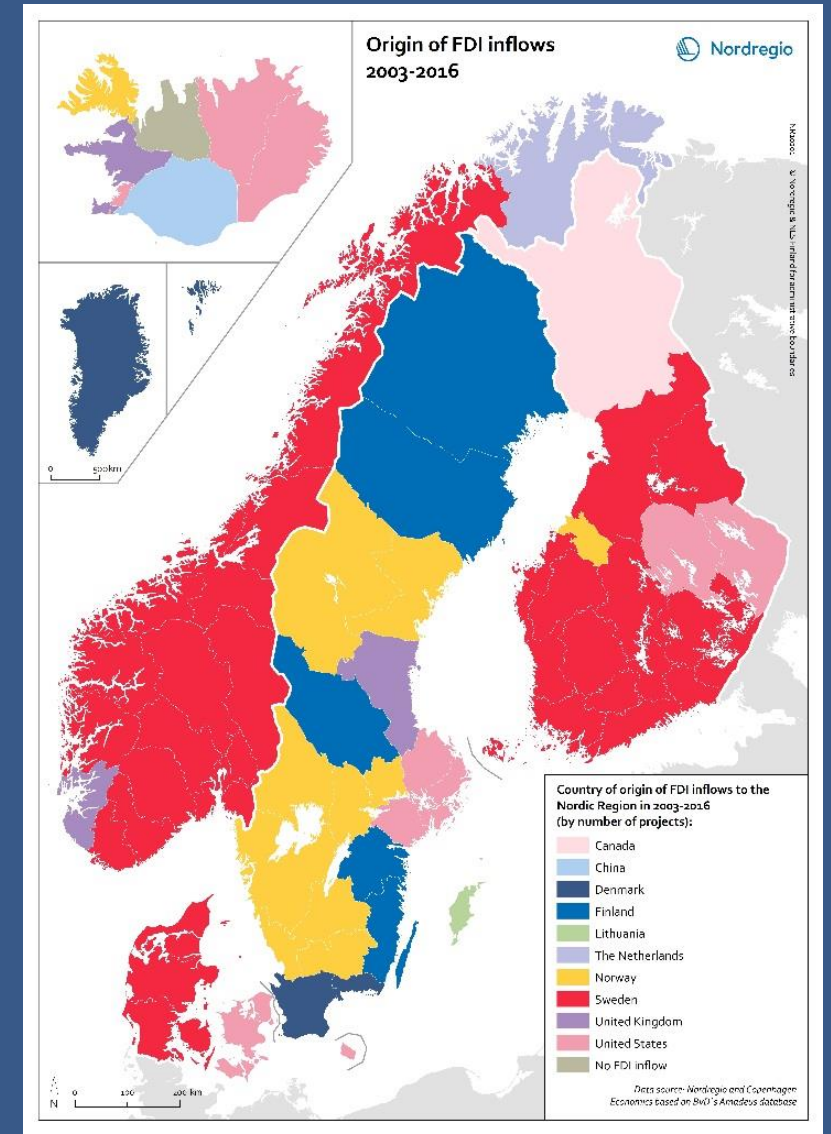


Economy

Foreign Direct Investment

The Nordic Region remains an attractive destination for foreign investment, accounting for 7% of Europe's total Foreign Direct Investment (FDI) inflows, in a Region having 4% of the European population.

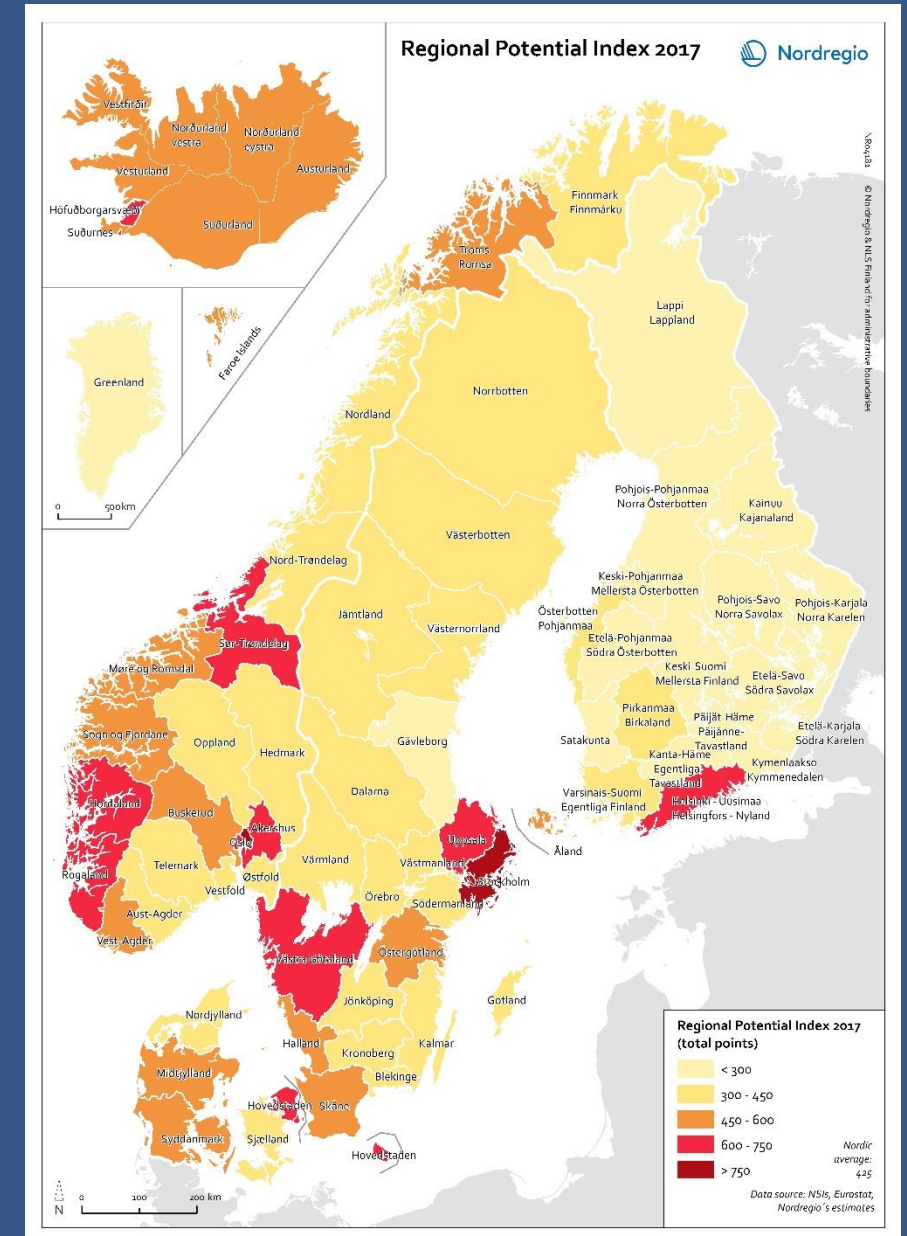
Sweden makes up almost half of this total and has by far the highest level of investment activity in the Nordic countries.



Regional Potential Index

Nordregio's Regional Potential Index is constructed around a series of key socio-economic indicators with relevance in an analysis of regional development.

Theme	Indicators	Points allocated
Demographic potential	Population density	7.5–75
	Net migration rate	7.5–75
	Demographic dependency rate	7.5–75
	Female ratio	7.5–75
Labour market potential	Employment rate	10–100
	Share of the age group 25–64 with high education degree	10–100
	Youth unemployment rate	10–100
Economic potential	GRP/capita	20–200
	Total R&D investments	10–100



Regional Potential Index

The results of the Regional Potential Index 2018 show that urban regions continue to occupy the top ranks.

Regions that have improved in rank are primarily located in Iceland, Sweden and the Faroe Islands.

Regions with a lower rank are to be found mainly in Norway and Finland.

Rather stable ranks for Danish regions.

2017 rank (2015 rank)	Region Name (country-type(s) of region)	RPI	Demographic dimension	Labour force dimension	Economic dimension
1 (3)	Stockholm (SE-U)	758	248	210	300
2 (1)	Oslo (NO-U)	750	240	210	300
3 (2)	Hovedstaden (DK-U)	745	255	190	300
4 (10)	Höfuðborgarsvæðið (IS-U, NA)	720	255	260	205
5 (5)	Helsinki-Uusimaa (FI-U)	715	255	160	300
6 (4)	Akershus (NO-U)	690	240	250	200
7 (13)	Västra Götaland (SE-I)	655	195	180	280
8 (7)	Sør-Trøndelag (NO-I)	648	158	220	270
9 (9)	Uppsala (SE-I)	625	225	200	200
10 (6)	Rogaland (NO-I)	623	143	210	270
11 (8)	Hordaland (NO-I)	603	143	200	260
12 (18)	Suðurnes (IS-R, NA)	590	195	190	205
13 (11)	Åland (AX-R)	575	165	220	190
14 (26)	Suðurland (IS-R, NA)	570	165	200	205
15 (29)	Norðurland eystra (IS-R, NA)	540	135	200	205

Top 5 climbers	Top 5 drops
Faroe Islands (FO), +25	Österbotten (FI), -16
Vesturland (IS), +21	Buskerud (NO), -13
Norðurland vestra (IS), +18	Vestfold (NO), -12
Vestfirðir (IS), +17	Vest-Agder (NO), -10
Kalmar (SE), +17	Pirkanmaa (FI), -10
	Kanta-Häme (FI), -10

Table 15.4 Top movers 2015-2017.



Thank you for your attention!



Photo: Kjell Nilsson

<http://norden.diva-portal.org/smash/record.jsf?pid=diva2%3A1180241&dswid=-1235>



www.nordmap.se