INTRODUCTION

Urban-rural typology of Nordic regions

Nordregio

Urban-rural typology (based on Eurostat typology 2018)

- — — NUTS2
- — — NUTS3 (Denmark and Iceland)
- Predominantly urban region
- Intermediate region
- Predominantly rural region

Regional boundary in Norway has been adjusted according to the Regional Reform taking place in 2020.

Data sources: Eurostat, Nordregio

Lyssna direkt   Direkt ●

P1
Dagens dikt
12.01 ──────── 12.09
Nästa: Vetenskapsradion På Djupet

P2
Klassisk förmiddag
10.03 ──────── 13.00
Nästa: P2 Klassiskt

P3
P3 med
12.02 ──────── 12.30
Nästa: P3 med

P4 Stockholm   **Byt P4-kanal**
Nyheter från Ekot
12.00 ──────── 12.10
Nästa: Trafikrapport i P4 Stockholm

SISU RADIO
Sisuradio
Nyheter från Ekot
12.00 ──────── 12.10
Nästa: Sisuradion aamupäivä

Till alla kanaler ›

År 2000 var inkomstskillnaderna i Sverige näst lägst i Norden, 2017 var de högst. Foto: Fredrik Sandberg/TT.

EKONOMI

▶ # Svenska inkomstklyftor växer snabbast i Norden

1:55 min   ⊕ Min sida   ➤ Dela

Publicerat tisdag 4 februari kl 13.02

Inkomstskillnaderna i Sverige har växt snabbare än i andra nordiska länder. Det visar en ny rapport som Nordiska Ministerrådet presenterar idag.

– Exempelvis Island och Finland drabbades hårdare av den ekonomiska krisen, och det verkar som att inkomstskillnaderna minskar vid ekonomiska kriser. En annan faktor som kan ha bidragit till Sveriges ökning är att vi har haft en kraftig invandring. Många av invandrarna är utan jobb eller har jobb som ger lägre inkomster, säger Kjell Nilsson, som är direktör för Nordregio, ministerrådets forskningscenter som ligger bakom rapporten.

År 2000 var inkomstskillnaderna i Sverige näst lägst i Norden, 2017 var de högst. I Sverige och Danmark har man alltså sett en kraftigare ökning av gapet än i andra Nordiska länder. Samtidigt

Senaste Ekot

EKOT.
▶ **Nyheter från Ekot**
Sändes 11.00 - 11.03
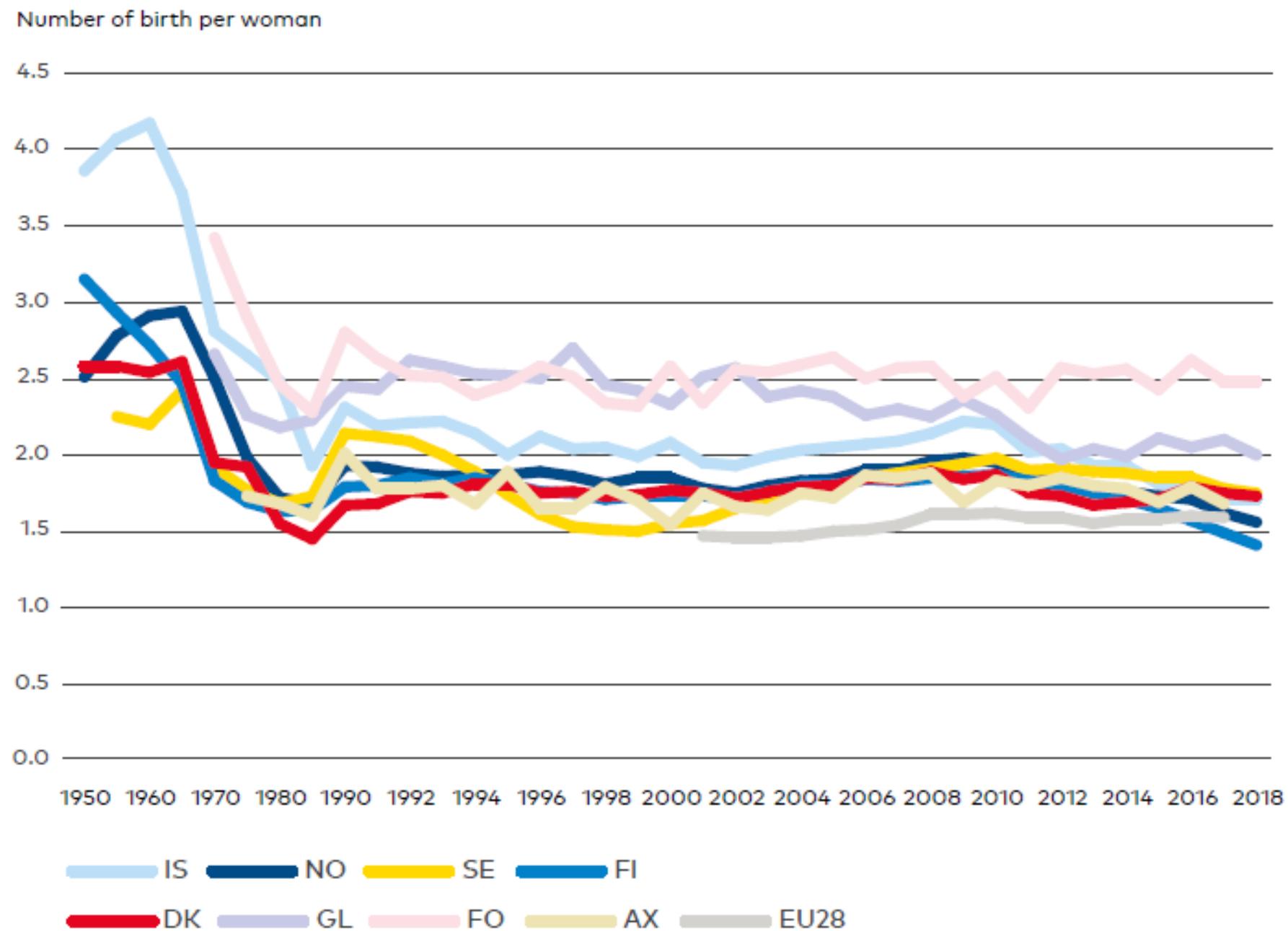
Date

THEME 1

DEMOGRAPHY

THE NORDIC REGION

DEMOGRAPHY

- Total Nordic population has grown by 18% since 1990.
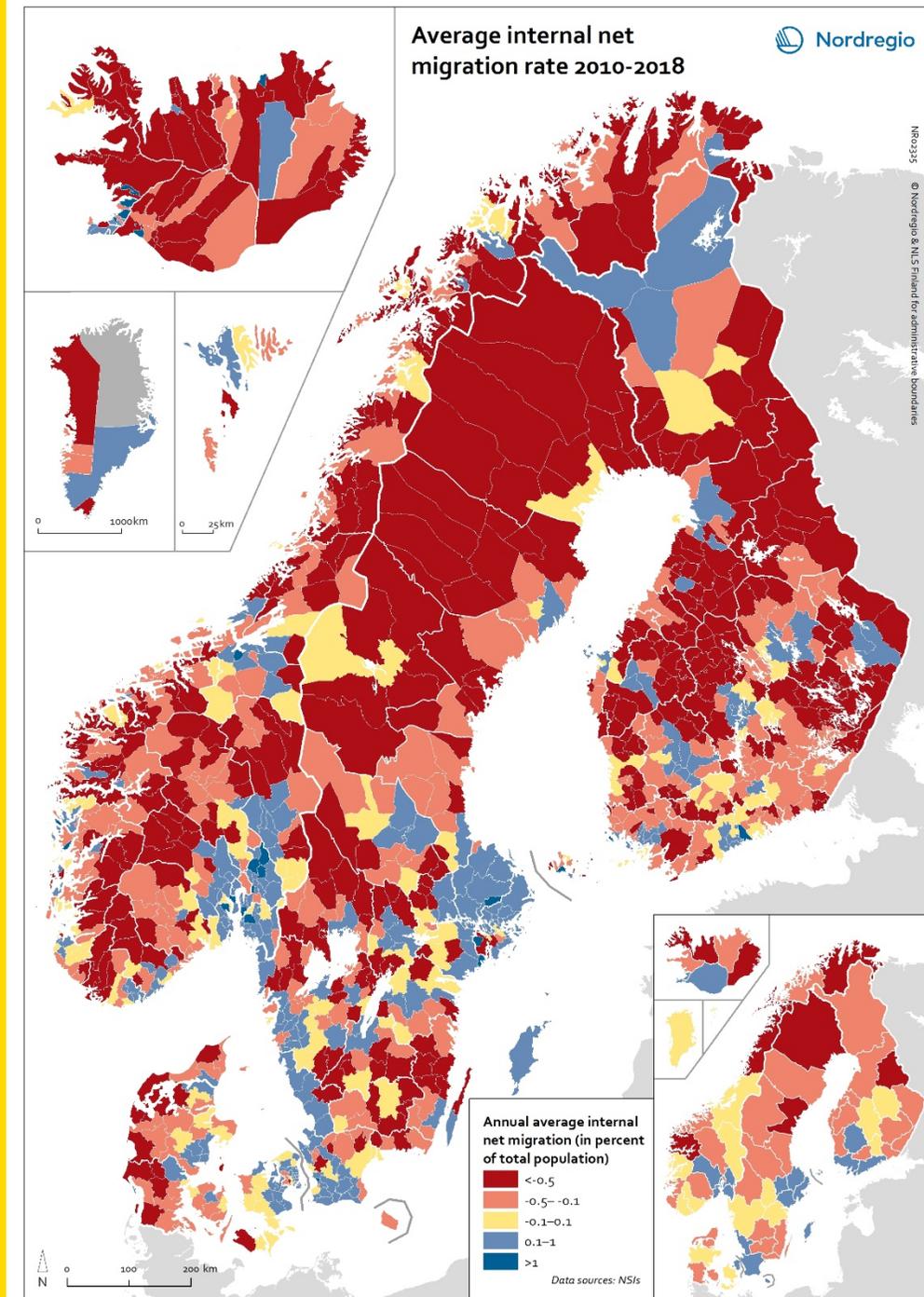- Iceland has the highest population growth and Finland the lowest.

Figure 2.1 Total fertility rate in the Nordic Region, 1950 to 2018.

Number of birth per woman

Legend: IS, NO, SE, FI, DK, GL, FO, AX, EU28

DEMOGRAPHY
Introduction

- Total Nordic population has grown by 18% since 1990.
- Iceland has the highest population growth and Finland the lowest.
- Immigration the main contributor to population growth

Total population change
2010-2018

Nordregio

Total population change

Natural change	Net migration	
+	+	Population increase
+	-	
-	+	
-	+	Population decrease
+	-	
-	-	

Data sources: NSIs

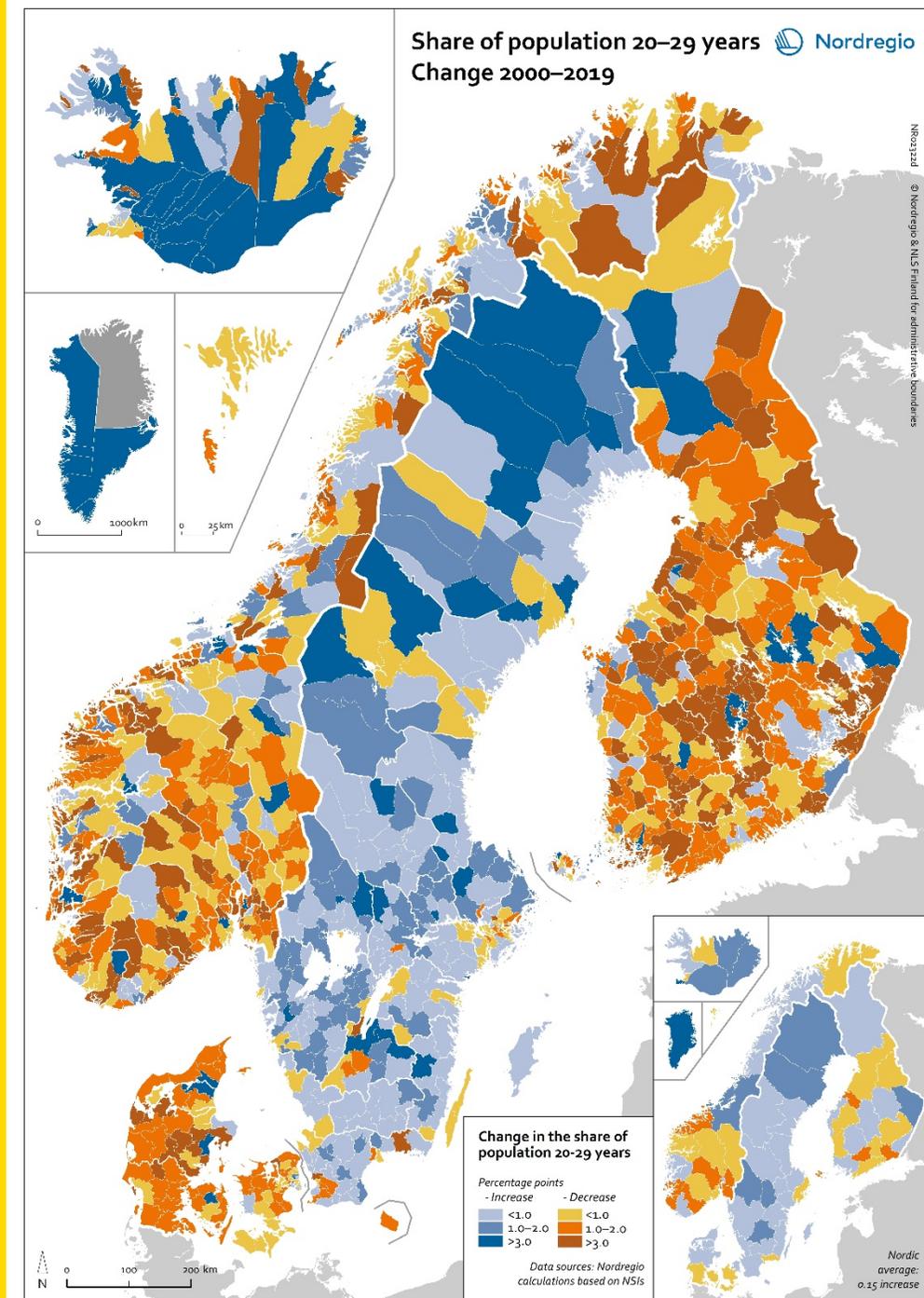# DEMOGRAPHY
Internal migration

- Nordic populations are some of the most internally mobile in Europe
- Strong trend towards urbanisation
- Outmigration of young people a dominant discourse but we see some promising exceptions in Sweden and Iceland

Average internal net migration rate 2010-2018

Nordregio

Annual average internal net migration (in percent of total population)
- <-0.5
- -0.5 – -0.1
- -0.1 – 0.1
- 0.1 – 1
- >1

Data sources: NSIs

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NR0232S

DEMOGRAPHY
Youth population
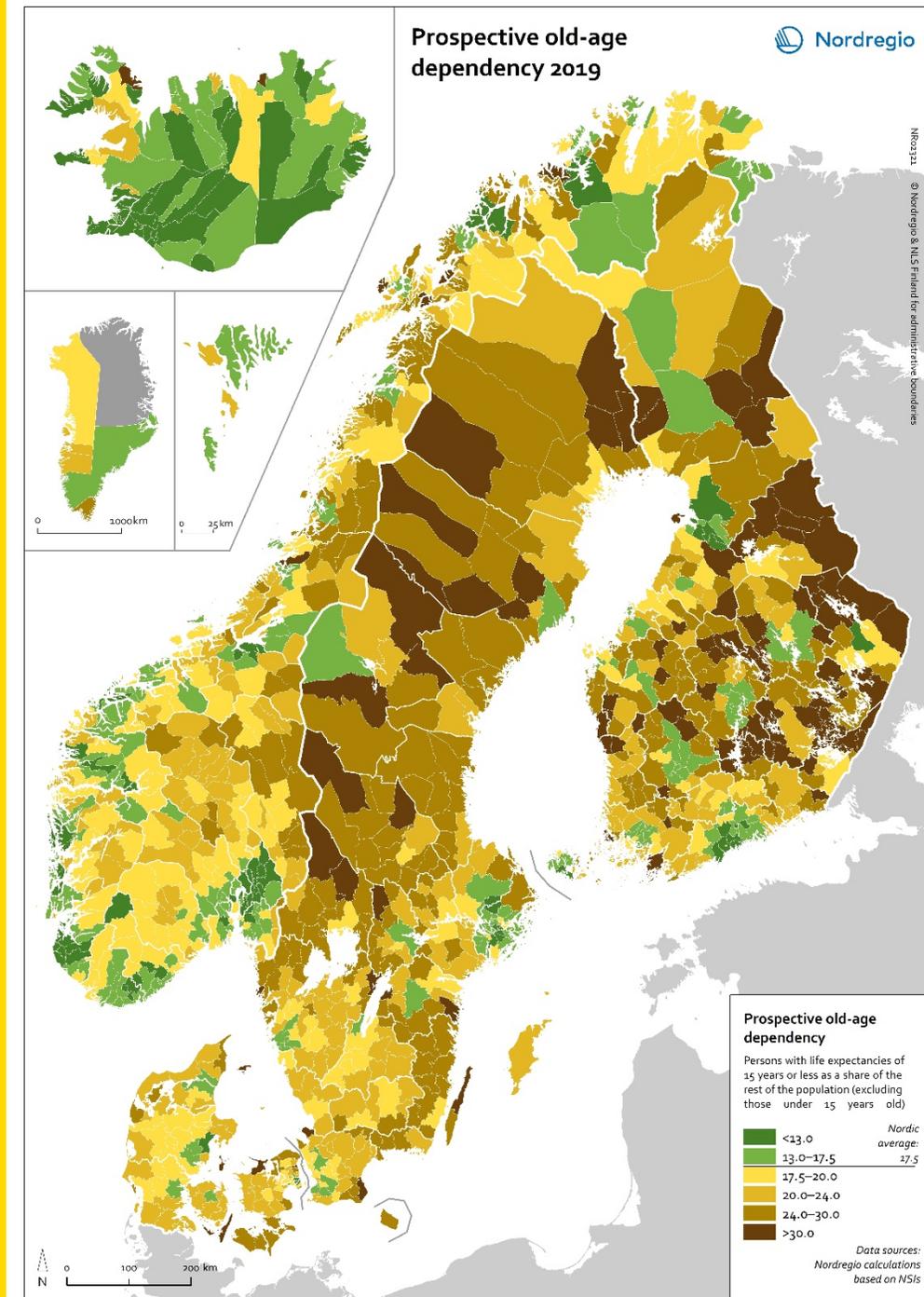
- Outmigration of young people from rural areas a dominant discourse but we see some promising exceptions in Sweden and Iceland

Share of population 20–29 years
Change 2000–2019

Nordregio

Change in the share of population 20-29 years

Percentage points
- Increase   - Decrease
<1.0   <1.0
1.0–2.0   1.0–2.0
>3.0   >3.0

Data sources: Nordregio calculations based on NSIs

Nordic average: 0.15 increase

DEMOGRAPHY
Ageing

Prospective old age dependency ratio measures the portion of the population with a remaining life expectancy of 15 years as a proportion of the population with more than 15 years left to live (excluding those aged 0–14 years).
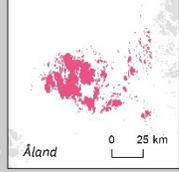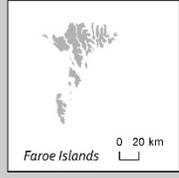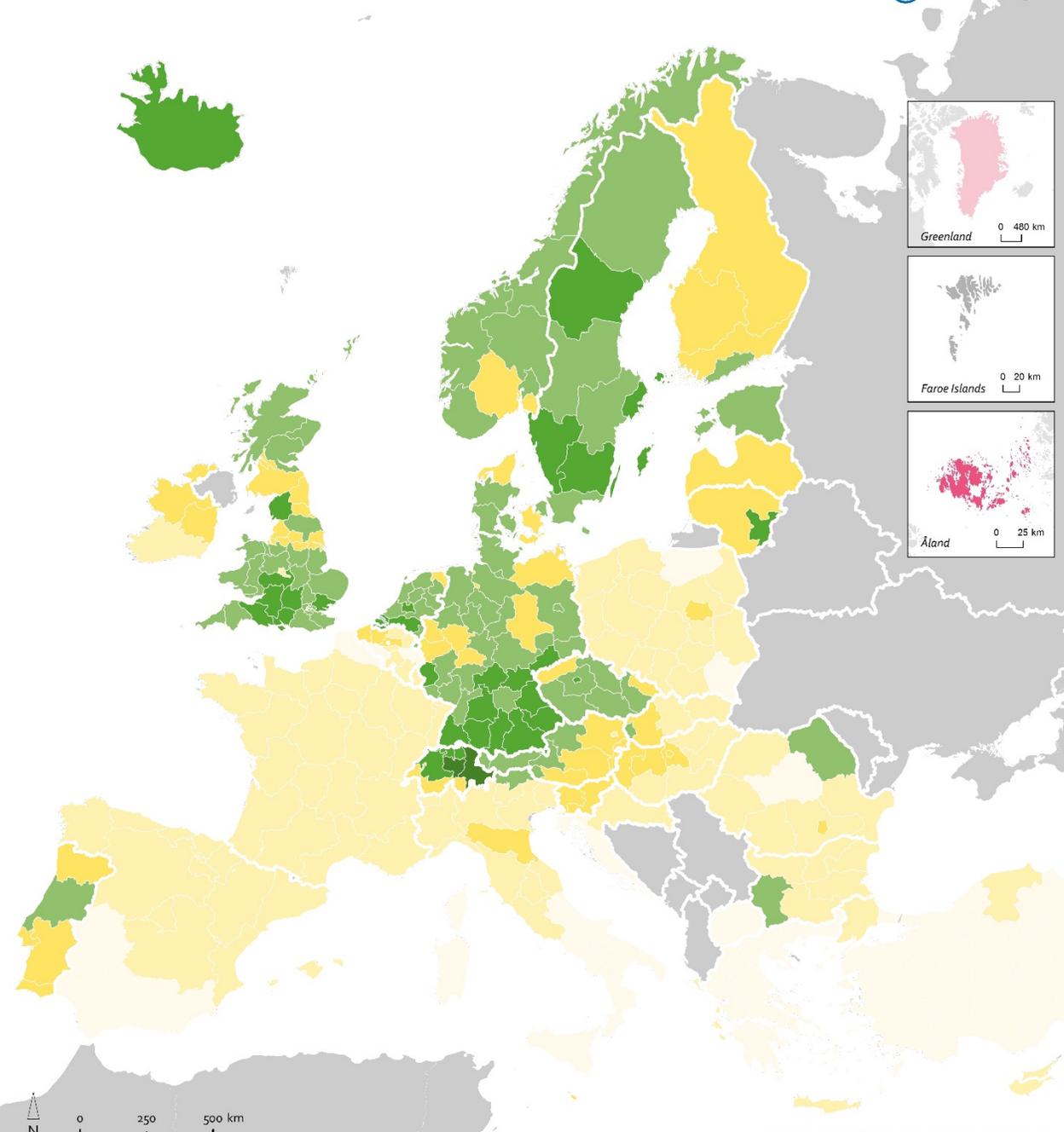

Prospective old-age dependency 2019

Nordregio

Prospective old-age dependency

Persons with life expectancies of 15 years or less as a share of the rest of the population (excluding those under 15 years old)

Nordic average: 17.5

- <13.0
- 13.0–17.5
- 17.5–20.0
- 20.0–24.0
- 24.0–30.0
- >30.0

Data sources: Nordregio calculations based on NSIs

THEME 2
LABOUR MARKET

LABOUR MARKET

Employment rate 2018

Greenland

Faroe Islands

Åland

Employment rate 2018

Employed as percent of total population (15-64)

<70
70–75
75–80
80–85
>85
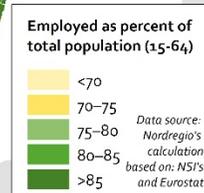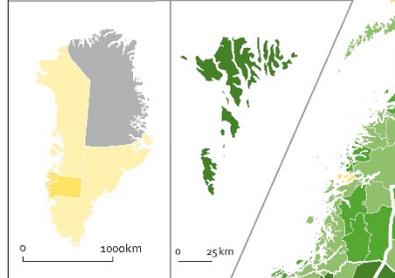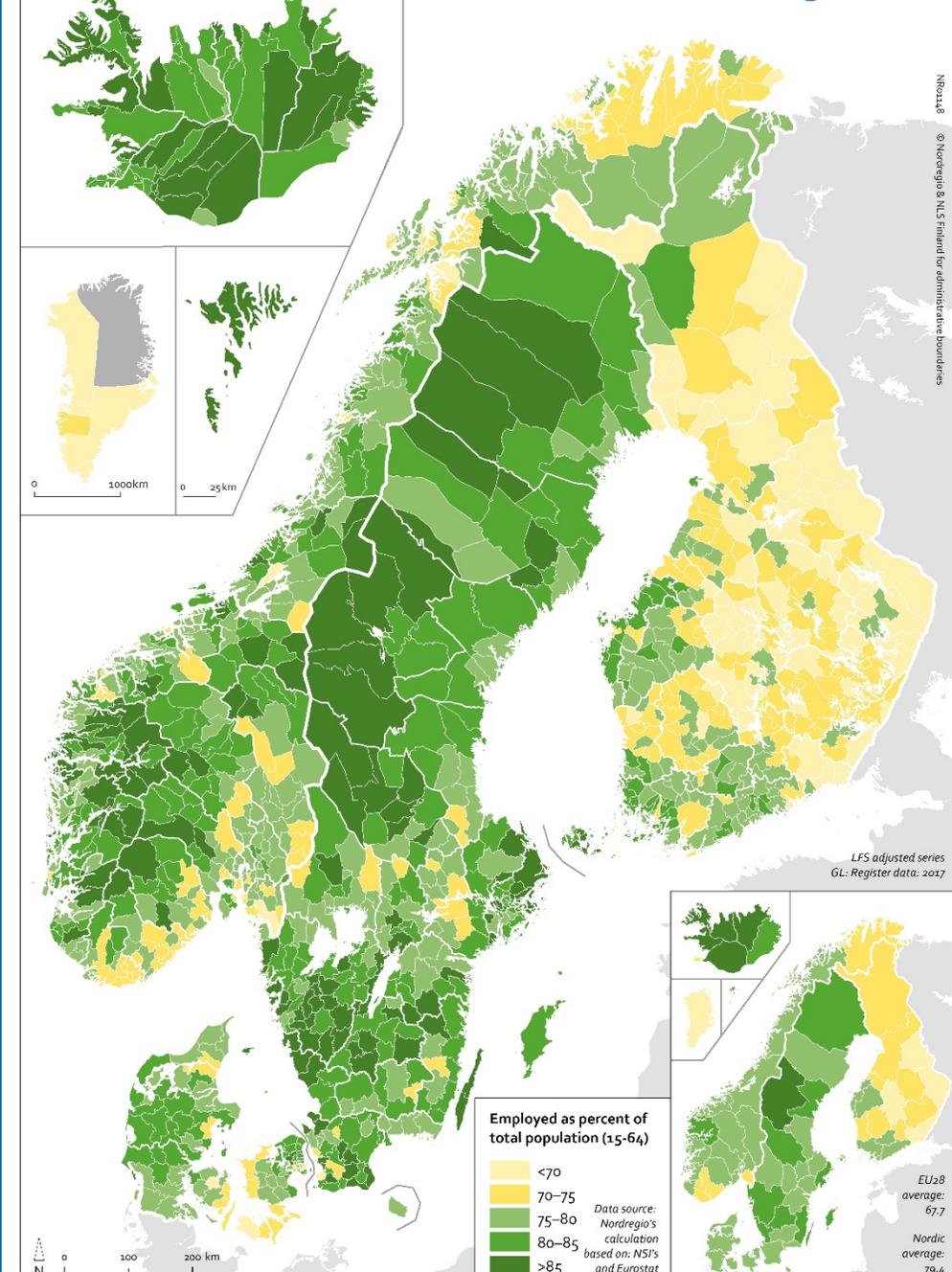
Data source: Nordregio's calculation based on: NSI's and Eurostat

LFS adjusted series
GL: Register data: 2017

EU28 average: 67.7

Nordic average: 79.4

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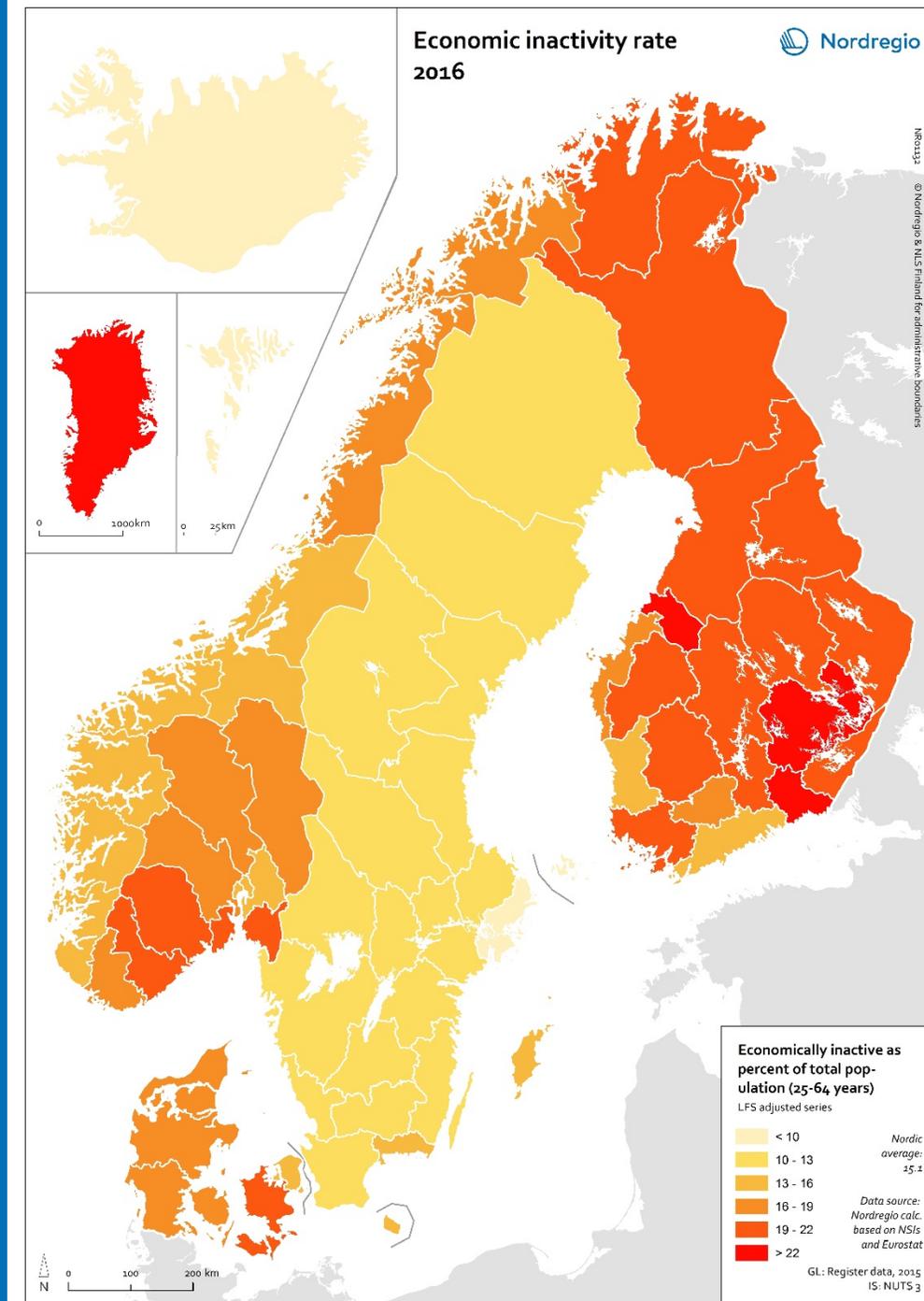
LABOUR MARKET
General labour market trends

Population 20-64 by labour market status in 2018
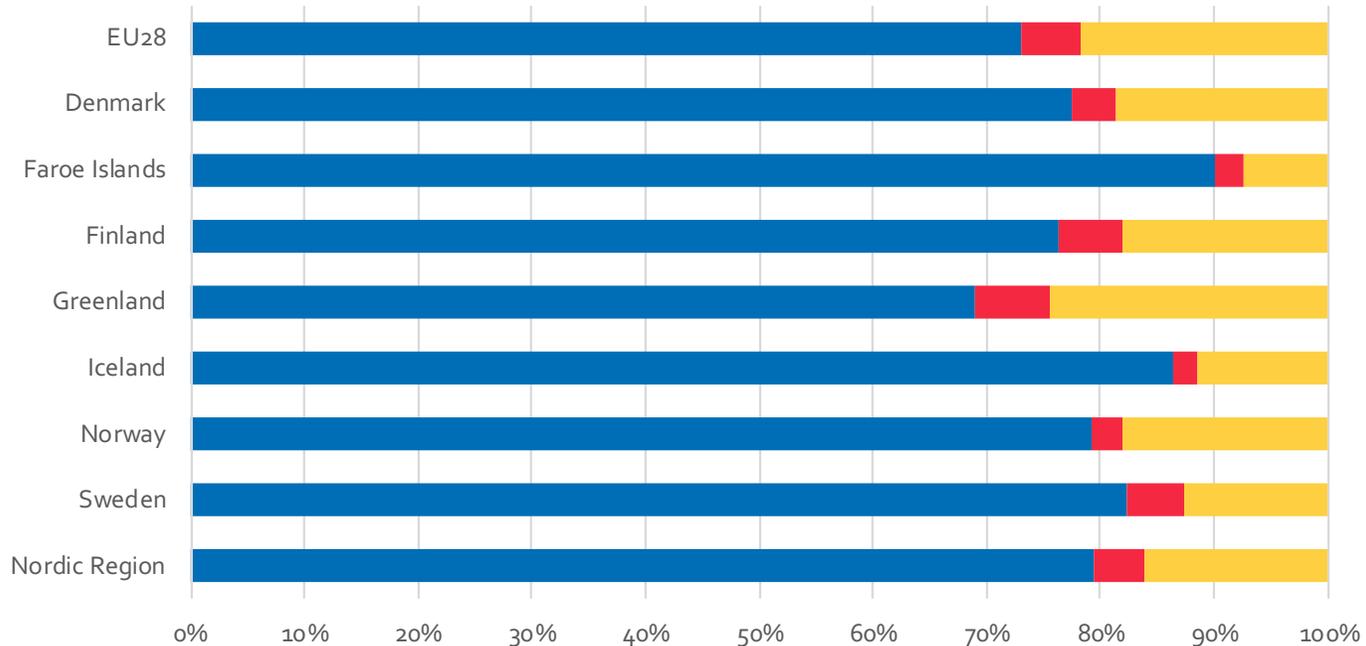
	Nordic Region	Sweden	Norway	Iceland	Greenland	Finland	Faroe Islands	Denmark	EU28
■ Employed	12,477,300	4,770,400	2,489,300	176,100	23,900	2,392,300	24,500	2,600,800	220,067,600
■ Unemployed	686,600	285,100	88,600	4,200	2,300	175,800	700	129,900	15,786,500
■ Inactive	2,527,100	736,100	565,100	23,300	8,500	565,500	2,000	626,600	65,187,000

Economic inactivity rate 2016

Nordregio

NR0132

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Economically inactive as percent of total population (25-64 years)
LFS adjusted series

< 10	*Nordic average: 15.1*
10 - 13	
13 - 16	*Data source: Nordregio calc. based on NSIs and Eurostat*
16 - 19	
19 - 22	
> 22	

GL: Register data, 2015
IS: NUTS 3

LABOUR MARKET
Geographies of labour

- **Local Labour Market Areas (LLMAs):** Tries to delimit the **functional** labour market. Built on the basis of commuting to work data so that the majority of people lives and works within their boundaries

- Overcome some of the limitations of labour statistics. For big LLMAs municipal data is rather an indicator of segregation

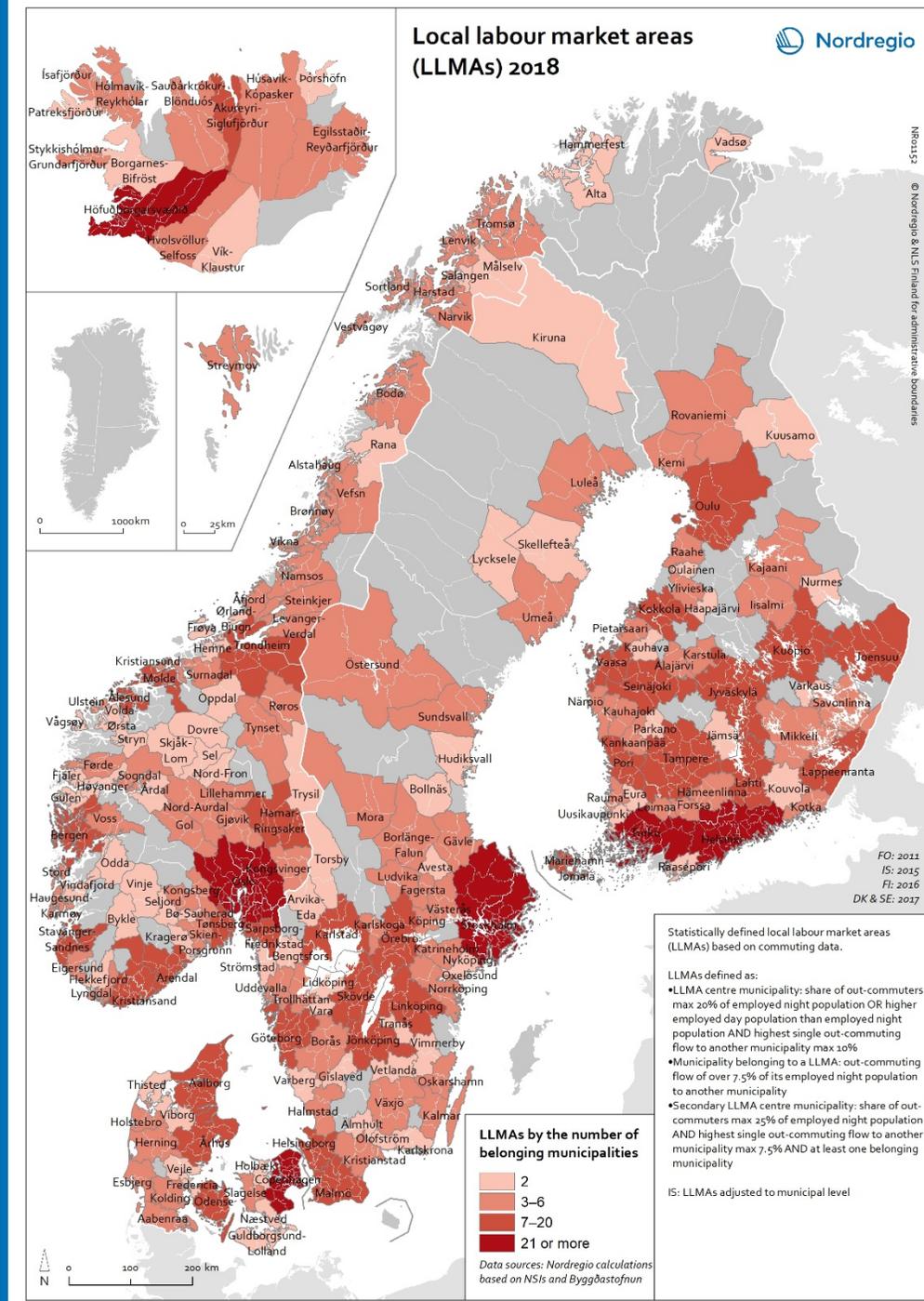- Reveal important information for policy making

LABOUR MARKET
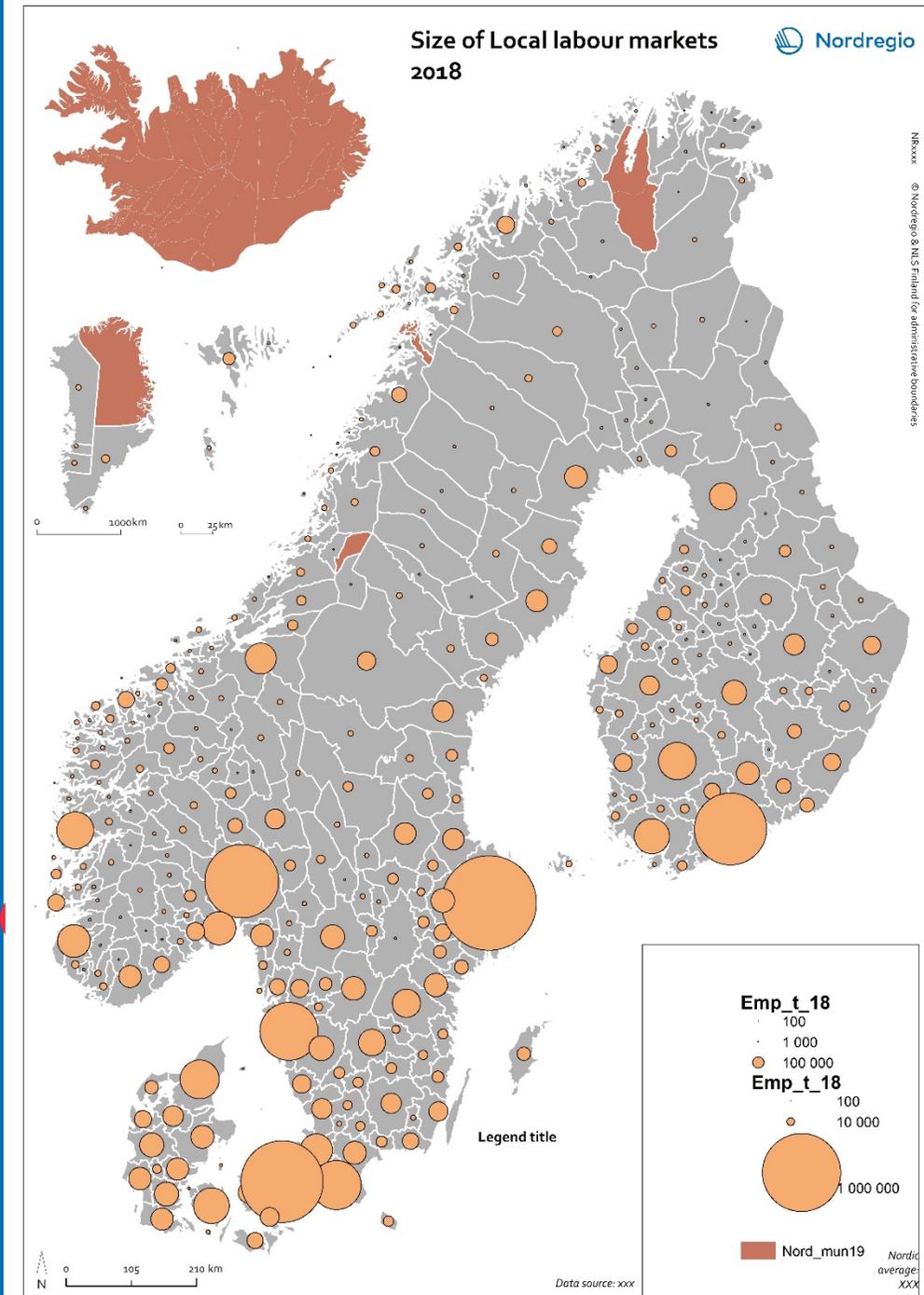## Geographies of labour

Five types of LLMs

- Metropolitan LLMA (more than 20 municipalities)
- Regional LLMA (7 and 20 municipalities)
- Intermediate LLMA (3 and 6 municipalities)
- Small LLMA (2 municipalities)
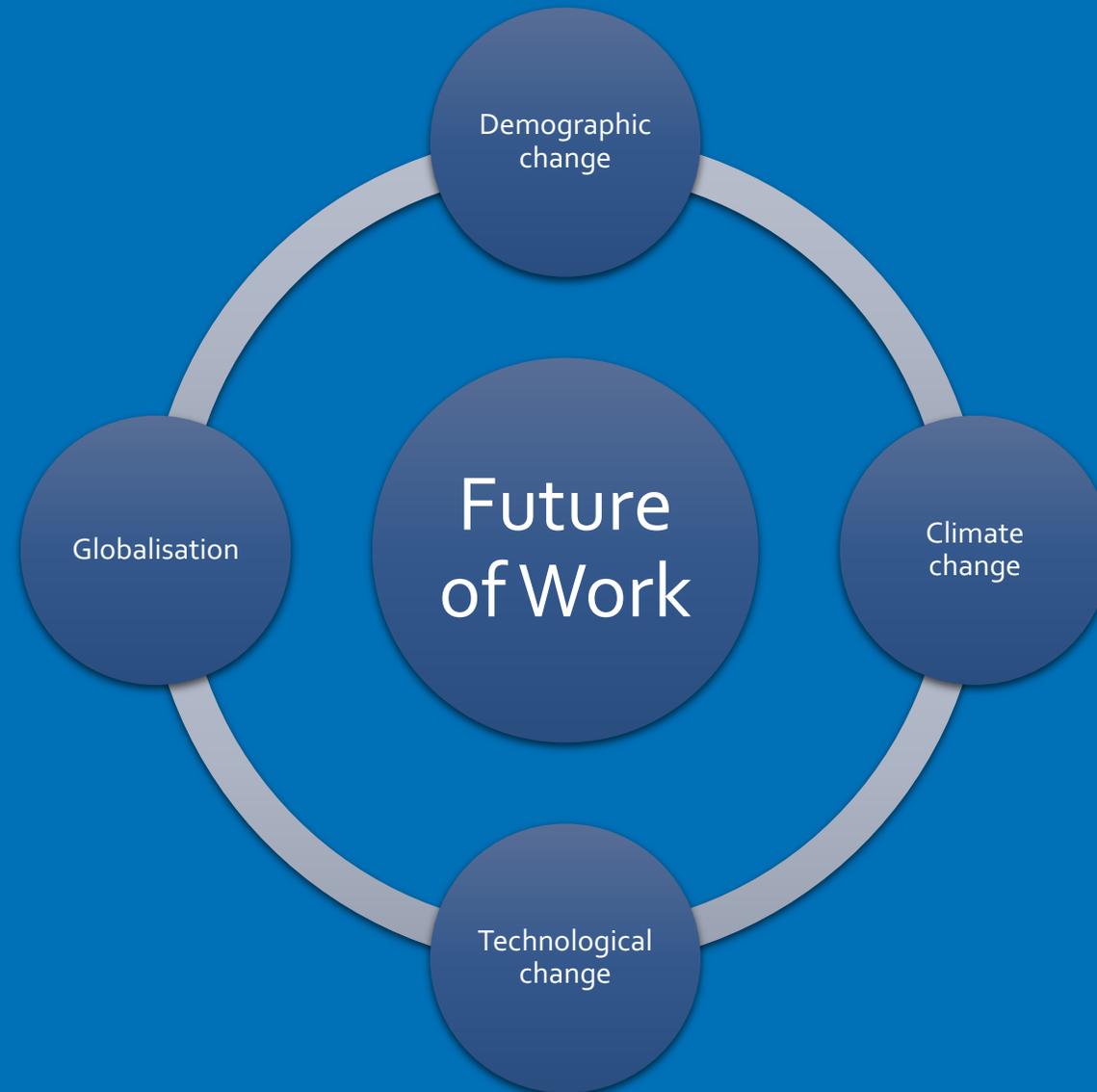- Independent LLM (single municipality)

Local labour market areas (LLMAs) 2018

Nordregio

Statistically defined local labour market areas (LLMAs) based on commuting data.

LLMAs defined as:
- LLMA centre municipality: share of out-commuters max 20% of employed night population OR higher employed day population than employed night population AND highest single out-commuting flow to another municipality max 10%
- Municipality belonging to a LLMA: out-commuting flow of over 7.5% of its employed night population to another municipality
- Secondary LLMA centre municipality: share of out-commuters max 25% of employed night population AND highest single out-commuting flow to another municipality max 7.5% AND at least one belonging municipality

IS: LLMAs adjusted to municipal level

FO: 2011
IS: 2015
FI: 2016
DK & SE: 2017

LLMAs by the number of belonging municipalities
- 2
- 3–6
- 7–20
- 21 or more

Data sources: Nordregio calculations based on NSIs and Byggðastofnun

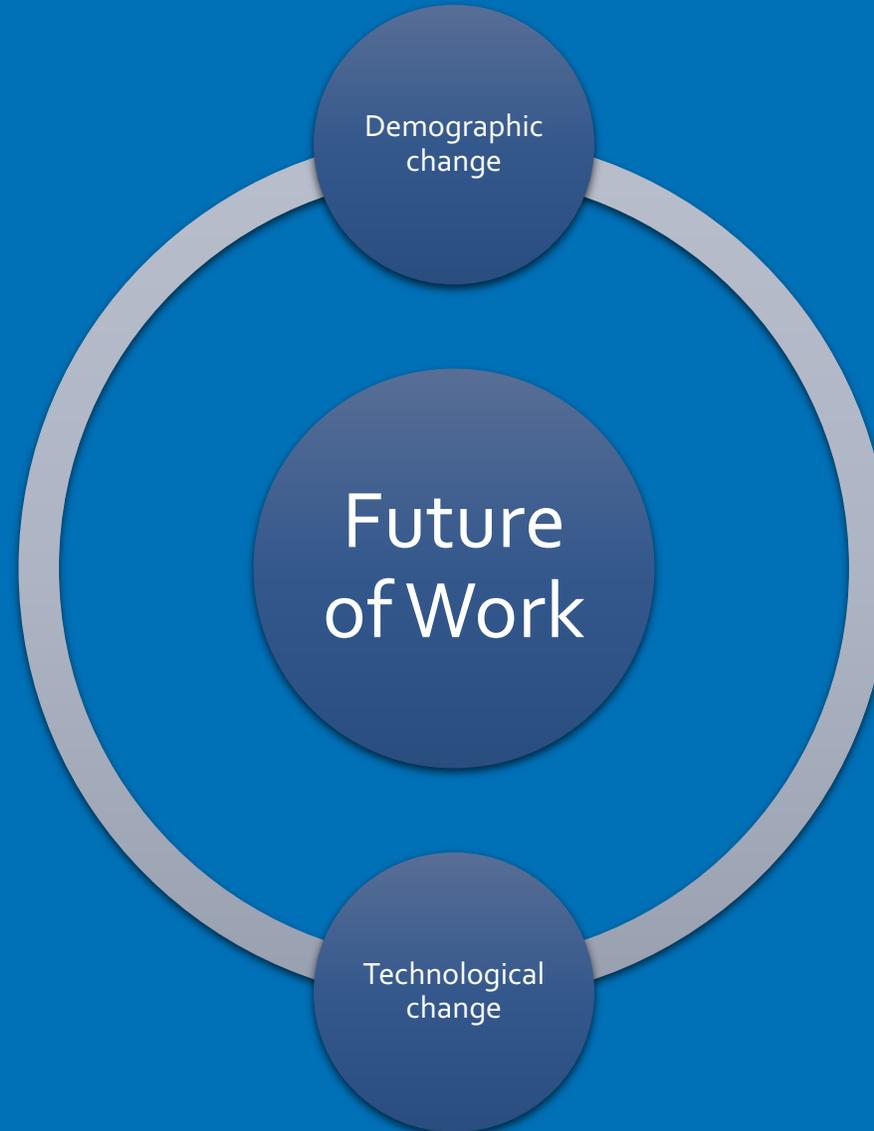# LABOUR MARKET
Geographies of labour

- **365** Local Labour Markets in the Nordics: 203 LLMAs and 162 independent LLM

- Trend towards biggest labour market areas – due to expanding urban areas and commuting patterns

- From **1.5 million** workers in Stockholm to **102** in Utsira (NO)

Size of Local labour markets
2018

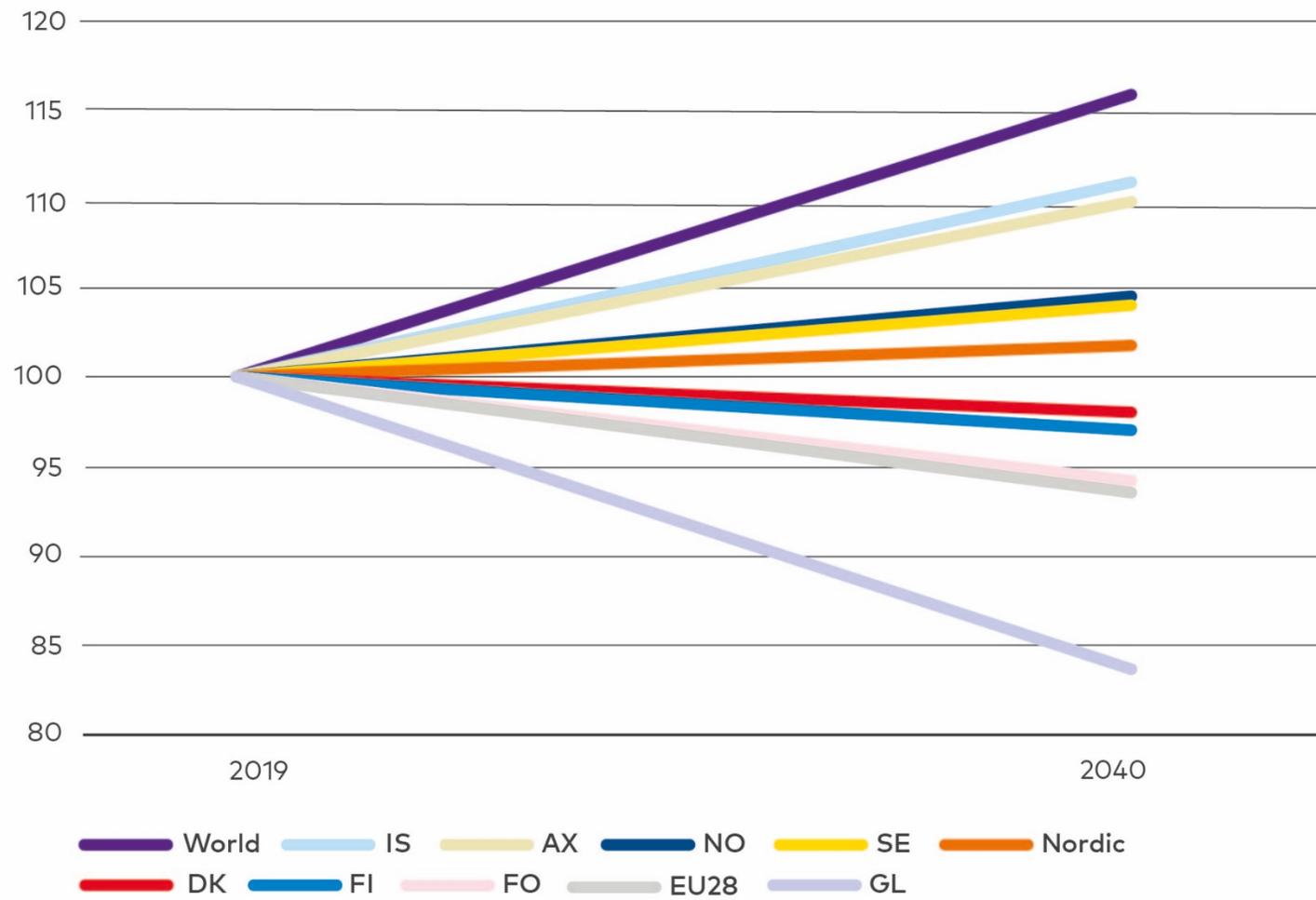Nordregio

NRxxxx

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Emp_t_18
100
1 000
100 000

Emp_t_18
100
10 000
1 000 000

Legend title

Nord_mun19

Nordic average: xxx

Data source: xxx

FUTURE LABOUR MARKET

Demographic change

Climate change

Future of Work

Globalisation

Technological change

FUTURE LABOUR MARKET

Demographic change
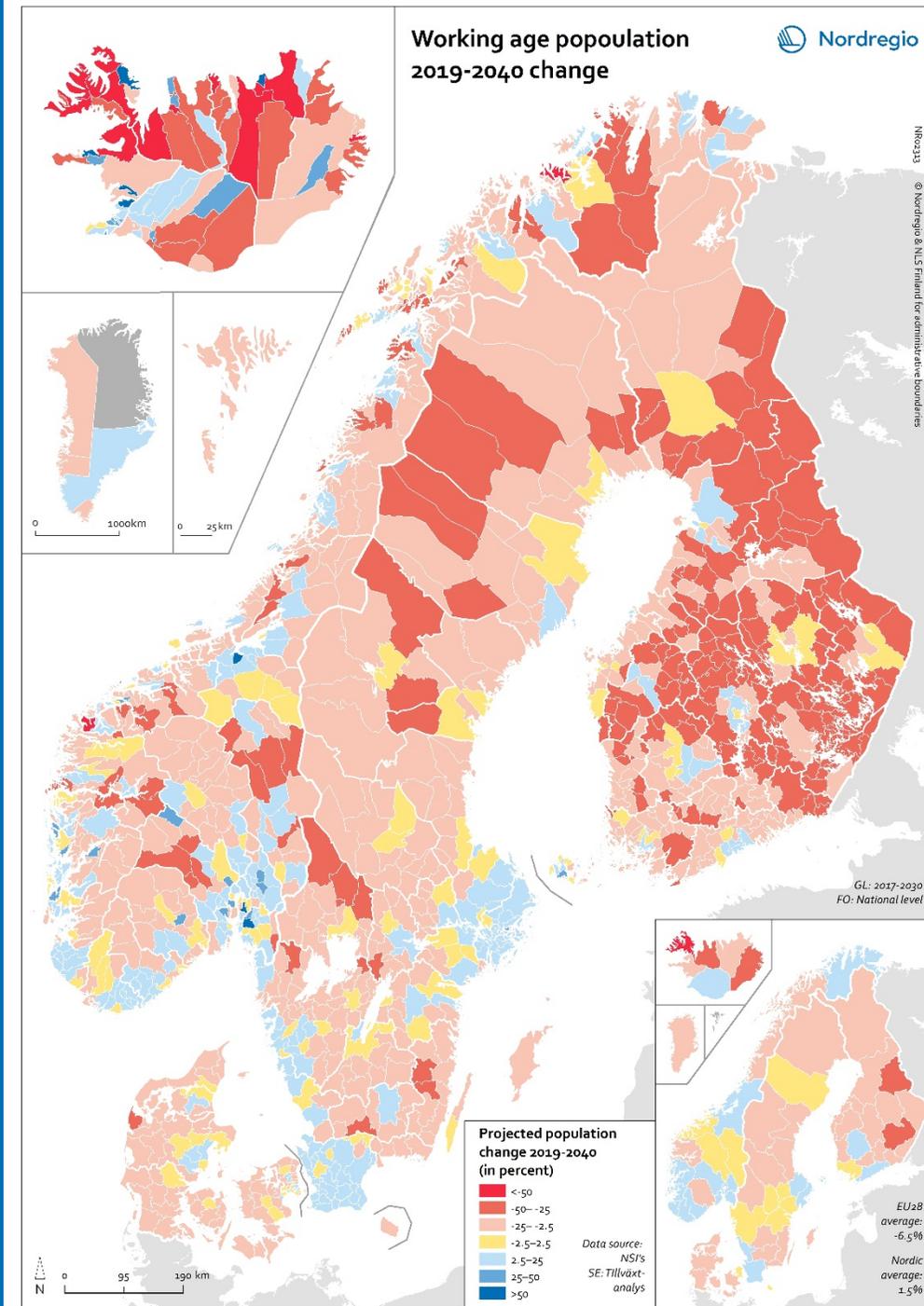
Future of Work

Technological change

Figure 6.1. Projected working age population change 2019-2040
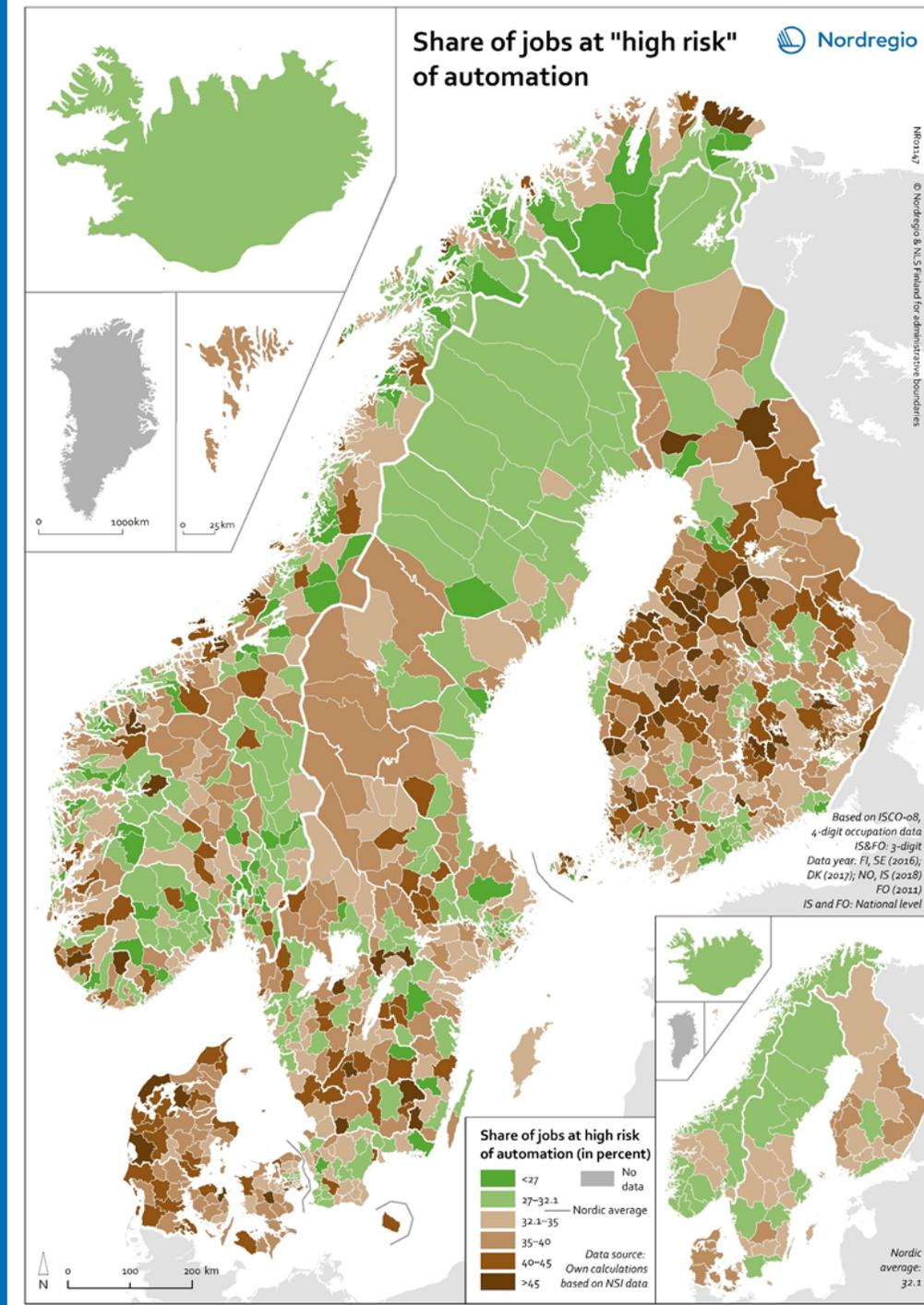
FUTURE LABOUR MARKET

Demographic change

- Decrease in labour supply projected in **72%** of Nordic municipalities

- Largest declines predicted in Finnish municipalities

- Growth mainly projected in urban areas

Working age popoulation 2019-2040 change

Nordregio

Projected population change 2019-2040 (in percent)
- <-50
- -50 – -25
- -25 – -2.5
- -2.5 – 2.5
- 2.5 – 25
- 25 – 50
- >50

Data source: NSI's
SE: Tillväxt-analys

EU28 average: -6.5%

Nordic average: 1.5%

GL: 2017-2030
FO: National level

FUTURE LABOUR MARKET
Technological change

- "The future of employment: How susceptible are jobs to computerisation?" (Frey & Osborne 2017)
- **32%** of Nordic jobs are at "high risk" of automation in coming decades (**47%** in U.S.)
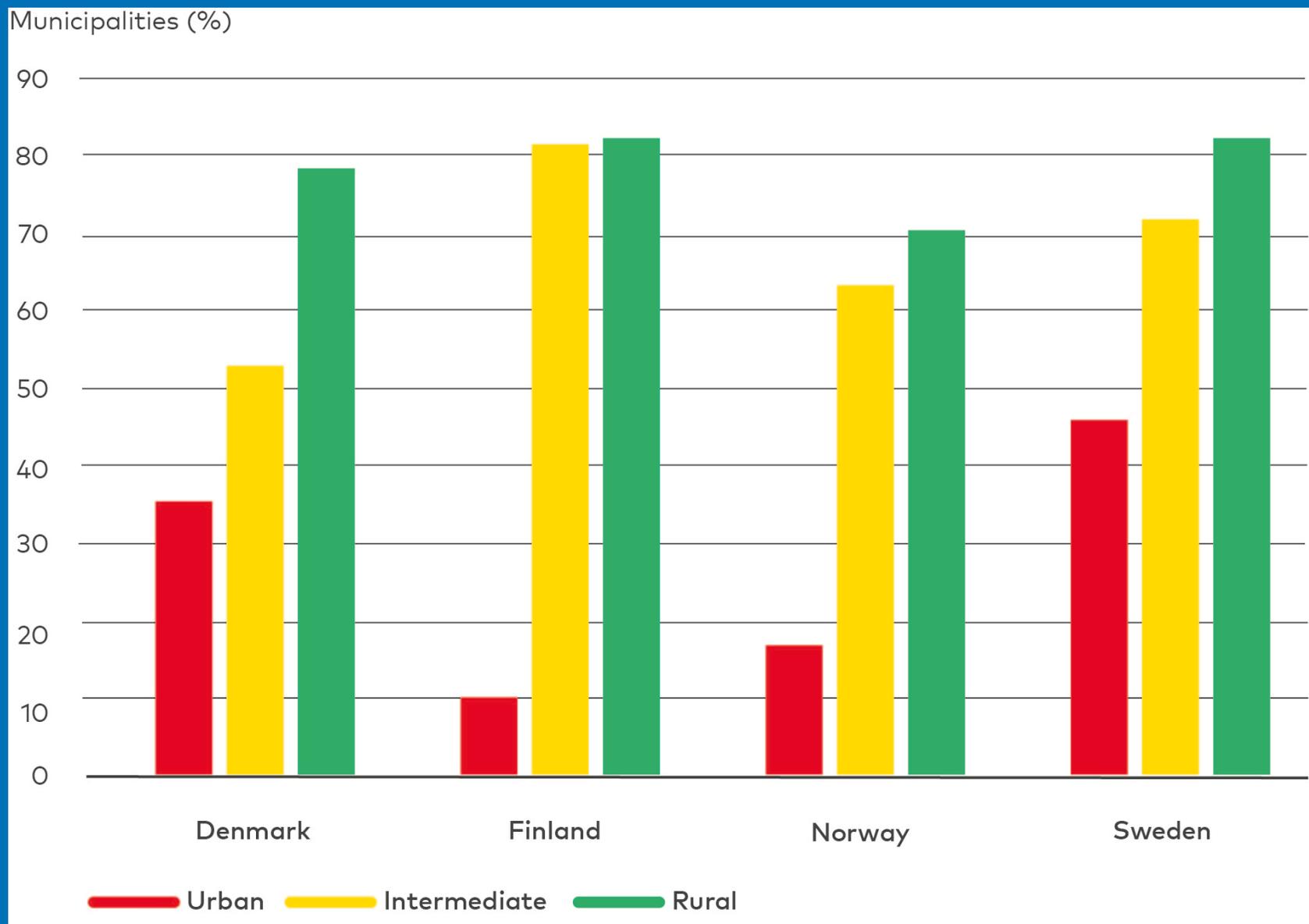

Share of jobs at "high risk" of automation — Nordregio

Based on ISCO-08,
4-digit occupation data
IS&FO: 3-digit
Data year: FI, SE (2016);
DK (2017); NO, IS (2018)
FO (2011)
IS and FO: National level

Share of jobs at high risk of automation (in percent)
- <27
- 27–32.1
- 32.1–35
- 35–40
- 40–45
- >45
- No data
- Nordic average

Data source:
Own calculations
based on NSI data

Nordic average: 32.1

Figure 6.4. Proportion of municipalities with shares of jobs at high risk of automation above the national average

Regional Innovation Scoreboard (RIS) and the Nordic Region

- The RIS assesses the innovation performance of European regions on a limited number of indicators
- The Nordic regions are doing well but differences in innovation performance can be detected
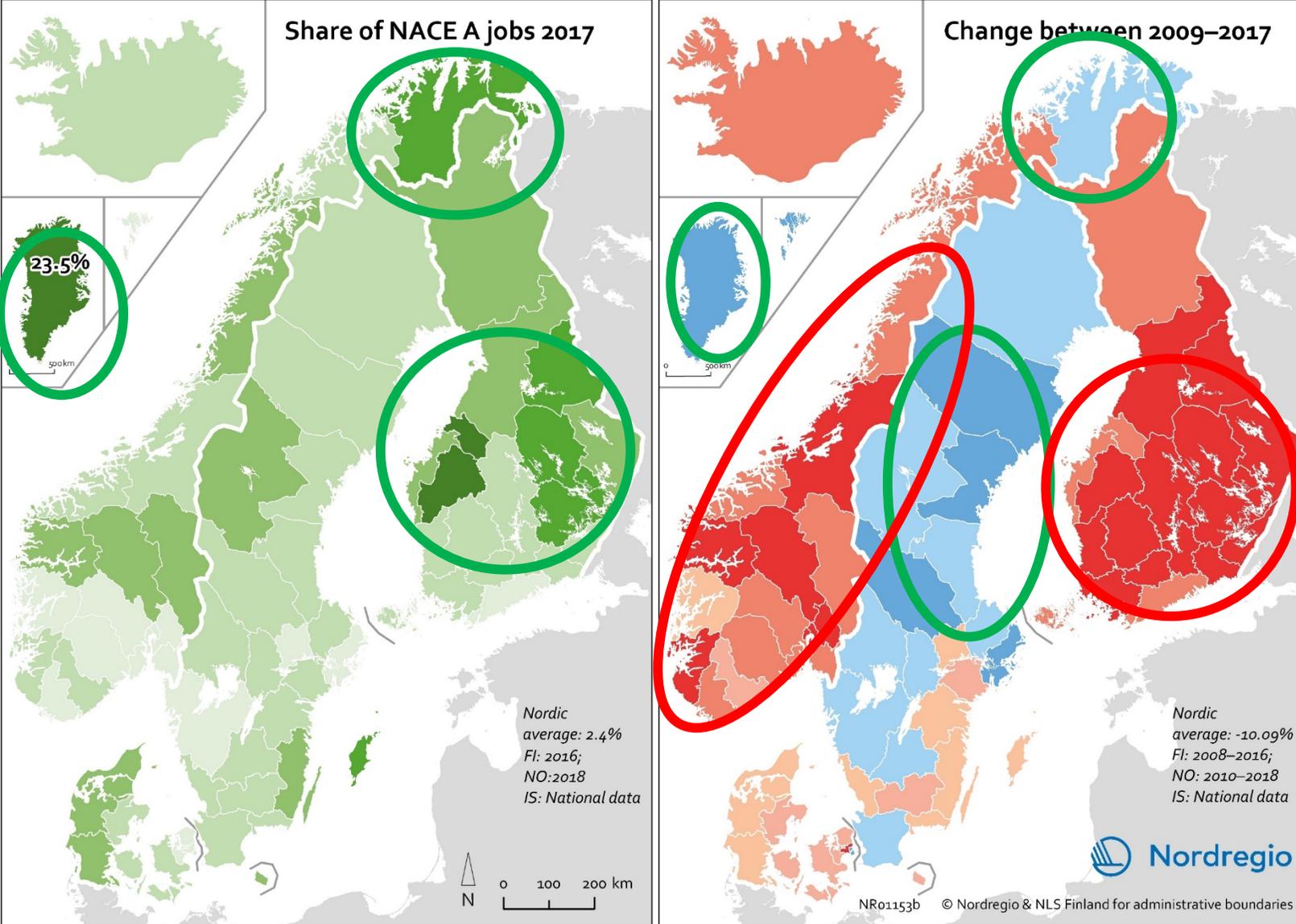- Capital regions perform better than rural and peripheral regions: critical mass for knowledge-sharing and spill-over effects
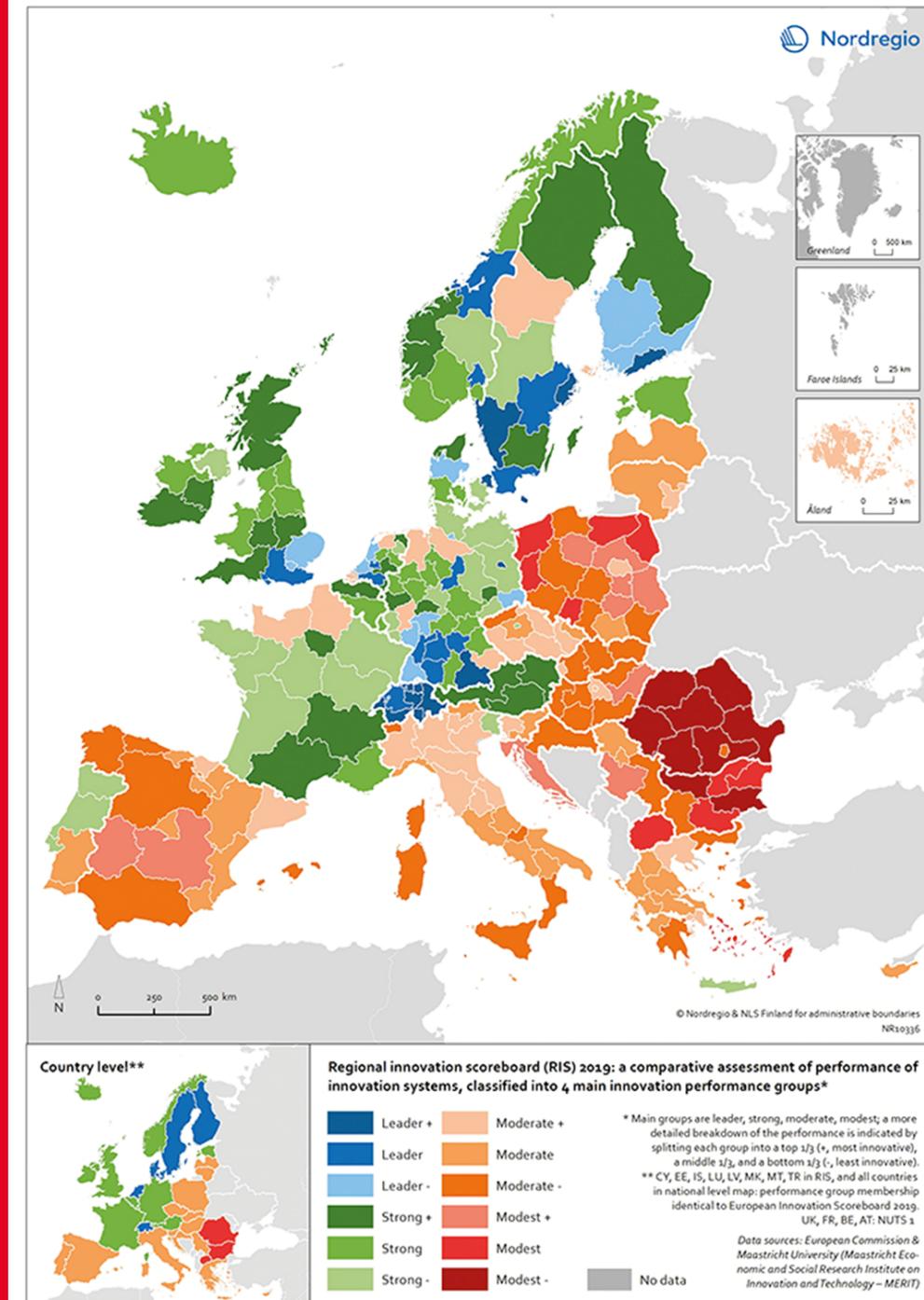
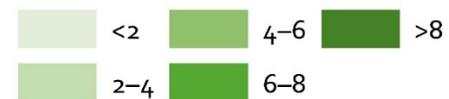# Smart specialisation (S3) in the Nordic Region

- Great variation: from early adopters to late-comers
- De facto S3 – Nordic innovation environment
- Adoption of the concept also outside the EU (e.g. Norway)
- *Optimal size* of regions?
- S3 is also social innovation and public sector innovation: The Nordic model of S3.
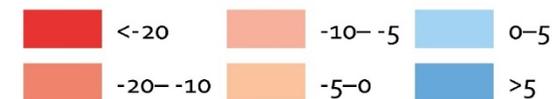- S3 in in the Nordic regions requires smart communication of key concepts.

EU JRC S3 platform 2019 in Nordic regions

Nordic regions that have registered on the EU JRC S3 platform, status as of October 2019

Registered regions

Iceland: no regions registered

Data source: European Commission/S3 platform

Share of NACE A jobs 2017

23.5%

Nordic average: 2.4%
FI: 2016;
NO: 2018
IS: National data

Change between 2009–2017

Nordic average: -10.09%
FI: 2008–2016;
NO: 2010–2018
IS: National data

Nordregio

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The share of employed persons in NACE A sector (in percent)

<2	4–6	>8
2–4	6–8	

Change in percent

<-20	-10– -5	0–5
-20– -10	-5–0	>5

Data by employed persons by place of work. NACE refers to Statistical Classification of Economic Activities in the European Community.
Economic area A refers to agriculture, forestry and fishing.

Data sources: NSIs

Jobs in the TRADITIONAL bioeconomy

Share of biojobs excluding NACE A 2017

Change between 2009–2017

Nordic average: 14.7%
FI: 2016;
NO:2018;
IS: National data

Nordic average: 4.3%
FI: 2008–2016;
NO:2010–2018;
IS: National data

Nordregio

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The share of employed persons in bioeconomy excluding agriculture, forestry and fishing (NACE sector A) (in percent)

<13
13–14
14–15
15–16
>16

Change in percent between 2009–2017

<-15
-15– -5
-5–0
0–5
5–15
>15

Data by employed persons by place of work. See annexes for bioeconomy definition. NACE refers to Statistical Classification of Economic Activities in the European Community. Economic area A refers to agriculture, foresty and fishing.

Data sources: NSIs

Employed persons in the NEW bioeconomy
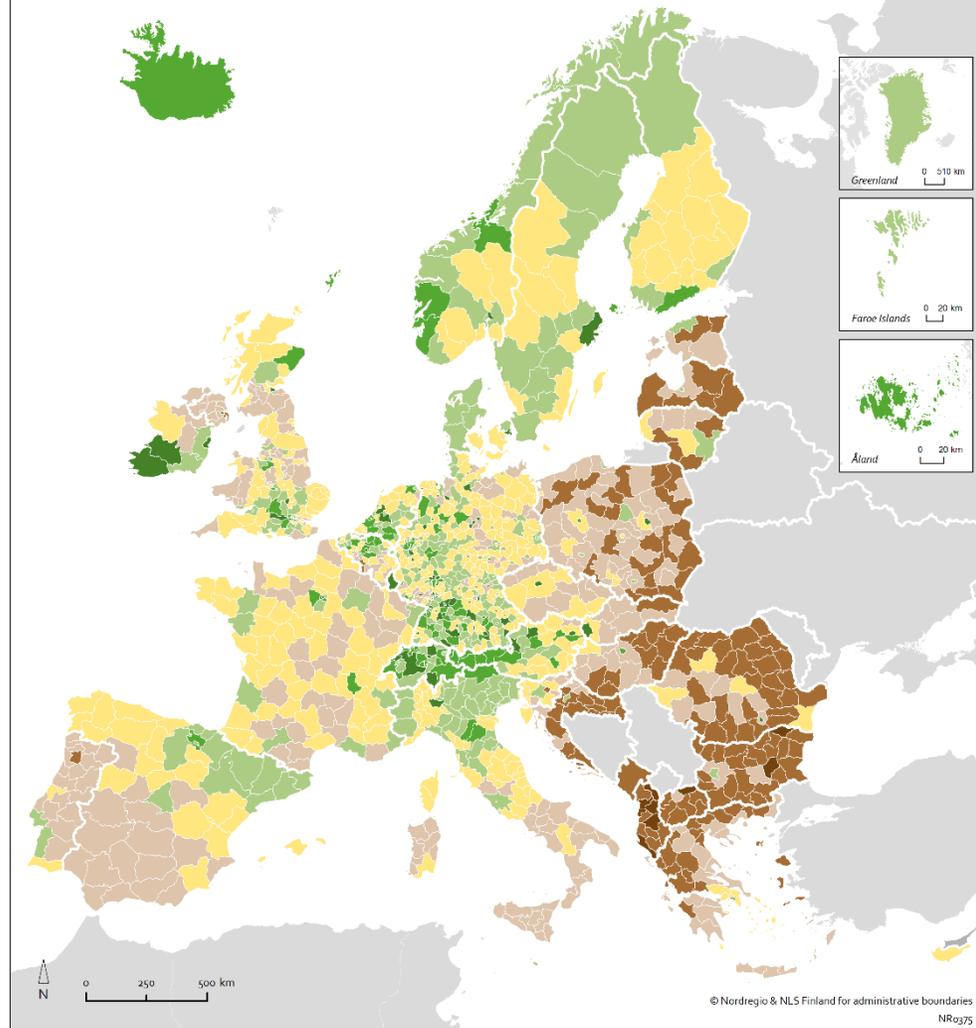
THEME 3
ECONOMY

ECONOMY

ECONOMY
Introduction

- 12th largest economy in the world.
- Average gross regional product per capita in the Nordic Region is higher than the European average.
- Highest in Oslo; lowest in Kainuu.

Gross regional product in European regions 2017

Nordregio

Greenland
0   510 km

Faroe Islands
0   20 km

Åland
0   20 km

N
0   250   500 km

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NR0375

Gross regional product (GRP) in purchasing power parity (PPP) per capita for 2017 in Europe (EU28=Index 100):

- <25
- 25–50
- 50–75
- 75–100
- 100–125
- 125–150
- >150
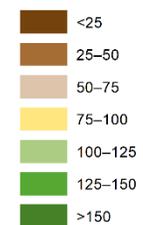
IS: National level.
GRP generated from off-shore industries excluded.

Data sources: Nordregio's calculations based on Eurostat, NSI's, World Bank & CIA Factbook (GL, FO)

Income inequality
Gini coefficient

- Inequality within a specific geographical area.
- Different ways to look at income inequality.
- Focus on the Gini-coefficient:
  - Market income Gini index ("before tax and transfer")
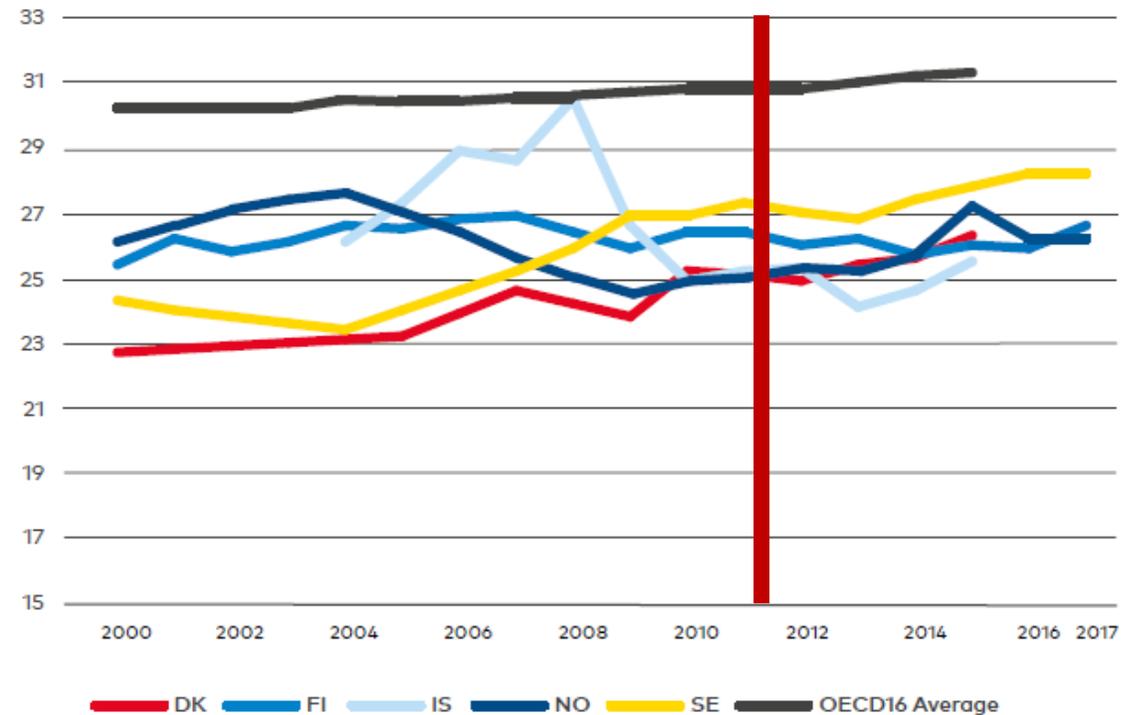 - Disposable income Gini index ("after tax and transfer")
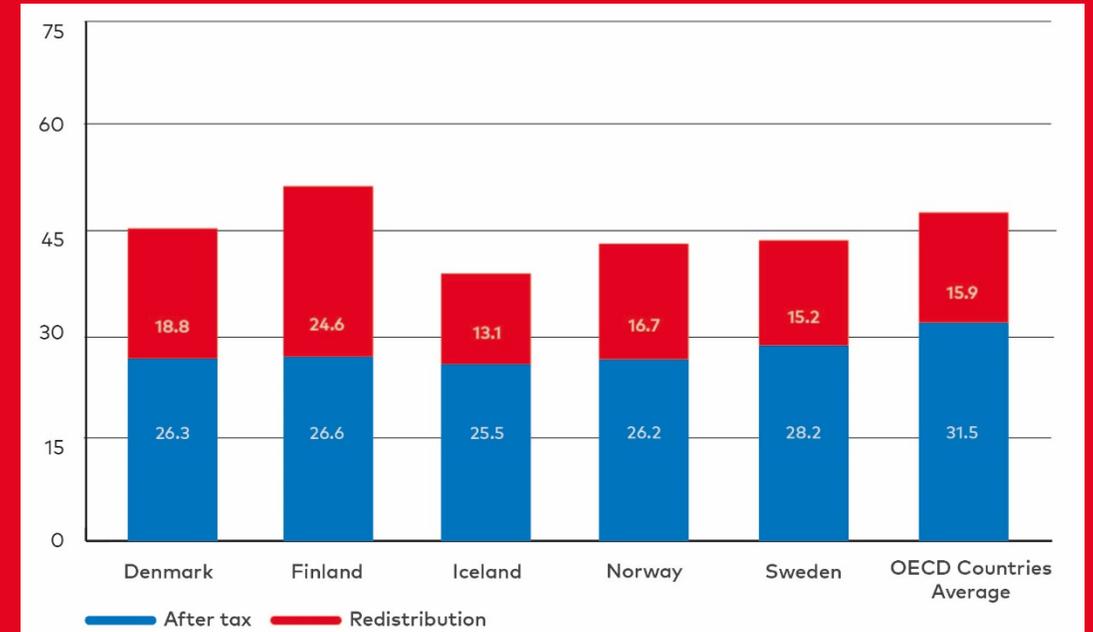
Income inequality
National trends

- Increasing in OECD countries since late 1970s; since 1990s in the Nordic Region.
- Different trends within the Nordic Region since 2000.

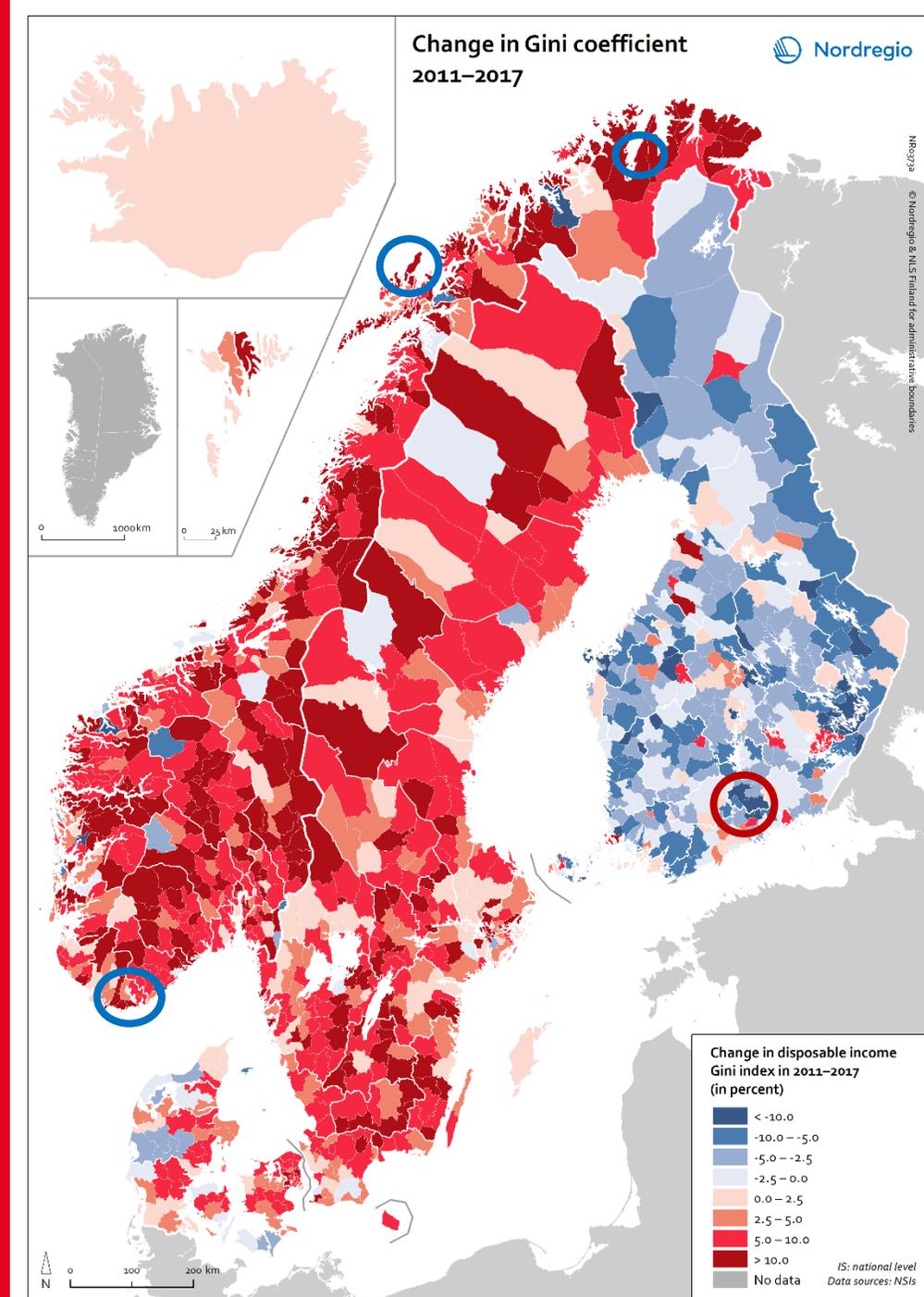Figure 7.1 Income inequality in the Nordic countries from 2000 onwards.

Data source: OECD (Dataset on Gini coefficient for household disposable incomes).

Income inequality
Trends at municipal level

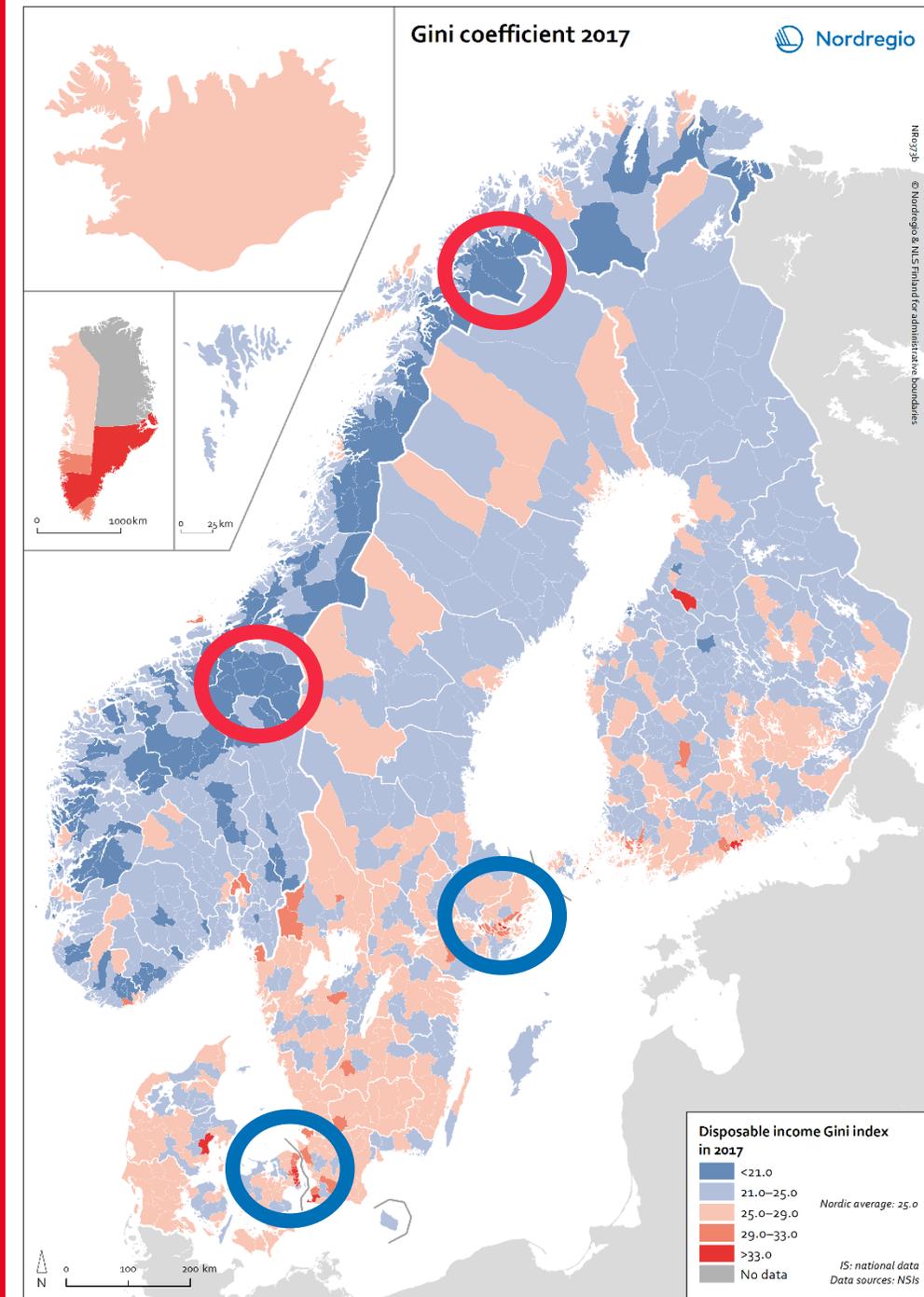- Increasing inequalities within the majority of municipalities.
- Linked to changes in the labour force, demographic patterns and policies.

Change in Gini coefficient 2011–2017

Nordregio

NR0373a

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Change in disposable income Gini index in 2011–2017 (in percent)

- < -10.0
- -10.0 – -5.0
- -5.0 – -2.5
- -2.5 – 0.0
- 0.0 – 2.5
- 2.5 – 5.0
- 5.0 – 10.0
- > 10.0
- No data

IS: national level
Data sources: NSIs

Income inequality
State in 2017

- Highest inequalities in the regions of Stockholm and Copenhagen.
- Lowest inequalities in Norwegian municipalities

Gini coefficient 2017

Nordregio

Disposable income Gini index in 2017

- <21.0
- 21.0–25.0
- 25.0–29.0
- 29.0–33.0
- >33.0
- No data

Nordic average: 25.0

IS: national data
Data sources: NSIs

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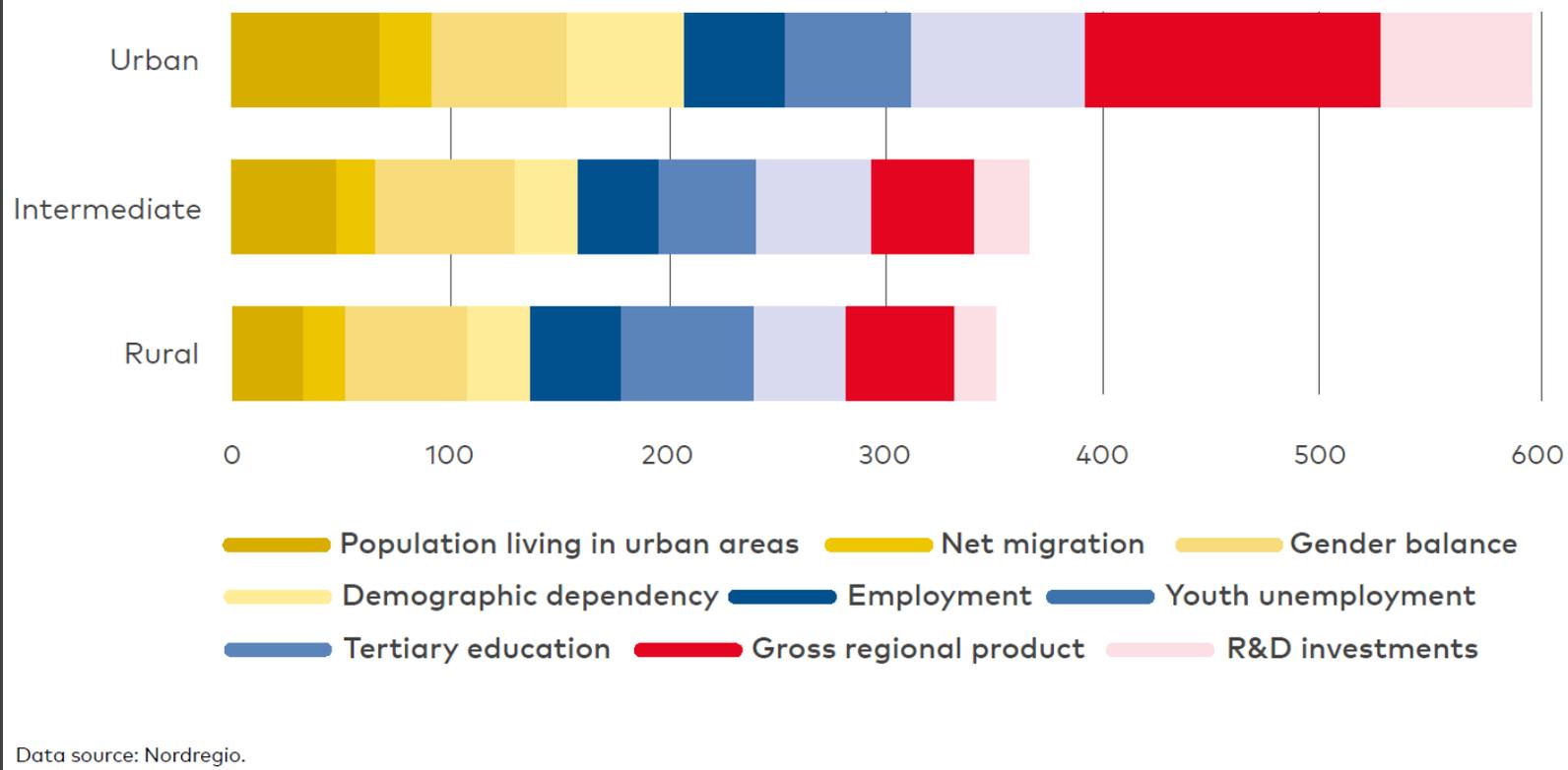
REGIONAL POTENTIAL INDEX

Figure 12.2. Overview of points for the nine selected indicators in the urban regions of the Nordic Region 2019.


Regional potential index 2019
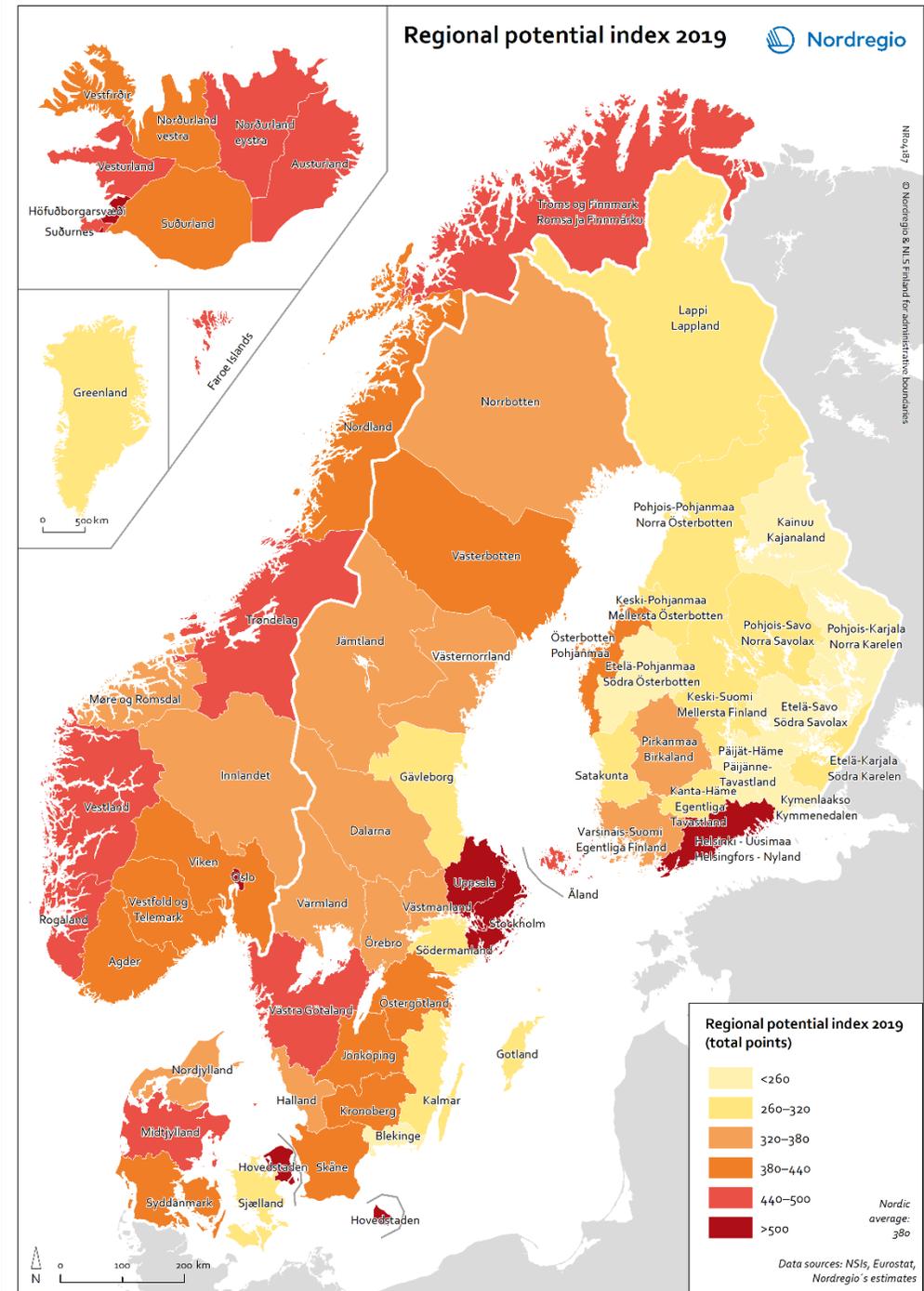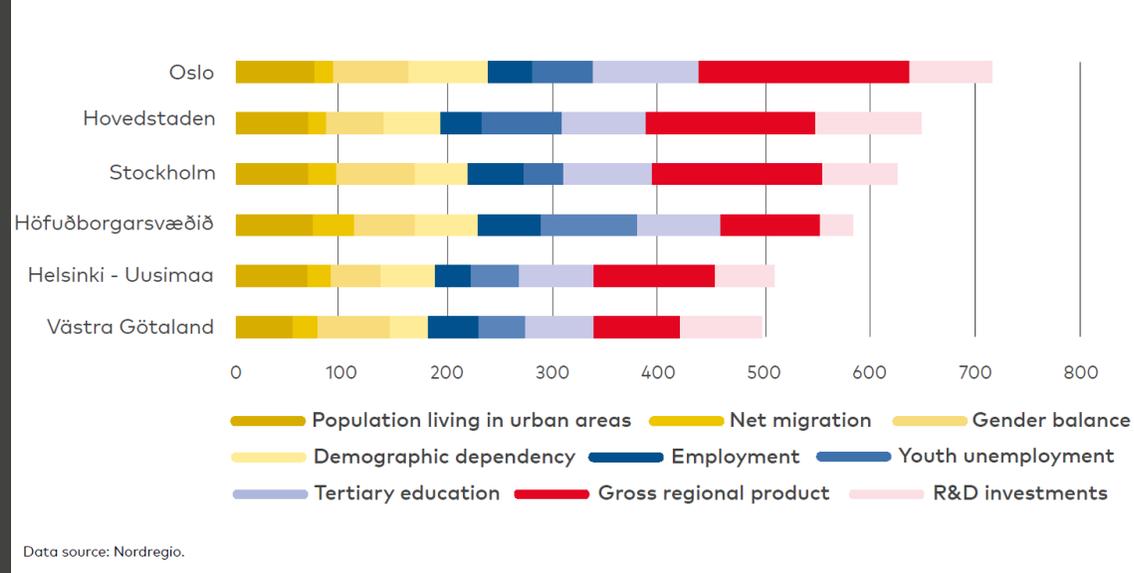
REGIONAL POTENTIAL INDEX

Figure 12.1. Overview of average number of points for the nine selected indicators in the three types of region 2019.

Legend:
- Population living in urban areas
- Net migration
- Gender balance
- Demographic dependency
- Employment
- Youth unemployment
- Tertiary education
- Gross regional product
- R&D investments

Data source: Nordregio.

REGIONAL POTENTIAL INDEX

Figure 12.4. Overview of points for the nine selected indicators in the rural regions of the Nordic Region 2019.
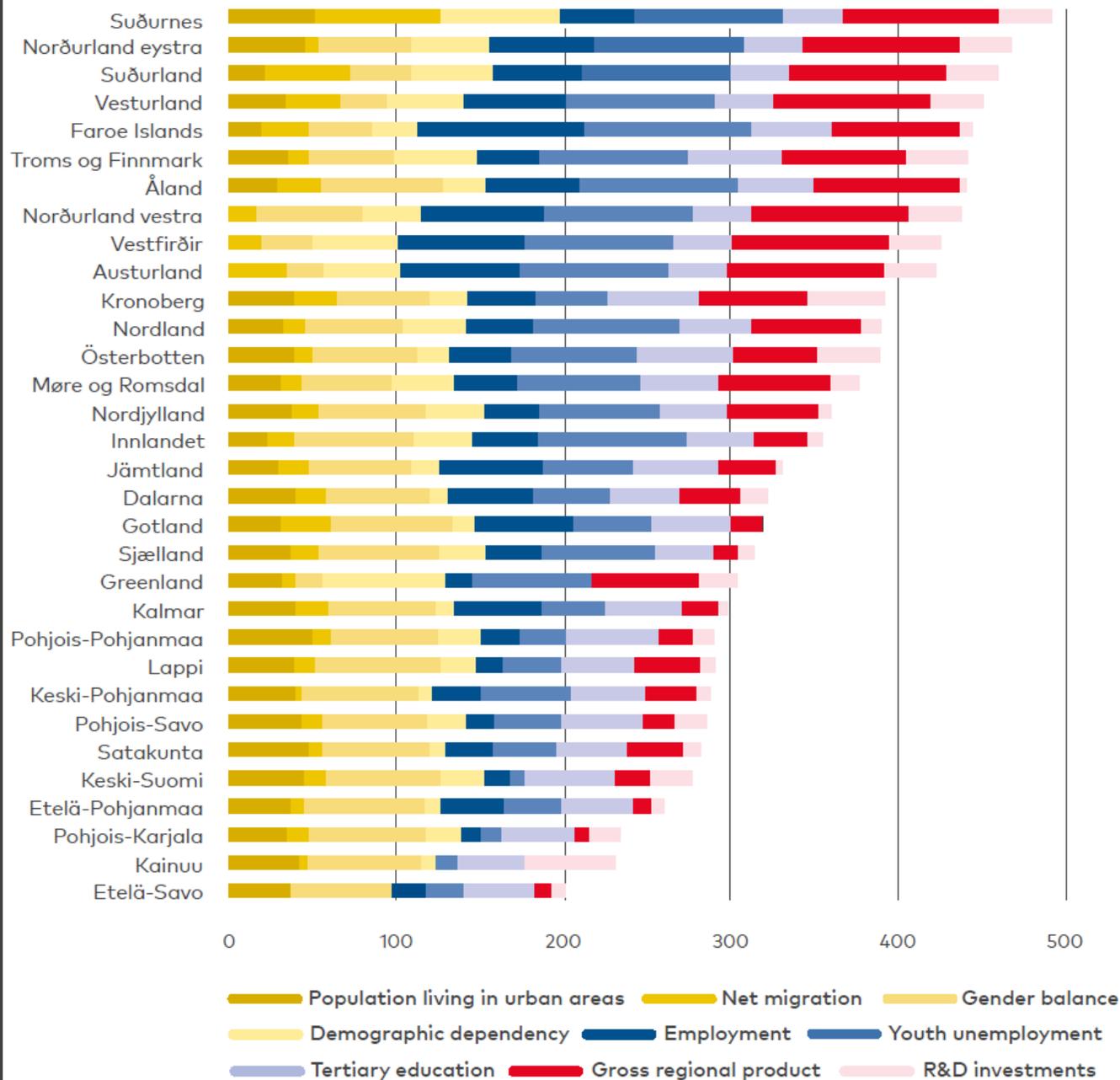
Data source: Nordregio.

What´s next?

- Additional chapters on "Beyond GDP"

- Next thematic webinars in March:
  - A Webinar Series: Rural perspectives on digital innovation, read more & sign up: https://www.nordregio.org/events/a-webinar-series-rural-perspectives-on-digital-innovation/

- Enjoy the digital report: pub.norden.org/nord2020-001/

- Download the report: norden.org/nordicregion2020

STATE OF
THE NORDIC REGION
2020