

Jörg Neubauer, Alexandre Dubois, Tomas Hanell, Kaisa Lähteenmäki-Smith, Katarina Pettersson, Johanna Roto & Jon Moxnes Steineke

Regional Development in the Nordic Countries 2007

Nordregio Report 2007:1

Internal differences within the Nordic countries flit around the extremes of the pendulum. On the one hand, the capital and other metropolitan areas of the Nordic countries are amongst the fastest growing on the whole continent. On the other hand peripheral areas are, when placed in their national contexts, lagging behind and in dire need of active support. This is the traditional picture of the Nordic dichotomy. In the first years after the turn of the millennium small indications suggest that the overly excessive concentration to a few metropolitan areas has partially and at least currently reached the end of its path.

Regardless whether these new patterns are a mere breather in the time line of peripheral decline or if they will prove to be more permanent trends, it is currently nonetheless one of the most important tasks for policy makers to try to strike a balance between the development trends in different parts of the Nordic countries. The task is further challenged by the shifting focus of the new EU Structural Funds 2007-2013 programming period away from the Nordic countries.

The 2007 handbook in the series 'Regional Development in the Nordic Countries' provides a comprehensive picture of the current state of play of regional development challenges and the policies and tools utilised to tackle the problems now and in the years to come. This also includes an overview on the processes of administrative structural reforms of government in the Nordic countries. In addition Nordic relevant aspects of EU regional policy support and possibilities of territorial co-operation for the period 2007-2013 are covered.

In the statistical annex, comparable demographic and economic indicators are given for all 1 366 Nordic municipalities and their corresponding regions including each of the autonomous territories. Be sure to visit our website www.nordregio.se where all graphical material is easily accessible for download and can be used free of charge.

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Nordic co-operation

takes place among the countries of Denmark, Finland, Iceland, Norway and Sweden, as well as the autonomous territories of the Faroe Islands, Greenland and Åland.

The Nordic Council

is a forum for co-operation between the Nordic parliaments and governments. The Council consists of 87 parliamentarians from the Nordic countries. The Nordic Council takes policy initiatives and monitors Nordic co-operation. Founded in 1952.

The Nordic Council of Ministers

is a forum of co-operation between the Nordic governments. The Nordic Council of Ministers implements Nordic co-operation. The prime ministers have the overall responsibility. Its activities are co-ordinated by the Nordic ministers for co-operation, the Nordic Committee for co-operation and portfolio ministers. Founded in 1971.

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works in the field of spatial development, which includes physical planning and regional policies, in particular with a Nordic and European comparative perspective. Nordregio is active in research, education and knowledge dissemination and provides policy-relevant data. Nordregio was established in 1997 by the Nordic Council of Ministers. The centre is owned by the five Nordic countries and builds upon more than 30 years of Nordic cooperation in its field.

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Preface

Successful work developing the Nordic regions needs to rely on up-to-date and comparable information that is readily available to policy makers in the field. The 2007 handbook is already the eleventh volume in the series 'Regional Development in the Nordic Countries' a series which has regularly supplied practitioners with comprehensive analyses of Nordic regional development since 1981. This years issue bundles together an analysis of the most recent trends in the development of the Nordic regions and regional policy as well as a detailed description of the changing - since the turn of the millennium - Nordic territorial administrative landscape.

Globalisation is clearly now changing the development context in Nordic regions. Denmark's completely remodelled territorial administrative structure began functioning at the beginning of this year and sets out to actively meet the challenges posed by globalisation, and ultimately, to gain advantage from its benefits. Meanwhile, the other Nordic countries are similarly poised to launch crucial adaptations to their administrative structures with a view to better facilitating successful future development. Progress towards implementation, however, remains somewhat 'patchy' while the concrete outcomes of the lively ongoing discussions across *Norden* are only likely to become visible in the *years ahead*.

In a separate though linked sense we can also track the re-emergence of European regional policy on the Nordic regional development agenda, with the new EEA state aid rules, aiming to ensure that the conditions of competition are equal and not distorted by state measures, being but one example here. In addition, the new EU Structural Funds 2007-2013 programming period understandably shifts its focus away from the Nordic countries emphasising instead the development of the ten (now twelve) 'new' EU member states. Consequently the level of available EU resources for Nordic regional development has been dramatically reduced.

In response, regional development work will from now on need to embrace a raft of new challenges to enable the Nordic regions to continue to build on their competitive advantages. Currently the rapidly changing shape of these new development frameworks - across all Nordic countries - seems to alter every few weeks. This volume deals with events in Nordic regional development up to and until January 2007. Each chapter functions as a separate thematic unit. All maps incorporate the 2007 administrative divisions including the new Danish structure and can be freely downloaded and used from our homepage www.nordregio.se. In the statistical annex, comparable demo-

graphic and economic indicators are given for the municipalities and regions of all five Nordic countries and for each of the autonomous territories. The supplemented poster pin-up may also, hopefully, provide readers with better access to the current state of Nordic administrative geography as it relates to their daily work while also providing an overview of European territorial cooperation in the Nordic countries until 2013.

This book was compiled by a team of *Nordregio* staff members under the editorship of Jörg Neubauer. The chapter on regional development trends was written by Jörg Neubauer and Tomas Hanell. Kaisa Lähtenmäki-Smith drafted the chapter overview of the administrative structural reforms of territorial governance and in this was assisted by Jon Moxnes Steineke and Katarina Pettersson. The investigation into regional policy was conducted by Katarina Pettersson with assistance from Alexandre Dubois, Malin Hansen, Riikka Ikonen, Kaisa Lähtenmäki-Smith, Jon Moxnes Steineke, and Åsa Pettersson. Jon Moxnes Steineke also wrote the chapter on territorial cooperation. The compilation of most of the statistical information was undertaken by Jörg Neubauer, Johanna Roto and Alexandre Dubois. The latter two also elaborated the huge task that was indicator table at the end of this publication and took care of the thematic mapping. Hanna Pitkänen (free lancer) and Alexandre Dubois worked with the layout. Chris Smith undertook the language editing duties. Furthermore we would like to thank our colleagues Ole Damsgaard, Erik Gløersen and Daniel Rauhut for their valuable comments. The work was financed by the Nordic Council of Ministers.

Realisation of this publication would not have been possible without the considerable help of outside colleagues and partners. Therefore we would like to thank the members of the Nordregio expert council and associated colleagues for their assistance with the final quality check, namely Dennis Holm (Centre for Local and Regional Development, Klaksvik); Hans Ahrens and Bo Wictorin (NUTEK, Stockholm); Gitte Tróndheim (University of Greenland, Nuuk); Lone Neldeberg (National Agency for Enterprise and Construction, Copenhagen); Katarina Fellmann and Bjarne Lindström (ÅSUB, Mariehamn); Snorri Sigurdsson (Byggdastofnun, Sauðárkrúkur), Mari Grut (Ministry of Local Government and Regional Development, Oslo) and Janne Antikainen (Ministry of the Interior, Helsinki). Much appreciated help was also provided by Torben Dall Schmidt (South Danish University, Sønderborg); Jerker Lindblad and Göran Lättman (NUTEK,

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Reykjavik). Our special thanks also goes to those persons too numerous to mention in the National Statistical Institutes who have assisted us in obtaining and evaluating the data. The same applies to those persons working in a wide range of administrative and political organisations.

With this publication in hand the whole team wishes you the best of luck in shaping the future of your region!

Stockholm, March 2007

Executive summary

The capacity for prosperous regional development differs markedly across Europe. The Nordic countries are of course no exception here though, for a number of reasons, internal differences *within* the Nordic countries often see their regions constitute the extremes of the pendulum of success. On the one hand, the capital and other metropolitan areas of the Nordic countries are ranked among the fastest growing on the continent, extremely competitive and often to the fore when it comes to innovation capacity and other post-industrial skills. On the other hand, peripheral areas that epitomise such negative attributes as mono-industrialism, a high dependency on public sector support, rapid ageing, and so on, when placed in their national contexts, can be seen to constitute a significant group of lagging regions in dire need of active support. This is the traditional picture of the Nordic dichotomy.

There are however small, but nonetheless persistent, indications that the excessive concentration to a few metropolitan areas has partially, and at least currently, proved to be a dead-end in policy terms. Regardless of whether these new patterns constitute a mere breather in the time line of peripheral decline or whether they prove to be more permanent trends, one of the most important tasks for policy makers now is to try to strike a balance between development trends in different parts of Norden, be they North and South, Core and Periphery, Small and Large, or whatever other existing dichotomy that characterises this part of Europe.

While the first chapter on regional development trends provides an overview of the 'state of play' in terms of regional development challenges in the Nordic countries and places them in a more general European context, the following chapters discuss the policies and 'tools' currently utilised in meeting these challenges and in tackling connected problems both currently and in the years to come. At the end of the book comprehensive tables with comparable up-to-date economic and demographic key indicators for each of the 1 366 Nordic municipalities (2007) and their corresponding regions are supplied. Ready-to-hand graphical material is also available at Nordregio's website www.nordregio.se for immediate download and use free of charge.

Regional development trends

Regional development in general is closely tied to economic development. Regions with healthy economies are able to attract new or maintain their current population and to support and sustain local welfare. In general, most

Nordic countries are doing fairly well in European comparison. Economic growth rates in Iceland, Finland and Sweden rest some 1-2 percentage points above the average rate for all 27 EU Member States taken as a group, whereas increases in Norway and Denmark in particular remain at a more modest level. In the mid and late 1990s all five Nordic national economies outperformed the EU average (at that time EU15), but this is no longer the case, a shift seems to have occurred and the Nordic countries are now divided into two separate growth leagues, albeit with annual variations which are substantial. Currently there are only five Nordic regions among the 100 fastest growing regions in the EU.

In addition, new patterns of regional economic development are emerging and the undisputed position of the largest cities is constantly being challenged, currently by second-tier cities and other regional centres. Furthermore, rapid urbanisation has at times encouraged a dispersed settlement pattern where private car usage is inevitable as public transport investments cannot keep pace with the rapid growth of urban sprawl. Commuting (travel-to-work) is intensifying, in particular among women.

A further obstacle hampering metropolitan growth is the seemingly constant labour shortage in these areas not least due to the already high labour market involvement of the employable population. During the decade-long upswing that followed the economic crisis of the early 1990s a substantial and indeed nearly unprecedented number of new jobs have been created in Nordic labour markets. Unemployment rates have been cut in half. However, even if the overall levels of unemployment have fallen substantially (especially in Finland), traditional regional patterns of unemployment persist. From around the year 2000 weakening economic growth in the EU and the Nordic countries alike reduced the demand for labour in the subsequent two to three years. Contrary to the pattern of overall development in the rest of the EU, job creation in the Nordic countries not only slowed, but actually declined for the first time after the recession. Of the five Nordic countries only Finland managed to maintain a marginal growth rate in employment throughout. With the re-bounding economy after 2003 the trend has again shifted back onto the growth track in all of the Nordic countries. Despite the recent (modest) drop in Nordic employment the number of persons in work is still higher than in most other European countries. In Iceland and Denmark over half of the working-age population is employed which sees it, together with Switzerland, topping the European list.

During the rapid economic upswing in the latter 1990s

the Nordic countries began to witness an increasingly extreme process of demographic polarisation with migration as the major driver. Demographic imbalances have, in the current decade, also continued to develop favouring a few urban centres. For the moment, however, the process seems to have slowed in pace and we seem to be entering into a consolidation phase. As economic growth and migration are closely connected demographic polarisation may be expected to speed up once again in the coming years.

We are then left in a situation in the Nordic countries where already wealthy regions, in general, are increasingly attracting new investment and growth while the not-so-well-off ones continue to lag behind in relative terms

Administrative structural reforms of government

The introduction of new administrative reform arrangements and the creation of new territorial structures in the Nordic countries vary in form and focus, governance and scale from country to country. What remains of the Nordic model (on the structural level) can mostly be associated with strong local autonomy and local democracy. Significant differences remain however between two- and three-tiered systems, and over the degree of autonomy apportioned within each. The processes of centralisation and decentralisation also vary as does the actual distribution of responsibilities.

The Danish structural reform has been the most radical thus far with the number of municipalities reduced from 270 to 98. Five new regions were established in place of the old 14 counties with major changes in the distribution of responsibilities between local, regional and state levels. The Swedish reform process is also currently now taking shape, with proposals from the Committee on Public Sector Responsibilities awaited in the course of February 2007 with likely implications in the longer term for the number of regions (from 21 to 6-9), as well as in the context of empowering the regional level further. In Finland the issue of the municipal service structure has thus far dominated the structural reform agenda, but this is likely to spill over onto the regional level, following the example of Sweden and Denmark. Also in Norway preparations for further decentralisation remain ongoing, with the government preparing new legislation for 2008 on administrative reforms focussing on the regional level, including a reform of the County Governors' offices.

The autonomous territories are also on the move, with municipal mergers being the main expression of the structural reform processes in the Faroe Islands, Greenland and Åland having launched the debate on alternative ways of responding to similar public provision challenges.

All in all, governance reform in the Nordic countries is both functional and democracy-related, in most cases relating to service provision needs, but also efficiency concerns in public sector governance more broadly. The service pressures have resulted in a variety of reform processes

and pilots and this experimentation will no doubt provide the main focus of interest for Nordic and international comparison and peer-learning in the years to come.

Regional policy in the Nordic countries

The Nordic regional policy processes show affinities as well as differences. Similar tools are generally deployed under the guise of 'regional policies' in all of the Nordic countries e.g. Regional Development Plans or Programmes are prepared. Regional Growth Programmes have also been used as a useful tool enhancing regional development and economic growth in Sweden, Iceland and also in Denmark on Bornholm. The regional growth programmes in these countries are made up of partnerships which include public and private partners. The 'partnership model' thus has an important role to play in the Nordic regional policy arena. One potentially significant area of difference across the Nordic countries in regional policy terms relates however to the emphasis placed – at least rhetorically – on sustainable development.

Across all of the Nordic countries stated regional policy goals are also rather similar generally aiming at the creation and enhancement of economic growth and the strengthening of competitiveness. The three EU Member States are clearly influenced by the revised Lisbon Agenda focussing on innovation and entrepreneurship. Moreover, for the 2007-2013 programming period, all Member State regions are eligible for EU regional policy assistance in the context of the objective on Regional competitiveness and employment (formerly Objective 2). The latter has influenced the geography of regional policies, as for example the Stockholm region in Sweden is now part of the area eligible for regional developmental support. This is also the case in Finland where the Helsinki region and other major urban regions are clearly seen as being eligible for regional policy support, while the capital region itself is seen as a growth 'engine' for the whole of Finland. This approach highlights the gradual shift in what was traditionally considered regional policy away from a concentration on support to 'weaker' regions and towards a refocusing on the encouragement of indigenous strength and competence building across all parts of the national territory. Differences do however remain as the red-green coalition in Norway seems to favour a more traditionally-oriented support-based or 'distributive' regional policy.

Indicative funding arrangements and regional allocation tables for the period 2007-2013 are provided in the Annex.

Territorial cooperation – extending interaction

Regional cooperation in the Nordic countries has a long tradition on the evolution of Nordic cross-border co-operation over the last 50 years including the 'recent' introduction of EU funding through INTERREG programmes broadening the co-operation. For the forthcoming period (2007-2013) new Objective 3 programmes relevant to the Nordic countries are also introduced.

The Nordic Council of Ministers began funding Nordic cross-border cooperation initiatives in the early 1970s. Cross-border issues have become increasingly important with the deepening of EU integration since the 1990s. With EU membership cross-border regional development has taken on a more prominent role in more sparsely populated territories with a less developed tradition of economic, social and cultural trans-national exchanges in most Nordic countries.

In a European context Nordic initiatives are strongly embedded both historically and politically. In many of these border regions, separate INTERREG programmes have been constructed as an additional formalisation of previously more informal cross-border coordination endeavours.

The guiding principle for Nordic cooperation remains the concept of Nordic 'value added': co-operation is undertaken when common actions attain a more positive effect than separate national ones, especially actions that

manifest Nordic solidarity and increase Nordic competence and competitiveness.

Nonetheless, the trans-national cooperation priorities for the period 2000-2006 have remained mostly the same in the Nordic countries as in the rest of Europe – not only in Norden proper but also in cooperation programmes in territories bordering Norden proper. 'Soft' infrastructure issues such as cultural and cross-border interactions, knowledge sharing, education and training have therefore predominated.

With the forthcoming new Objective 3 programmes (2007-2013) most of the 2000-2006 Nordic programmes are to be continued with only minor adjustments, although the new EU27 geography required the introduction of some additional cross-border cooperation programmes in the central and southern Baltic Sea region. However, functional integration, and to some extent regional and local institution-building, remain the main driving forces behind territorial cooperation.

Introduction

The capacity for prosperous regional development differs markedly across Europe. The Nordic countries are of course no exception here though, for a number of reasons, internal differences *within* the Nordic countries often see their regions constitute the extremes of the pendulum of success. On the one hand, the capital and other metropolitan areas of the Nordic countries are ranked among the fastest growing on the continent, extremely competitive and often to the fore when it comes to innovation capacity and other post-industrial skills. On the other hand, peripheral areas that epitomise such negative attributes as mono-industrialism, a high dependency on public sector support, rapid ageing, and so on, when placed in their national contexts, can be seen to constitute a significant group of lagging regions in dire need of active support. This is the traditional picture of the Nordic dichotomy.

New patterns are however emerging and the undisputed position of the largest cities is now constantly being challenged currently by second-tier cities and other regional centres. At the same time, the largest urban areas are encountering a host of new pressures, both exogenous and endogenous. Urban and regional competition for talent, capital and recognition is becoming increasingly fierce and internationalised while the Nordic countries are surrounded and thus in competition with some of the most dynamic cities of Europe.

Indeed, many of the largest Nordic cities are currently feeling the pressure stoked up by the rapid period of growth experienced in recent decades and as such are now paying the price in the form of traffic congestion, pollution and housing shortages. Furthermore, rapid urbanisation has at times precipitated a dispersed settlement pattern where private car usage is inevitable as public transport investments cannot keep pace with the rapid growth of urban sprawl. As such, the overheating of the labour and housing markets in metropolitan regions actually impacts far beyond the city boundaries, hampering national economic development. Ultimately, both businesses and consumers – not only in these metropolitan regions – have to pay the bill through increased national inflation. Another obstacle

hampering metropolitan growth is the seemingly constant labour shortage in these areas.

There are thus small but nonetheless persistent indications that the excessive concentration to a few metropolitan areas has partially, and at least currently, proved to be dead-end in policy terms. Regardless of whether these new patterns constitute a mere breather in the time line of peripheral decline or whether they prove to be more permanent trends, one of the most important tasks for policy makers now is to try to strike a balance between development trends in different parts of Norden, be they North and South, Core and Periphery, Small and Large, or whatever other existing dichotomy that characterises this part of Europe.

While the first chapter on regional development trends provides an overview of the ‘state of play’ in terms of regional development challenges in the Nordic countries and places them in a more general European context, the following chapters discuss the policies and ‘tools’ currently utilised in meeting these challenges and in tackling connected problems both currently and in the years to come. The seemingly inexorable process of administrative structural reform now occurring across Norden, and addressed in chapter two, is but one major step here. In addition, chapter three explores the common as well as different regional policy processes, goals, measures, budgets and actors in each of the Nordic countries and highlights the Nordic impact of the ‘Lisbon Agenda’ and the European Union’s new regional policy programme for 2007-2013. Last but not least, the fourth chapter focuses on the central tool of territorial co-operation and characterises those forthcoming Objective 3 programmes (2007-2013) relevant in the shaping of Nordic ‘value added’ in the years to come.

Finally, what is evidenced-based policy making without the evidence itself? As such, comprehensive tables with comparable up-to-date economic and demographic key indicators for each of the 1 366 Nordic municipalities (2007), and their corresponding regions, are included at the end of the book. Furthermore all graphical material has also been made accessible on our homepage www.nordregio.se and can be downloaded and used free of charge.

Regional Development Trends

Regional development in general is closely tied to economic development. Regions with healthy economies are able to attract new people or to maintain their population base thus enhancing local welfare. This

chapter will provide an overview of the current 'state of play' in respect of regional development challenges, viewed through both a specific Nordic, and a more general European lens.

New patterns of regional economic development

In general most Nordic countries are doing fairly well in European comparison. Economic growth rates in Iceland, Finland and Sweden remain some 1-2 percentage points above the average rate for all 27 EU Member States taken as a group, though increases in Norway and Denmark have remained at a more modest level.

Overall, the primary engine of growth in all Nordic countries has been high domestic consumption, both private and corporate, combined with high investment rates. One explanation for the lower economic growth rates in Norway and Denmark lies in their already existing, in practice, full employment levels, which do not allow for increased economic growth through new employment. This is not however the case in Finland. Although Sweden also has a relatively low level of 'official' unemployment a large number of Swedes are enrolled in different labour market schemes, so there is still room for growth there. During 2007 and 2008 growth rates are forecast to decline, primarily due to growing interest rates, which are expected to hamper domestic consumption.¹

Between 1997 and 2005 the Icelandic economy grew by nearly 40% (Figure 1.1), a rate that in the EU is only by the Baltic States, Hungary, Ireland and Luxembourg. The comparable Finnish figure places that country among the middle-ranking performers. In this respect the economic growth rate of Denmark is the third lowest in the EU under-performed only by the sluggish Italian and German economies.

Throughout the early to mid-1990's all five Nordic national economies outperformed the EU average (at that time EU15), though this is now no longer the case, indeed a shift seems to have occurred with the Nordic countries now divided into two separate growth leagues. Annual variations remain however substantial. Notwithstanding the fact that the Nordic countries, in European terms, have seen very rapid (Iceland, Norway) or at least modest population growth (Denmark, Finland, Sweden) these countries' *per capita* economic growth rates remain impressive.

On the regional level differences are of course even further accentuated. Among all 1 300 NUTS 3 regions in Europe (i.e. in EU27 incl. the Nordic countries) the fastest growing Nordic region is Itä-Uusimaa (57th place) situated west of Helsinki. Here, the economy measured as GDP/capita shows, on average between 1999 and 2003, growth at an annual rate of 6.7%. However, part of this undoubtedly rapid increase can, particularly after 2001, be explained by significant levels of investment in new machinery at the petrochemical refinery in Sköldvik west of Porvoo and could thus be classified as purely "statistical".

Altogether, among the one hundred fastest growing regions in the EU and Norden, only five are Nordic. Apart from the aforementioned *Itä-Uusimaa*, these also include

Figure 1.1 Real GDP growth in the Nordic countries 1997-2005, index 1997=100

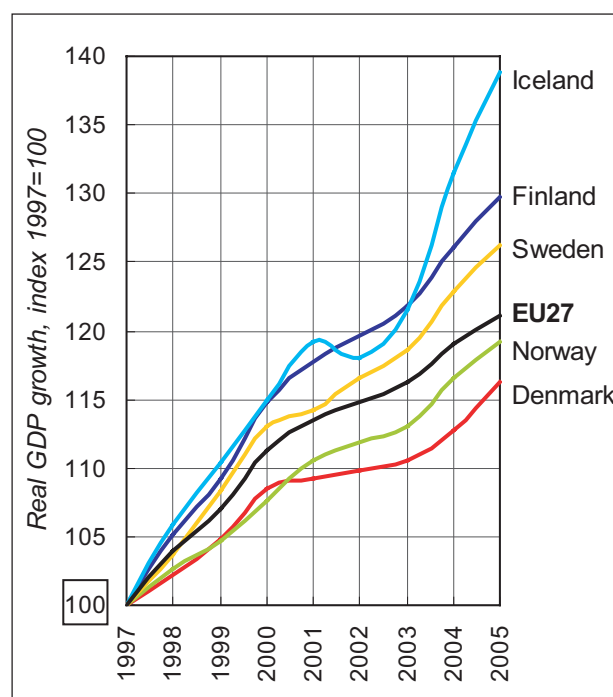
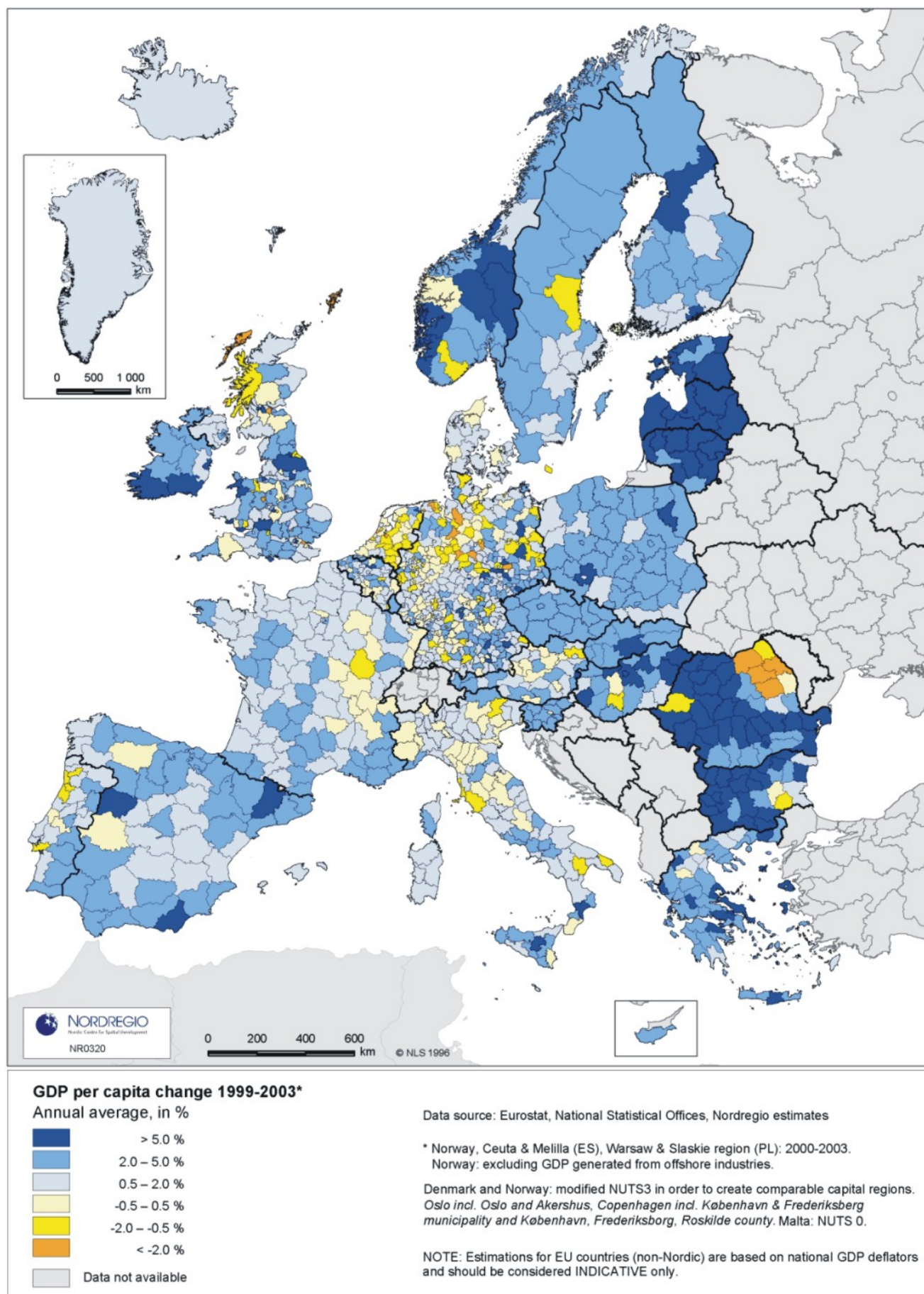


Figure 1.2 GDP/capita change in European regions 1999-2003



Pohjois-Pohjanmaa (84th) from Finland as well as *Hedmark* (76th), *Hordaland* (81st) and *Rogaland* (88th) from Norway. Most other European regions with such rapid growth rates are in the New Member States, particularly in the Baltic States or Romania and Bulgaria.

European rankings between the 100 and 200 level include a further eight Nordic regions, three from Finland and Norway respectively and two from Sweden (*Gotland* and *Värmland*). Most other Nordic regions display growth rates close to the European average. At the other end of the scale however are a number of Nordic regions performing very poorly, particularly *Gävleborg* in Sweden, *Aust-Agder* and *Sogn og Fjordane* in Norway, *Bornholm* and *Ribe* in Denmark as well as *Åland* in Finland. In each case *per capita* growth rates have remained negative throughout the period. In regions such as *Åland* or *Aust-Agder* however, it should be noted that this apparent decline can be explained by rapid population growth, particularly for *Åland* while in *Aust-Agder* it could be said to have been a major contributing factor.

All in all nearly two thirds, or 48 out of all 74 Nordic regions, have enjoyed a faster growth rate than the European Union (EU27) on the whole. Consequently some 26 Nordic regions have performed worse than the European Union average. Of these, a majority are Danish (pre-2008) regions.

In general, the European map shows a clear inversed core periphery pattern (Figure 1.2), where the central parts are growing rather slowly while the continent's more peripheral areas – such as *Fennoscandia*, the Iberian peninsula, the British Isles, Greece and southern Italy as well as the NMS – are currently experiencing substantial growth. Of all NUTS3 regions that have a growth rate above the EU average more than a quarter are in the NMS, a figure which is truly impressive bearing in mind that the total number of regions in these countries only accounts for less than a tenth of all NUTS 3 regions in the EU. Exceptions to this pattern, such as the continuing high level of dynamism in southern Germany (around Munich) for example, do however exist.

Despite this inversed core periphery growth pattern, the actual situation *vis-à-vis* GDP *per capita*, by and large, continues to reflect an altogether different reality (Figure 1.3). The traditional east-west divide is clearly discernible with Prague, Warsaw and Budapest, and to a lesser extent, e.g. Tallinn, Riga and other capitals, constituting the only major exceptions. Equally discernible is the core-periphery pattern of Europe, where the Nordic countries, northern Spain and selected other large city regions constitute the only major exceptions.

Measured in terms of absolute economic activity clear concentrational tendencies remain in the Nordic countries, albeit with varying patterns. During the early and mid-1990s Helsinki, Oslo and Stockholm seized the largest shares of increased production. This is however no longer the case. Concentration to the capital region has in

recent years surprisingly and perhaps contrary to common belief been most pronounced in Denmark. In 1999 the Greater Copenhagen area accounted for 40.4% of the entire Danish mainland value-added. By 2004 this share has increased to 41.2%, i.e. seeing an increase of nearly one percentage point in a mere five year period. During the period 1998-2003 this absolute increase was for Oslo/Akershus in Norway and Stockholm in Sweden 0.6 percentage points respectively whereas the share of *Uusimaa* (Helsinki) in Finland (during 1999-2004) has remained unchanged. In the latter three countries it is however secondary centres, often pronounced industrial regions, that have benefited most in the period in question. Thus *Pirkanmaa* (Tampere) in Finland, *Västra Götaland* (Gothenburg) in Sweden and *Hordaland* (Bergen) in Norway are those regional economies that have increased their national share most in these countries.

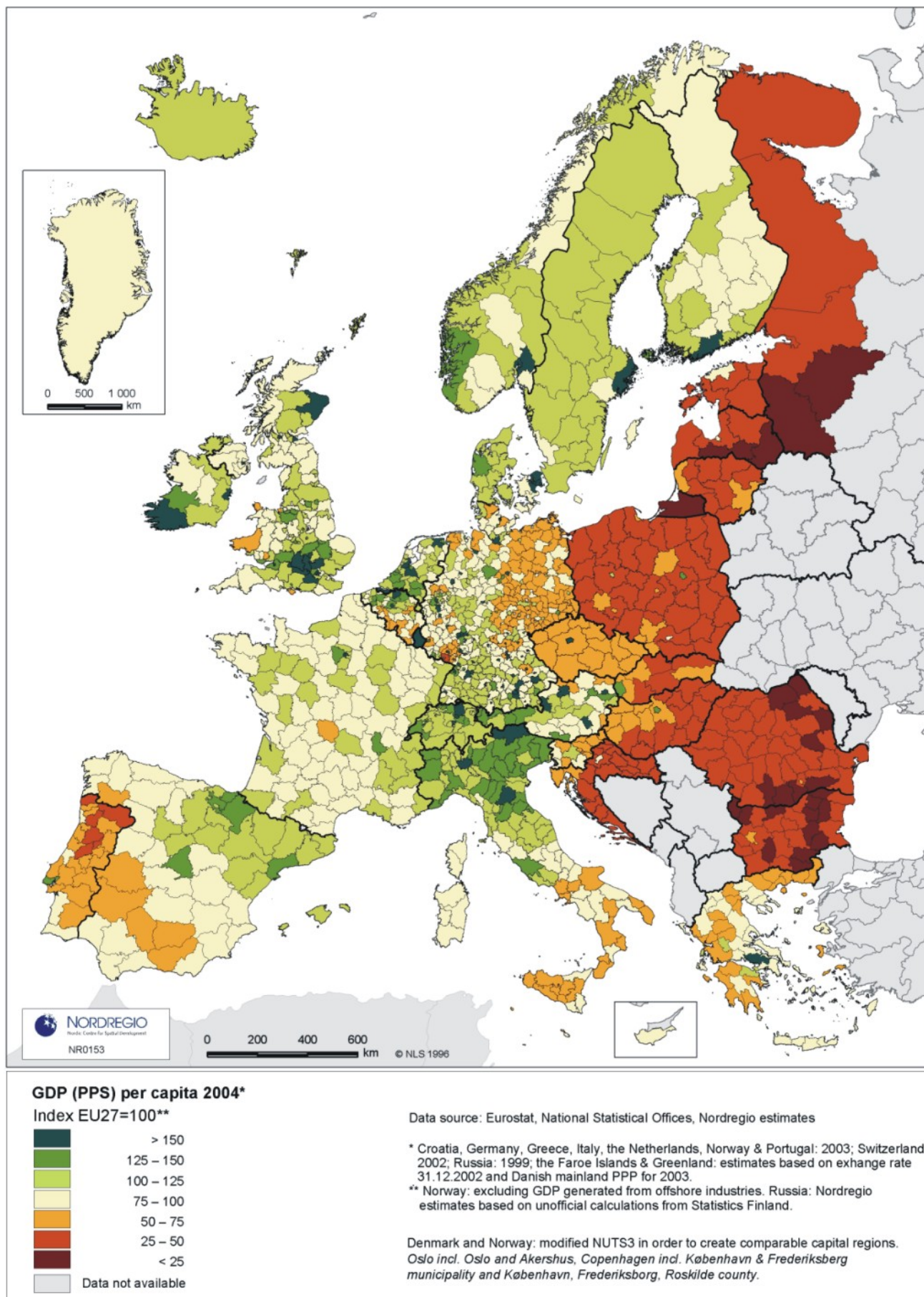
Other regions rapidly increasing the share of their respective national economy include *Sør-Trøndelag* (Trondheim) in Norway and *Pohjois-Pohjanmaa* (Oulu) in Finland, but for most Nordic regions their slice of the national economic pie has remained pretty much unchanged. The largest relative losers in this respect are, in a Nordic context, primarily semi-peripheral regions such as *Telemark*, *Møre og Romsdal*, *Vest-Agder* and *Sogn og Fjordane* in Norway, *Ribe* in Denmark, or *Gävleborg* in Sweden, but also large city regions such as *Varsinais-Suomi* (i.e. Turku) in Finland, the latter of which has recently been particularly badly affected with outsourcing to cheap labour countries and company closures.

Despite these exceptions however the situation remains in the Nordic countries where already wealthy regions in general are increasingly attracting new investment and growth whereas the not-so-well-off ones are lagging behind in relative terms (Figure 1.4). Not including the anomalous behaviour of the four capital regions, this trend is clearest in Denmark and Norway but also holds true in part for the other two countries.

Overall, differences in GDP/capita between Nordic regions within their given country depict an increasing polarisation particularly in Norway and Denmark, though this is perhaps more pronounced in the former (Figure 1.5). In Finland and in Sweden these differences increased until approximately 1999 and then started to decrease once more. Despite this decreasing 3-5 year trend, however, Finland remains, in this respect, as the spatially most polarised of the four countries involved. The pattern in Norway, even if production value generated from oil and gas activities on the continental shelf is excluded from this equation, is also highly concentrated, whereas the differences between counties remain fairly small in Denmark and particularly in Sweden.

Both the level of GDP/capita and its rate of change are however somewhat biased, the former one due to commuting, the latter due to migration and other changes in regional population.

Figure 1.3 GDP per capita in PPS in European regions 2004, index EU27=100



In the first case commuting into the core urban area across a regional boundary implies that productivity measured per employed person is significantly lower than when measured per inhabitant. This difference is particularly noteworthy in large labour markets such as Oslo/Akershus, Greater Copenhagen, Stockholm or *Uusimaa* (Helsinki), where GDP per employed person (when measured to the EU average) is between a fourth and a fifth lower as is the case when measured per resident. A similar relationship is also observable in regions with employment rates considerably higher than in the EU on the whole, *Åland*, the Faroe Islands or Iceland constituting prime examples here.

Similarly, substantially lower employment rates imply a high production value per employed person, particularly in connection with an economic structure concentrated around process or other large-scale industry, as is the case in most of Eastern Finland, for example. The same holds true for regions surrounding large cities and with substantial out-commuting, such as *Storstrøm* and *Vestsjælland* (to Copenhagen), *Södermanland* and Uppsala (to Stockholm), *Halland* (to Gothenburg) and *Østfold* and *Hedmark* (to Oslo), or *Aust-Agder* (to Kristiansand). An additional discrepancy is evident in the case of regions with large universities (e.g. Uppsala), where a large number of non-employed students (but still residents) lowers the recorded GDP/capita.

The comparability of per capita growth rates is also hampered by substantial shifts in the population. This is particularly troublesome for out-migration areas that are often subject to both national and EU regional policy actions precisely for this reason and obtain high recorded *per capita* growth simply because of a declining population. In many of these areas large scale process industry and the public sector account for most of the production value,

both largely untouched by declining populations. *Kainuu* in Finland is perhaps the prime example here. The average growth in GDP *per capita* (1999-2003) of 1.5% per year is mostly the result of the corresponding annual decline of population by 1.2%. In other words, in the *Kainuu* case 80% of the recorded growth stems from a decreasing population and only 20% from actual positive economic dynamism. Similar statistical effects are also, albeit at a lower rate, discernible e.g. in *Lappi*, *Pohjois-* and *Etelä-Savo* in Finland and *Västernorrland* and *Jämtland* in Sweden.

The opposite holds true for regions with rapid population increases. The apparently sluggish development of GDP per inhabitant in regions such as *Åland*, *Aust-Agder*, *Varsinais-Suomi*, *Vejle* or the Faroe Islands is by and large the result of a rapidly increasing population. All of the Nordic capital regions are also affected by this.

Thus, when shifting the view from welfare to productivity, the Nordic map on regional GDP looks very different (Figure 1.6). While 23 Nordic regions had a GDP *per capita* lower than the EU27 average, 27 of them are below the corresponding average when measured in production per employee.

The highest productivity rates in Norden are – beyond the self evidently well-performing capital regions – are perhaps surprisingly recorded in Finland, e.g. in *Kymenlaakso*, *Etelä-Karjala* and *Pohjois-Pohjanmaa* where they are more than 20% above the corresponding EU average. In the former two cases this stems in particular from the substantial forestry industry in the regions, which produces large value-added with relatively few employed persons.

The lowest productivity rates in Norden are, apart from those in Greenland and the Faroe Islands, to be found in the most peripheral areas of Norway (e.g. *Finnmark*, *Nord-Trøndelag*, *Troms*), in which GDP per employed person is

Figure 1.4 Level and change of GDP per capita in Nordic regions 1999-2003

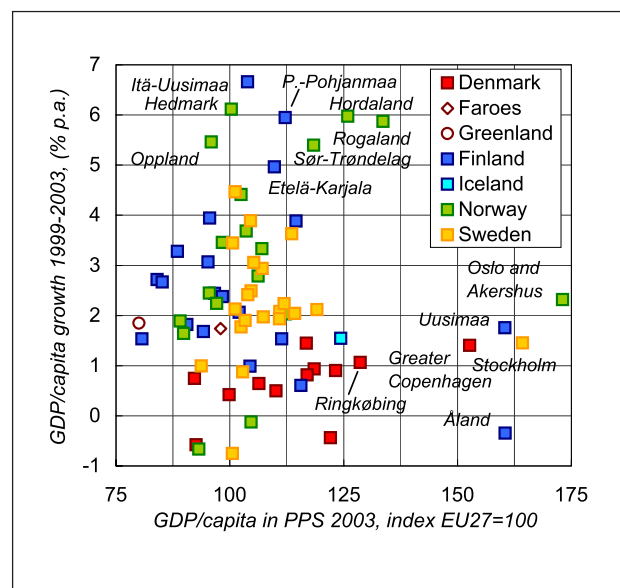
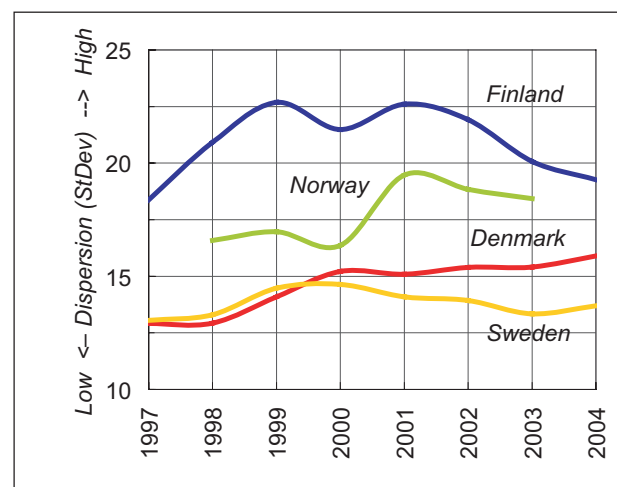


Figure 1.5 Dispersion of regional GDP/capita within Nordic countries 1997-2004



Dispersion is measured as the standard deviation of GDP per capita values normalised to the country mean. Country mean excludes GDP generated by offshore industries and other extra-territorial activity.

Figure 1.6 Regional GDP per employed person 2003

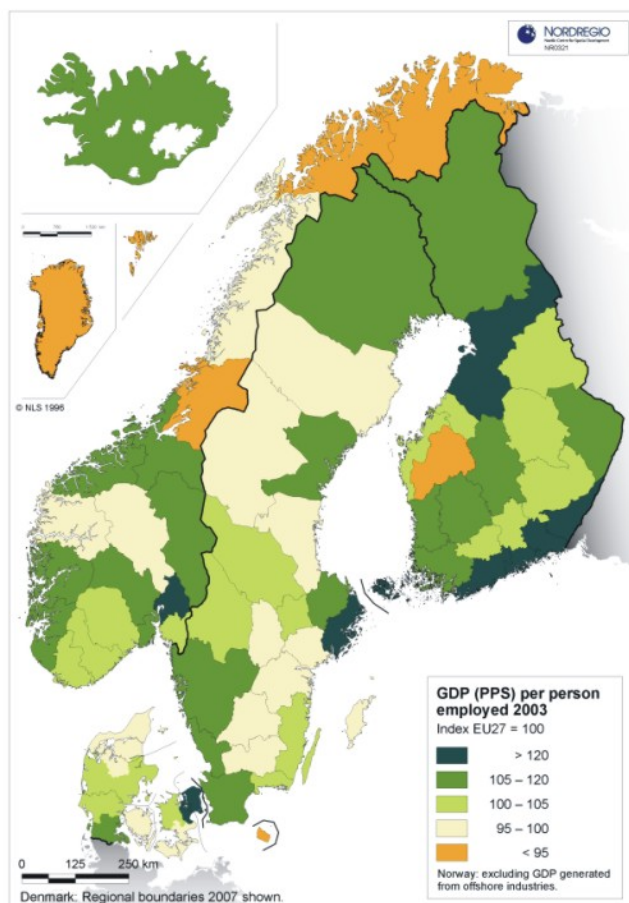
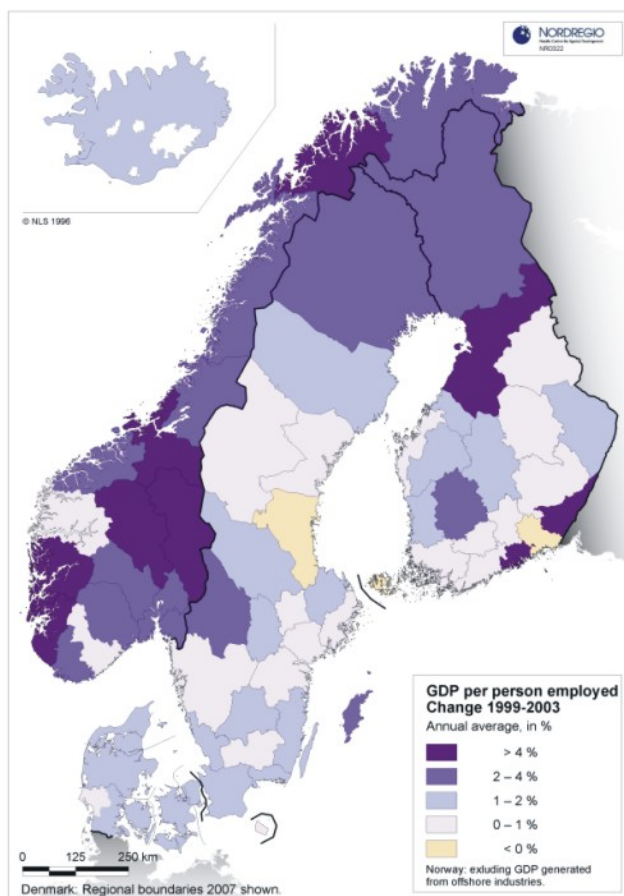


Figure 1.7 Change of GDP per employed person in Nordic regions 1999-2003



more than 10% lower than in the EU as a whole. These and other regions, such as Bornholm in Denmark or Etelä-Pohjanmaa in Finland, are typically dependent on primary production as well as on a substantial public sector, neither of which demand a large labour force while at the same time producing little in the way of measurable value-added.

Recent trends however indicate that this pattern is not stable. Indeed in Denmark and Norway in particular increasing polarisation is occurring where these productivity differences are being exaggerated such that regions with lower productivity levels have, during the period 1999-2003 (Norway: 2000-03), recorded lower increases than their national counterparts, and vice versa (Figure 1.7). If the capital regions are excluded from this comparison, this tendency is further aggravated. This pattern is not evident in either Finland or Sweden. In both countries, among those regions experiencing low relative productivity, are located both fast and slow growing ones.

The underlying mechanisms for these changes differ substantially. In its simplest form productivity increases (measured in this way) can stem either from increased production value or from decreased employment, or any function of the two. Among those 42 Nordic regions where productivity increases have been above the EU27 mean of 1.2% per year on average (1999-03), ten regions have seen decreasing employment levels during the reference period adding to the recorded productivity 'increase'. The extremes in this respect are Fyn, Sønderjylland and Storstrøm in Denmark, which have outperformed the EU average solely due to these employment decreases. In other regions again productivity increases have been above the EU average though this has been due to rapidly expanding labour markets, while the per capita change has remained below that of the Union as a whole. These include only Finnish and Swedish regions and both capital areas.

Adding to the complexity here is the fact that productivity increases within the service sector have been more modest than those within the manufacturing sector. Conversely, most new jobs in the Nordic countries are today created within services rather than manufacturing. Hence productivity changes could, to a large extent, be stated as a function of the economic structure of any single region. Regions with a heavy manufacturing profile, especially if they include process industries, record higher increases than regions reliant upon services or, self-evidently, primary production.

A regional dilemma seems then to exist with, on the one hand, the need to create new employment and more jobs balanced, on the other, by the necessity to maintain or to increase productivity in order to provide a sufficient tax base to ensure stable and continuing service provision. The ongoing and at times violent structural changes occurring in virtually all Nordic regional economies indicate that the former tendency currently has the upper hand.

Nordic labour markets: simple turbulence or jobless growth?

During the decade-long upswing that has followed the economic crisis of the early 1990s a substantial and nearly unprecedented number of new jobs was created in the Nordic labour markets, cutting unemployment rates in half. Save for Denmark, employment in the Nordic countries on average has increased much faster than in the EU and labour market involvement in the area is consequently among the highest on the continent. The reality is however more nuanced. Part of the tremendous growth in Finland and Sweden during the last decade or so relates primarily to a simple recovery from the considerable losses of the early 1990s. Thus current employment levels – despite the extraordinary growth rates – in these countries at the beginning of the 21st century lay only slightly above those of the pre-crisis period.

From around the year 2000 weakening economic growth in the EU as well as in the Nordic countries themselves reduced the demand for labour in the following two to three years. Unlike overall development in the rest of the EU job creation in the Nordic countries not only slowed in pace but actually entered a phase of decline for the first time since the recession (Figure 1.8). Of the Nordic countries only Finland managed to maintain a marginal growth in employment throughout this period. Consequently during the short period 2001-2003 (Sweden 2002-2003) almost 130 000 Nordic jobs were lost, of which 57 000 were in Denmark, 16 000 in Norway, 53 000 in Sweden and 1 000 in Iceland. This corresponds to approximately one out of every one hundred Nordic jobs. The slow pace of job creation in the service sector moreover has hardly been able to offset employment losses in manufacturing.

A hitherto unprecedented situation thus developed where relatively robust economies were no longer able to create additional employment opportunities at the usual rate and a serious debate emerged as to whether the Nordic economies were entering a phase of *jobless growth*. Traditionally, in the industrialised world, a one percent economic growth rate usually creates an employment increase of between 0.2% and 0.6%. During the late 1990s economic upswing in the Nordic countries, for example, the corresponding rate lay around 0.3% (Denmark & Sweden) and 0.5% (Finland & Norway).

In contrast, jobless growth, also often labelled as ‘jobless recovery’, describes a situation where strong economic growth does not produce a commensurate strong growth in employment. The phrase itself was first introduced to describe the economic recovery of the United States in the early 1990s. Today economists are still divided over the real causes of jobless growth.

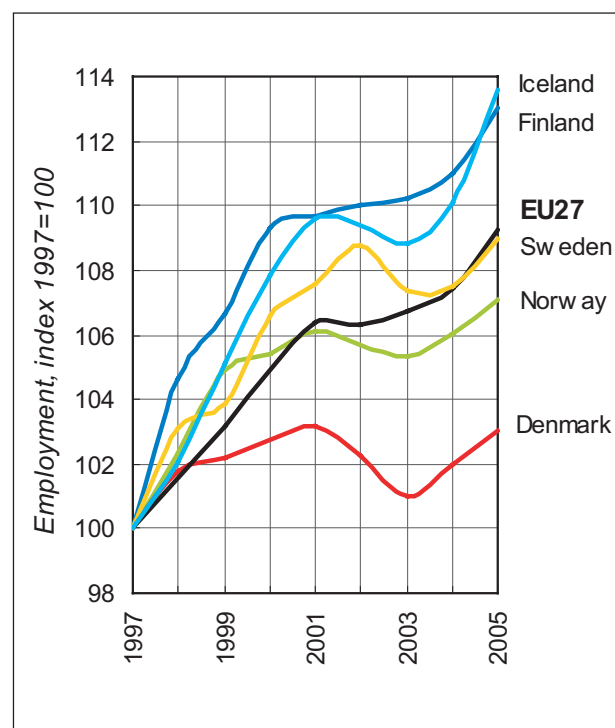
The most common explanation is that economic growth stems from increased productivity through automation and robotics without reducing unemployment.

Other suggestions point to structural changes in the labour market, causing unemployment as workers change jobs or industries. Furthermore globalisation may also lead to jobless growth as factories or jobs outsourced to foreign countries during lean times are not likely to come back when the economy improves. Countries with a strong manufacturing sector, such as Finland or Sweden, are more vulnerable to jobless growth than economies relying on an advanced service sector. A recent report² investigating the relationship between increasing productivity and employment for the worst hit Nordic country of Sweden suggests that, at least in a medium-term perspective, increasing productivity may decrease employment. Moving from the overall scale to different sectors of economic activity, the report also states that this most clearly holds true for the primary sector as market demand does not increase as fast as production capacity and hence less employment is needed. In respect of Sweden’s manufacturing industry the relationship is not evident. This is probably due to Sweden’s ability to maintain a strong and increasing export base on the world market.

With the emergence of a re-vitalised economic situation after 2003 however the trend has again shifted back to the growth track in all Nordic countries. Employment increases are currently almost as intensive as in the late 1990s.

Altogether during the period 1997-2005 the Nordic

Figure 1.8 Change in employment 1997-2005, index 1997=100



countries' economic and employment growth rates nonetheless conform to the traditional pattern where fast growing economies generate more jobs than slow growing ones (regardless of their status at the onset of the period). On average during the period 2000-2005 in all five Nordic countries, in order to obtain an employment increase of one percent per year, an average economic growth rate of nearly four percent was needed. This is an average figure for all five Nordic countries, however, and on the regional level this correspondence is weaker due to the differing dynamics of the countries and regions in question.

As noted in the previous section, for Danish and Norwegian regions in particular (Figure 1.9) the rate of employment growth corresponds strongly with that of economic progress. The faster the regional economy grows, the more jobs are generated. This relationship is however much weaker in both Finland and in Sweden.

Despite the recent (modest) drop in Nordic employment the number of persons in work is still higher than in most other European countries (Figure 1.10). In Iceland and Denmark over half of the population is employed which sees these countries, together with Switzerland, topping the list. In Norway, Finland and Sweden the rate is lower but remains above the EU average and higher than for example France, Germany and Luxembourg and many of the southern European countries. Consequently the overall dependency ratio is rather low.

This is further emphasised when looking at regional employment rates, i.e. those persons in the working age population (aged 15-64) who have a job. The rate also indicates how well the available human resources are utilised for conducting economic activities. Hence in order to

achieve economic growth and competitiveness in Europe in the years to come the Lisbon Agenda aims at increasing employment levels up to the 70% mark.

Only five years before the target year (2010) most EU regions stubbornly remain well below the target (Figure 1.11). In 2005 only 301 out of 1 300 EU27 and Nordic regions (NUTS 3) fulfilled the Lisbon goal, some 50 of which were Nordic. As noted previously, in Nordic labour markets, especially those of the capital regions, a high percentage of the working age population is already employed. This frequently leads to labour shortages when the demand for labour increases to keep pace with a fast growing economy. The *Faroe Islands*, the *Greater Reykjavik* area and the Danish *Roskilde County* in the *Greater Copenhagen* area are the Nordic top three performers in this regard with employment rates as high as 80% and above. No other regions in the EU with the exception of *North & North East Somerset*, *East Cumbria* and *Buckinghamshire CC* (United Kingdom) have more people in employment. The Swiss capital *Bern* however as well as the *Zürich* and *Glarus* region also play in this league.

Figure 1.10 Economically active and non-active persons in the Nordic and EU/EEA countries 2005

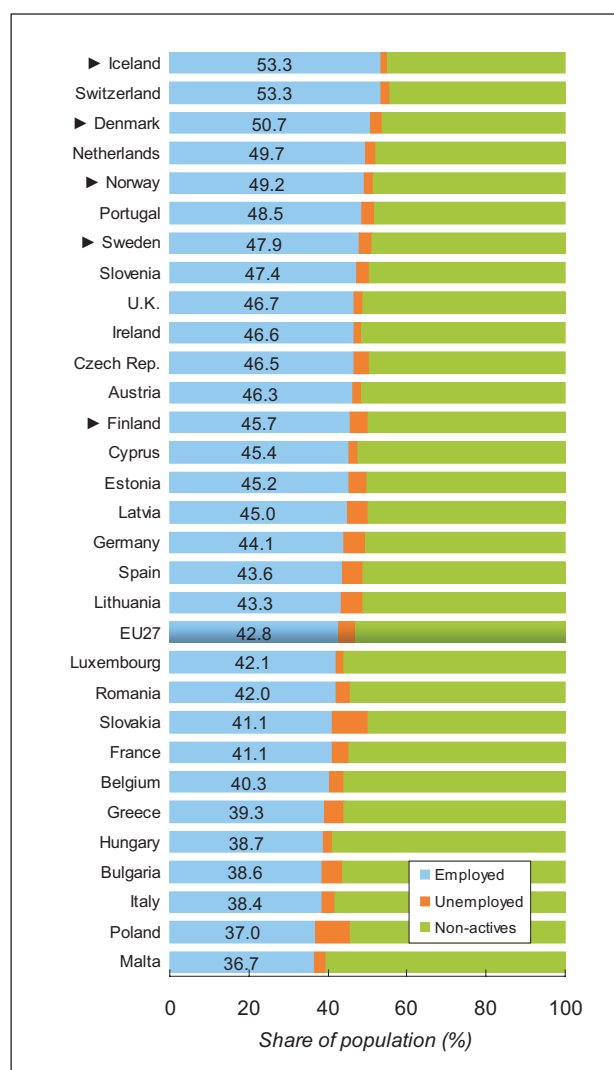


Figure 1.9 Real GDP and employment growth in Nordic regions 1999-2003

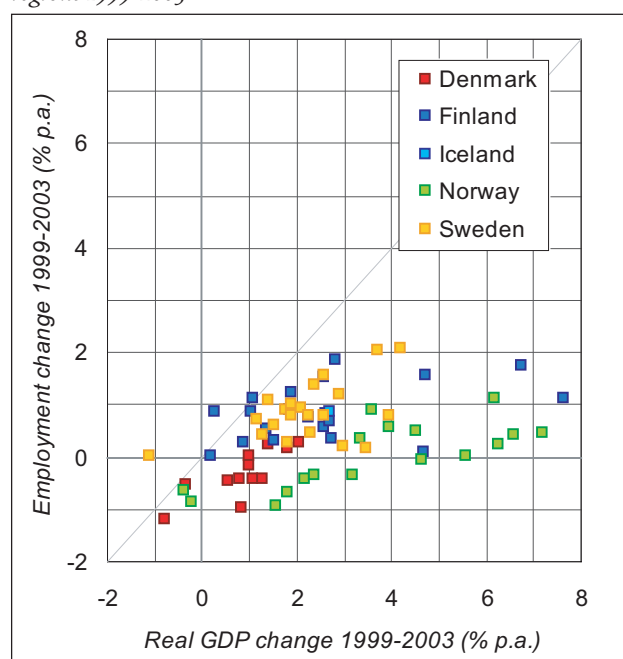
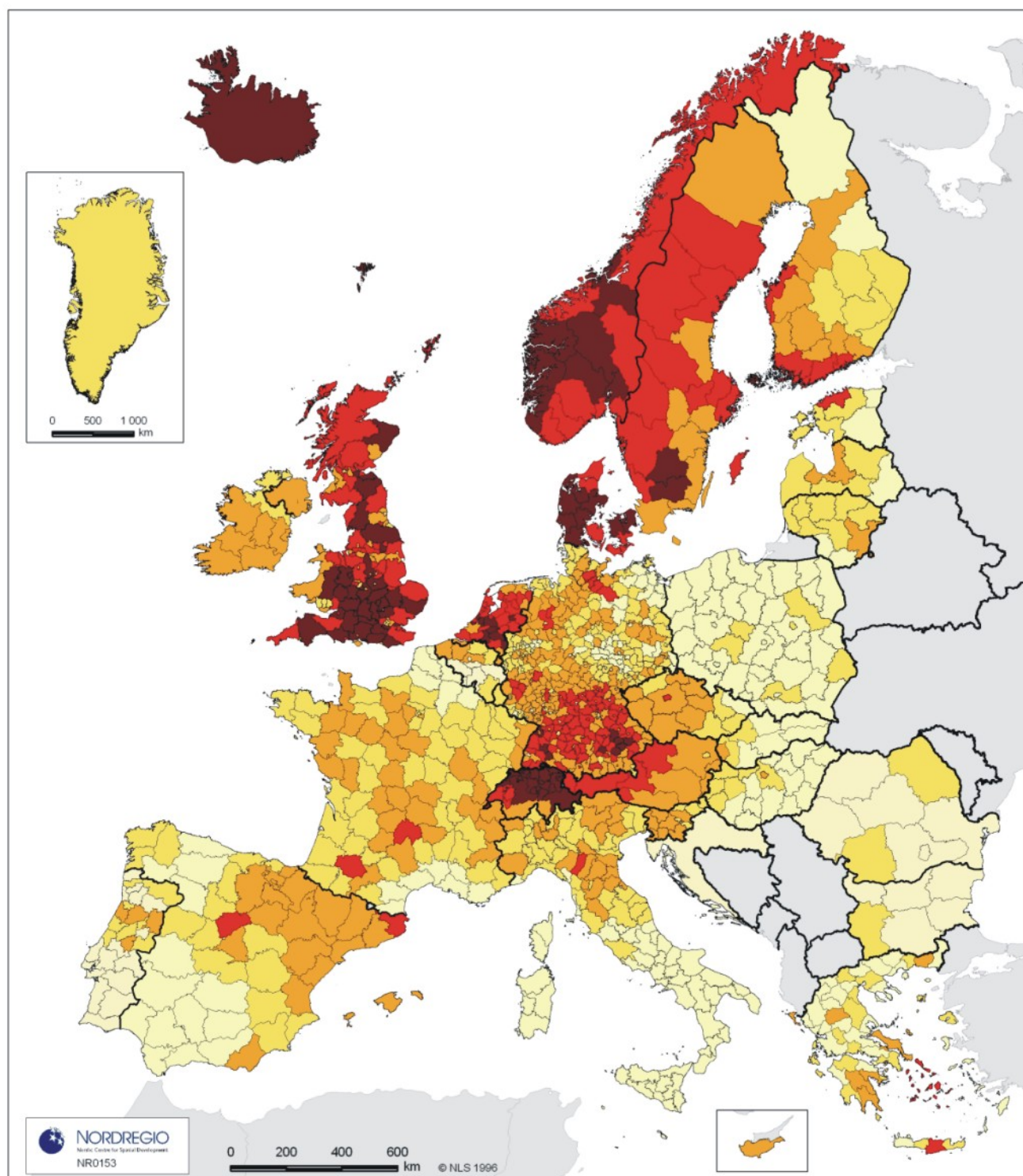
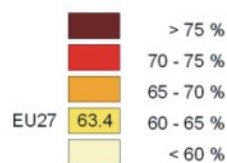


Figure 1.11 Employment rate in Nordic and European regions 2005



Employment rate 2005*

Employed persons at place of residence (LFS)
as a share (%) of the working age population (15-64)



Data source: Eurostat, National Statistics Offices, Nordregio estimates

* Poland 2004. Population data from Germany, France, Austria and the United Kingdom: 2004; Malta: 2003; Italy and Spain: 2006. Working age population in Latvia: 15-61 (male) and 15-59 (female); Greenland: 15-62. Age span of 'working age' population in Lithuania unspecified.

Greenland & Faroe Islands: register figures. Austria, Belgium, Bulgaria, Iceland, Malta, Northern Ireland, Romania and Scottish Highlands & Islands: NUTS2. Croatia: NUTS0. Greece: NUTS 2 & 3 used in combination. Denmark and Norway: modified NUTS3 in order to create comparable capital regions. Oslo incl. Oslo and Akershus, Copenhagen incl. København, Frederiksberg municipality and København, Frederiksberg, Roskilde county.

Capital areas challenged

Compared to many of their continental counterparts the Nordic countries were, on the whole, late to urbanise. Save for Denmark and parts of southern Sweden the urban structure of the Nordic countries is, by and large, the direct result of the industrialisation processes of the 19th and early 20th century. Outside the main administrative and trade centres the availability of natural resources such as forests, fisheries or energy, remained the primary driver behind the localisation processes. The settlement pattern that then emerged was to a large extent unaltered from that originally laid down right up until the 1950s and 1960s when rapidly increasing urbanisation began to alter the balance between town and country, city and rural. This new process implied that the main focus of growth was to a large extent concentrated in urban areas, growth that naturally also included new employment opportunities.

In many ways this concentration process followed a rather rigid hierarchical pattern where the capital cities and smaller surrounding centres were the major winners. In the late 1970's and early 1980's the so-called Western European 'Green wave', which was rather short-lived, also had implications for the largest cities of the Nordic countries and challenged the taken-for-granted status of the large cities. This however primarily concerned the place where people chose to live but did not to any large extent affect the locations where they worked. In employment terms the larger urban centres have throughout the latter part of the 20th century been the primary beneficiaries, regardless of the deliberate regionalisation of public sector activities. There has however throughout the period existed a gradual internal shift of economic functions from former city centres into the surrounding areas. However, if viewed in terms of functional urban areas rather than single administrative units, the size of the functional area has, despite numerous exceptions throughout the period and across the Nordic region, also dictated the rate of progress in employment terms. This pattern remains in place. In most countries however a gradual shift from the core city to surrounding areas within the same functional area is now taking place.

In addition, employment growth in the capital-region labour markets, with the exception of that for Finland, has generally stagnated or in some cases and for some years even declined during the first half of the current decade (Figure 1.12). Furthermore all core cities performed more poorly than their surroundings, Reykjavik excluded. Between 2001 and 2003 Helsinki, Oslo and Stockholm lost some 4 500, 14 700 and 19 000 jobs respectively, while outside the core city employment continued to grow. In Copenhagen city greater losses seemingly exceeded modest employment decreases in its surrounding areas, in both

absolute and relative terms. These growth differentials have remained a rather persistent factor in recent years and seem particularly relevant in Finland and Norway as with 85% the core city comprises the lion's share of all jobs on the capital labour market. In comparison, in Copenhagen city roughly half of all jobs are located inside the city. The generally poor performance of the capital labour markets partly stems from labour shortages due to a saturated labour and constrained housing market. Bottleneck problems also arise from already very high employment rates (three out of four persons in the working age population on average) and corresponding low unemployment but also from insufficient housing supply due to the slow pace of construction. Furthermore the 2000 ICT sector crash in all Nordic capital cities significantly affected these labour markets.

The 'challengers' here are the second-tier cities and other larger regional centres that out-performed their capital cities during the first five years of the current decade (Figure 1.12). Here labour markets coped better with weakened economic growth and responded more dynamically as the economy re-emerged from the period of downturn subsequent to 2003. In contrast many medium-sized cities and non-urban areas continued to cope with stagnating employment or ongoing job losses. Spatial disparities in this regard are thus widening further in the Nordic countries, at least between central urban areas and other, more remote, parts of the territory. Among regional centres universities seem to have played a distinct role in facilitating

Figure 1.12 *Employment change 2001-2003 and 2003-2004 by city type*

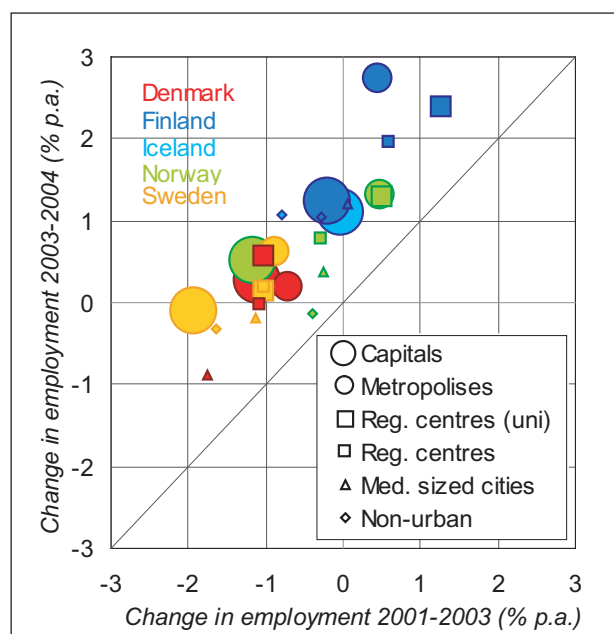
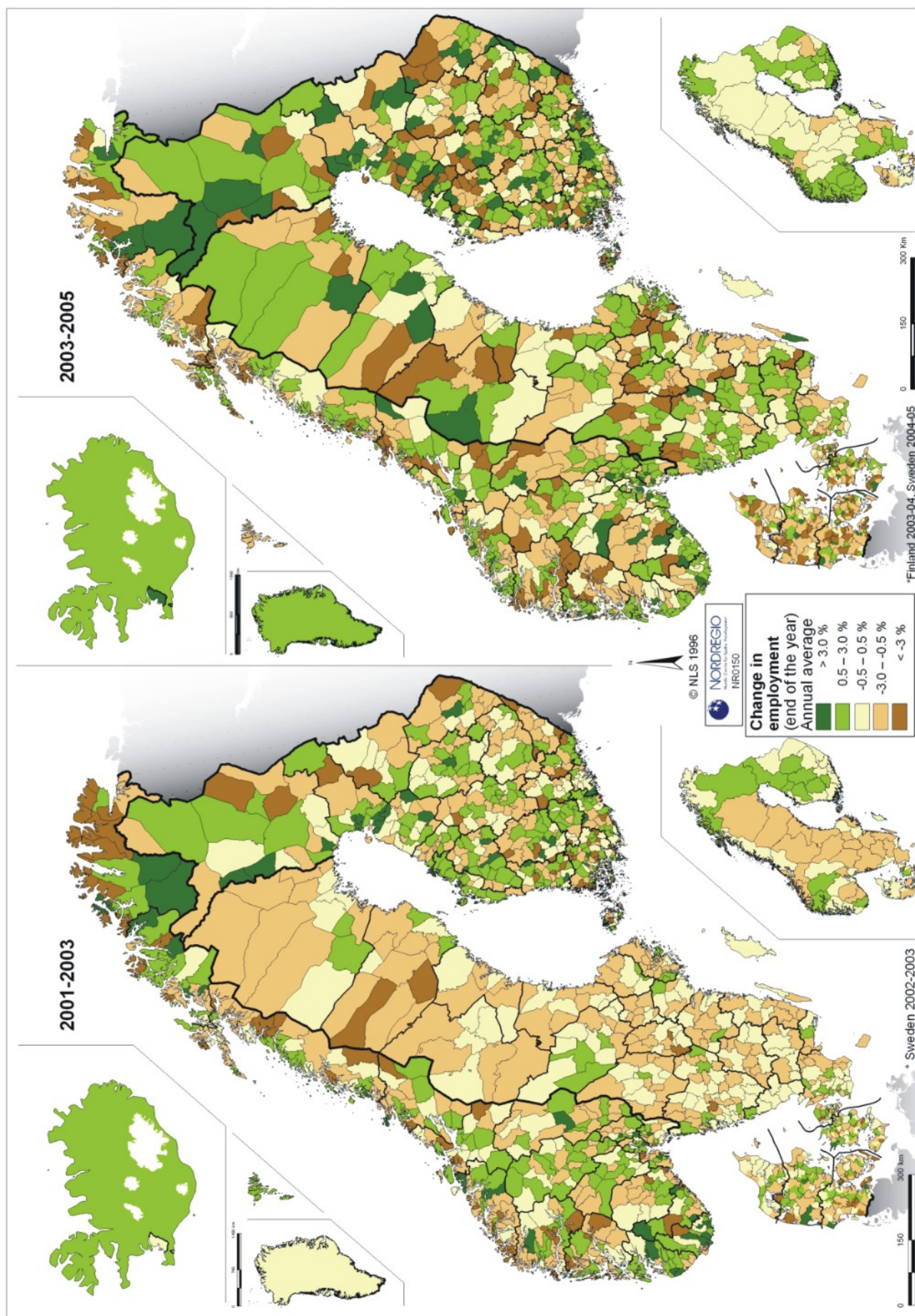


Figure 1.13 Employment change in Nordic municipalities and regions 2001-2003 and 2003-2005



job creation, mainly as an important public employer though their role may also be linked to that of service multiplication. In Finland in particular, but even in Norway and Denmark, the labour markets of those regional centres with a university have, on average, performed stronger throughout the first half of the current decade. Compared to the late 1990s the pronounced differences in employment growth between these two types of labour markets in Finland have not however changed. In Denmark the situation was rather the opposite while the performance gap has widened in Norway and for the moment equalled out in Sweden.

Moving down the geographical scale the overall development patterns are repeated although with particular national characteristics (Figures 1.12 and 1.13). During the first period in question Denmark and Sweden saw nationwide job losses which were however less severe in metropolitan and regional-centre labour markets. In fact none of the Danish labour markets broke with this trend while in only 48 out of 271 municipalities did employment increase by more than 1% per year. The tremendous (relative) losses over both periods in Danish non-urban areas occurred on the peripheral islands, e.g. *Læsø*, *Samsø*, and *Ærø*. In Sweden the entire west coast, including Gothenburg and Malmö, several regional centres in the south as well as some tourist areas in the Dalarna region and further north coped best. In addition *Umeå* and *Örnsköldsvik*, the latter with an internationalised high-tech manufacturing and processing industry, suffered only minor losses.

Nordic metropolises and regional centres were generally the areas that created most of the (few) new jobs in the period with the exception of the slowly regenerating Copenhagen. In Denmark examples include *Odense*, *Esbjerg* and *Kolding*. On the Swedish west coast, labour markets around Gothenburg in particular which were strong in automobiles and biomedicine further emerged as the country's strongest generator of employment. Some peripheral municipalities with particular gains from the tourist or car testing industry such as *Åre*, *Jokkmokk*, *Dorotea*, and *Ar-*

jeplog etc., and with an annual employment growth on their labour markets of around 5% however ranked among the fastest growing areas in the second period.

In Norway employment losses between 2001 and 2003 have been less extensive compared to those in Denmark or Sweden. In addition employment in and around the Norwegian *metropole* of Bergen and regional centres with a university (*Bodø*, *Kristiansand*, *Stavanger/Sandnes*, *Tromsø*, *Trondheim*) located in southern and western Norway modestly increased by 0.5% a year on average when taken as a group. The relatively largest gains and losses, however, occurred on small labour markets outside the urban areas in the northernmost region of *Finnmark*. Here increases amounted to around 5% annually in *Karasjohka-Karasjok* and *Hammerfest* as opposed to *Loppa* and *Vardø* with corresponding losses amounting to some 10%. After 2003, job creation accelerated, most obviously so in urban-type labour markets. However, in almost half of the labour markets in Norway the number of jobs is currently increasing.

Until 2003 employment growth in Finland also weakened, apart from that in the Helsinki area, though only some 2000 jobs, in total, were lost all together in the smaller and isolated areas far from urban labour markets. Thereafter employment has been generated virtually everywhere though particularly in regional centres such as *Kuopio*, *Lappeenranta*, *Joensuu*, *Jyväskylä*, *Oulu*, *Rovaniemi* and *Vaasa* incorporating a university. However, in around every fourth municipality, mainly those of very small size employment levels have continued to decline.

In Iceland jobs were mainly lost in the capital area but this was more than compensated for in the following period. On the Faroe Islands employment grew as fast as that during the 1990s. All in all, within the first five years of this decade, some 10% of additional jobs have been created on the island. Comparable figures for Greenland's are not available. However, here unofficial indicators suggest that fast job creation has also taken place driven by an internationally competitive primary sector (fishing).

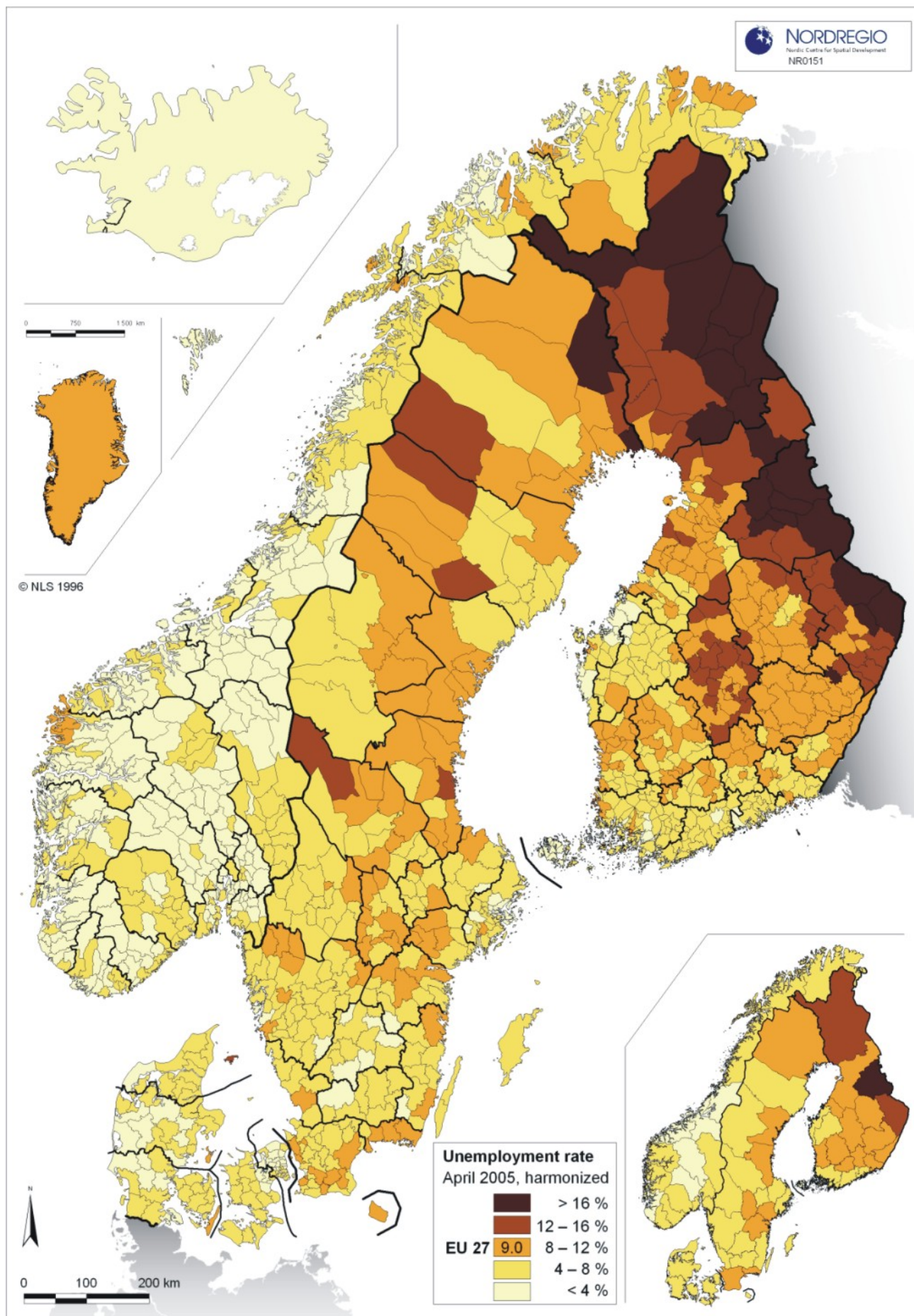
Unemployment: traditional patterns persist

In addition to an overall decline in the number of jobs unemployment rates began also to rise slowly again in Denmark, Iceland, Norway and Sweden. Unemployment in Finland, however, continued its downward trajectory to more 'normal' rates though it remained far from those levels enjoyed before the early 1990s recession. The rather distinct 'unemployment gap' between Finland and the other Nordic countries evident at the beginning of the current decade is however now rapidly diminishing. In 2000 unemployment in Finland was more than twice as high as in Sweden. Only four years later the Finnish rate dropped to 9.5% compared to Sweden's 6.5%. Unemployment in Den-

mark (5.5%) and Norway (4.2%) remains low, while in Iceland unemployed persons comprise only 3.0% of the labour force. Finnish unemployment remains however slightly above the average of the enlarged EU including countries such as Poland and Slovakia where almost every fifth person in the labour force is without a job (see Figure A.1 in the Annex). Even in adjacent Northwest Russia unemployment levels are lower, and are comparable to those of Sweden. The hardest hit Nordic region remains *Kainuu* in Finland (17.5%).

Despite the overall reduction in unemployment rates since the 1990s, traditional regional and local unemployment patterns persist (Figure 1.14). Furthermore variations be-

Figure 1.14 Unemployment rate in Nordic municipalities and regions 2005



There are three major types of unemployment important in the Nordic countries, namely cyclical, frictional and structural unemployment. Total unemployment may be a combination out of these different types of unemployment, which can occur simultaneously. A separation by type often proves difficult and hence the magnitude of each can be hard to determine. Moreover all but cyclical unemployment can exist during period of full employment. Contrary to popular belief full employment is not a situation on the labour market where every employable person is employed but rather it describes the level of employment and unemployment at which there is no inflation. Hence there is a “natural rate of unemployment”, which differs over time. Denmark and Norway provide good examples here.

Cyclical unemployment arises in line with normal economic cycles causing a reduced level of demand for goods and services in the economy. The number of unemployed persons exceeds the number of vacancies. Hence even by completely filling available jobs a certain number of persons would remain unemployed. A typical economic activity vulnerable to cyclical unemployment is the construction industry.

Frictional unemployment involves persons being temporarily between jobs, i.e. searching for new ones. For example the individual characteristics of the employee may not fit the individual characteristics of the job. Frictional unemployment is common under full employment. Also typical here is seasonal employment in certain sectors, such as hotel and restaurants or agriculture etc., which is usually balanced by seasonal unemployment.

Structural unemployment originates from a mismatch between job seekers and available vacancies due to different skills offered and demanded. This can for example occur due to structural changes in the economy such as shifting sectors of activity, e.g. low skilled manufacturing jobs are reduced in favour of more skilled service jobs in the same or in different places'. Structural unemployment is often persistent over time, i.e. causing long-term unemployment. Furthermore reintegration into work proves difficult even where training programmes and mobility subsidies are provided. This type of unemployment is relatively new to the Nordic countries appearing for the first time in Denmark in the aftermath of the oil crisis in 1975. Today Finland suffers from structural unemployment, as does Sweden, though to a lesser extent.

tween regions and labour markets of each of the Nordic countries have not fundamentally changed in recent years. Denmark provides a rather small exception here since unemployment in most of its counties (2006 division) rose by about 0.5-1.0 percentage points, on average, during the period 2000-2004.

Thus regional disparities in this regard remain fairly modest in a Nordic context. Unemployment in two counties in the Danish periphery, namely *Nordjylland* and *Bornholm*, did however significantly increase. In the latter area cutbacks in the fish processing industry have contributed to this development driving up the unemployment rate to 9.5%, which is now at its highest for several years back. The corresponding rate in *Nordjylland* was 7.5%. Thus variations in unemployment across Denmark have increased somewhat. The lowest unemployment rates are found in *Frederiksborg* (3.9%) and *Roskilde* (4.0%) county

in the Greater Copenhagen area. The situation in *Storstrøms County* has been fairly stable during the period and unemployment here is currently close to the Danish average. On the local level unemployment rates exceeding the 10% mark remain restricted to the most peripheral islands, namely *Læsø* (*Nordjylland County*), *Samsø* (*Århus County*) and *Langeland* (*Fyn County*).

In Finland the rapid overall drop in unemployment has not occurred equally across all regions. Rates decreased substantially in the northern (*Lappi*, *Pohjois-Pohjanmaa*) and some of the more central parts (e.g. *Pohjois-Savo*) but continue to exceed the national average. Furthermore several of the already low unemployment areas along the Finnish coastline enjoyed a further decrease. Development in the capital region, *Uusimaa*, is somewhat to the contrary to the trend however with 6.6% of the labour force be-

ing without a job. In the most problematic Nordic region in terms of unemployment, *Kainuu*, the rate stubbornly refuses to decline and remains at 17.5%. Moreover, several municipalities here have developed in a manner that is somewhat contrary to the overall trend as they continue to suffer from strong migratory losses from within their working age population. In municipalities like *Hyrynsalmi* or *Kuhmo* every fourth person in the labour force is without a job. On the other hand a large number of municipalities had seen their unemployment rates falling below 10%. Consequently only in around one third of the Finnish municipalities (154 out of 431) is unemployment currently above this rate. Åland's almost non-existent unemployment rate has however in recent years been seen to dramatically grow in comparable regional statistics. This however barely reflects the real situation of an estimated rate below one percent.³ Thus in Finland the exceptionally pronounced regional polarisation in this respect is maintained including simultaneously those Nordic regions with the lowest and highest unemployment rates. In addition half of the Finnish regions (10 out of 20) currently have unemployment rates slightly or indeed even far above the EU27 average.

In Norway the slight increase in unemployment did little to affect the fairly low level of regional variation. Oslo's unemployment rate rose most sharply, with it now being among the highest in Norway just below that of *Nordland County* (5.1%). In contrast unemployment in the *Finnmark* declined somewhat. Local unemployment rates in both of the latter counties, however, vary considerably compared to most other parts of Norway. On the one hand Norway's worst hit municipalities with rates close to 10% are to be found here; while on the other hand, there are also a number of municipalities here with rates below 3% or even 2%. In comparison, *Balestrand* municipality in *Sogn og Fjordane County* had a mere 0.9% of persons in the labour force unemployed, which is the lowest rate in the country.

In Sweden all regions more or less saw unemployment subsequently increasing during the first four years of the current decade while variations remained in general unchanged. Even here rates in the capital region rose fastest followed by *Blekinge County*. *Gävleborg*, a traditional manufacturing area, with 9.5% had the highest rate being also the only Swedish region exceeding the EU27 average. Further regions with high unemployment levels include *Norrbottnen* (8.7%), *Örebro* (7.7%) and *Skåne* (7.4%). Altogether in twelve municipalities unemployment rates remained above 10% many of them concentrated in *Norrbottnen* near the Finnish border (*Haparanda*, *Kalix*, *Övertorneå*, *Pajala*), *Dalarna* (*Älvdalen*) or *Gävleborg* (*Gävle*, *Söderhamn*). Sweden's third largest town, Malmö, also belongs in this category. One of the major reasons for this is its high immigrant population.

The lowest Nordic unemployment rates are to be found in Iceland where only 2.6% of the labour force is without a job. Unemployment estimates for the Faroe Islands also

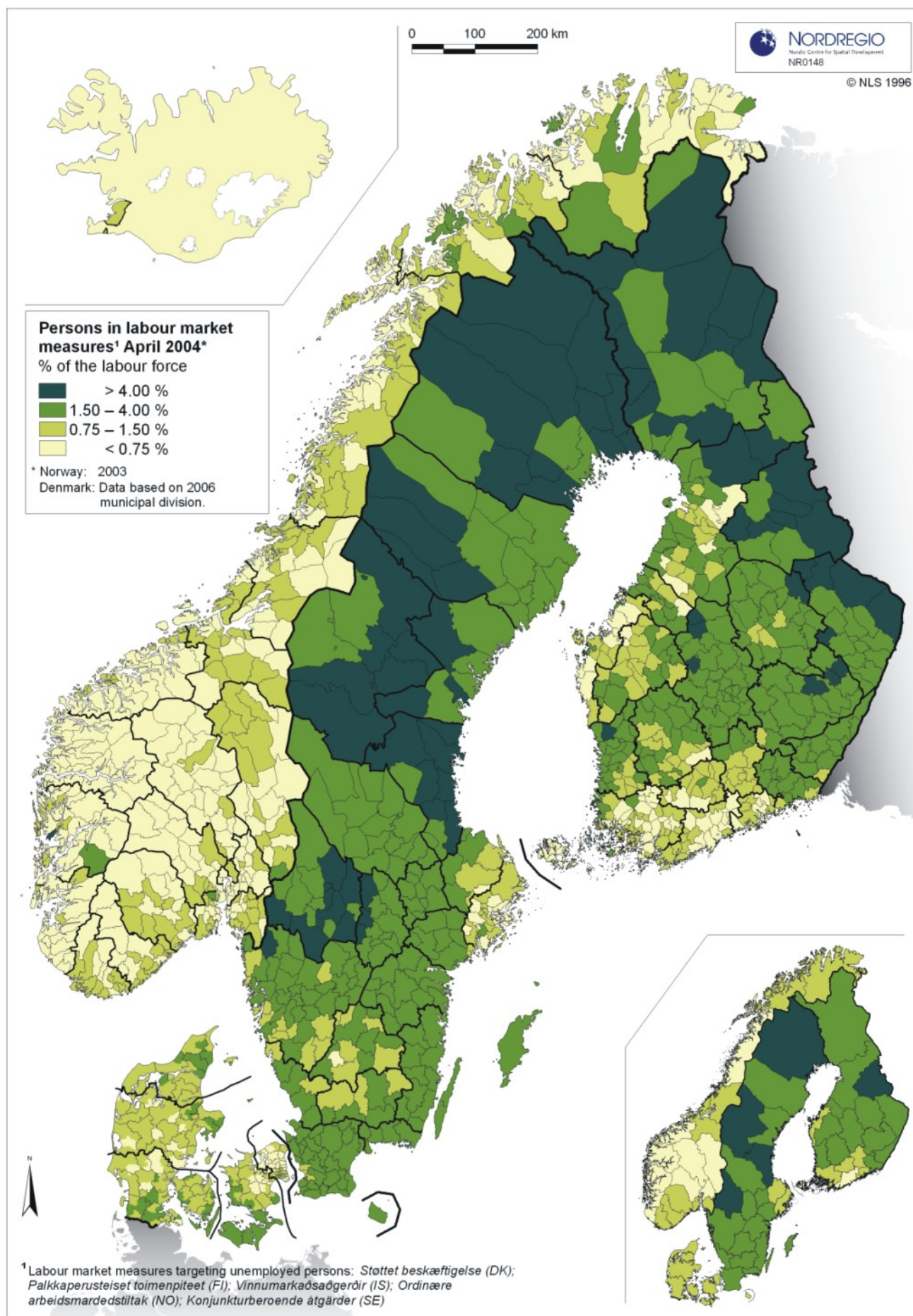
indicate a decreasing trend here and current rates are just slightly above the Icelandic level. In Greenland unemployment is estimated to be around 10% and as such Greenland has the highest rate in the Nordic countries. However, for both of the latter islands 'official' unemployment figures have to be used with care since either the work force of the fish processing industry is excluded (Faroe Islands) or participation in the regular labour market is low due to the prevailing subsistence economy (Greenland).

Long-term unemployment, i.e. due to structural changes in the economy, remains a challenge in all Nordic countries when looking at the relative importance of this group among unemployed persons. According to figures from the European labour force survey persons unemployed for more than one year in Finland comprise one fourth of all unemployed persons. In Denmark and Sweden the comparable figure is just some percentage units below the Finnish one. However, compared to the EU15, where far more than a third of total unemployment is long-term unemployment on average, the problem seems less pronounced. In contrast estimates by the Finnish Ministry of Labour suggest a rate of 60%. Furthermore the share of persons categorised as 'difficult to employ' has increased since 2004 and the annual influx to one-period long-term unemployment is estimated to be 60 000 persons.⁴ Most affected are the heavily industrialised regions such *Pirkanmaa* in southwest Finland or *Örebro* in central Sweden. Even if the share of long-term unemployed persons on large Nordic urban labour markets is low, here they are the largest group out of all unemployed persons. The simple explanation here is the more frequent use of labour market measures in the more peripheral labour markets.

One of the main reasons behind structural unemployment is the ongoing shift towards jobs with higher human capital content or knowledge intensity at the expense of low-skilled jobs. This is evident for the manufacturing as well as for the service sector. With currently still close to 20 percent employment in manufacturing and less than 70 percent in services Finland stands out among the Nordic countries, but also in a EU15 context, with its comparably high share of industrial employment and the modest size of its service sector. New jobs in the Nordic countries are primarily created within the service sector predominantly in Nordic capitals, metropolises and other central areas. While during the current decade the agricultural and manufacturing sectors continued to shrink in virtually all Nordic regions, the private service sector further expanded, especially within the business service segment. In Norway and Finland employment in the public sector is also steadily increasing.

Over the last 30 years of structural change mismatches between vacancies and unemployed persons have also become more common on Nordic labour markets.⁵ This is most frequently the case in smaller and/or non central areas. Furthermore matching efficiency is most likely low

Figure 1.15 Labour market measure involvement 2004



when vacancies and the number of unemployed persons increase at the same time. As was noted in the previous section migration towards employment is not the most likely alternative.

As such in order to improve the matching process labour market policies frequently utilise labour market measures. Public interventions on the labour market often target both persons within and outside the labour force. Measures involving mixed target groups are common and hence distinguishing the exact size of different groups may prove difficult. Recent data from the *Eurostat* Labour Market Policy Database reveals that the majority of training measures (86 percent) in the EU15 are targeted, at least partly, to unemployed persons. Around 25 percent of the measures are open to persons already in employment and less than 20 percent to those currently inactive.⁶ Labour market measures targeting unemployed persons are also frequently utilised in Denmark, Finland, Norway and Sweden⁷. The specific setup of measures differs widely between countries depending for example on the respective labour market situation and the priorities of the public employment service. In Finland approximately half of all training measures focus at least to some extent on long-term unemployed persons, as is the case in Spain, Ireland and the UK. Unlike the other Nordic countries more than two thirds of the measures in Sweden entirely or partly target employed persons, which is the highest figure in the EU15. Among the specific client groups⁸ young unemployed persons are targeted most frequently, as for example in Finland and Norway but also to a lesser extent in Sweden. In contrast Danish measures almost exclusively focus on immigrants. A considerable share of measures in Finland also aims at activating older and disabled people.

In the Nordic countries labour market measures are applied across the entire country without any specific regional interventions as for example in Belgium, Germany, Spain or Portugal. Following the rapidly improving labour market situation in the Nordic countries during the second half of the 1990s with rapid job creation and falling unemployment rates, labour market measures primarily aimed at unemployed persons were subsequently cut. In Finland, Norway and Sweden the total number of persons in receipt of such measures approximately halved in sized

during this period. Since then no significant reduction has taken place in general as the labour market stagnated. A further modest decrease did however occur in Sweden. In 2004, these measures comprised approximately 160 000 persons in the Nordic countries of which 41 000 were in Finland, 17 000 in Norway and 102 000 in Sweden corresponding to 1.6, 0.7 and 2.3 percent of the respective labour forces. Particularly in Sweden, where such measures are utilised to a large extent by labour market policy, the proportion of persons in such schemes compared to the amount of persons registered as unemployed decreased noticeably.⁹ Nevertheless the figure remains substantial as for every second registered unemployed person there is one person engaged in labour market measures. For comparison in Norway the corresponding proportion is one to five and in Finland one to eight.

Given the nature of these measures they are most important for local labour markets with high unemployment rates, especially characteristic of the Finnish and Swedish peripheries (Figure 1.15). As a rule applicable for both countries one can say that the higher the overall unemployment rate on a labour market the higher also the rate of persons in labour market measures. This does not apply so much to Norway or Denmark however who have, generally speaking, very low unemployment levels. Consequently the participation rate of the labour force in these measures is highest in the Swedish region of *Norrbottnen* (5.5%), *Kainuu* (4.2%) in Finland, *Storstrøm* in Denmark (2.0 %) and *Troms* (1 %) in Norway. In the first region four municipalities (*Haparanda*, *Pajala*, *Övertorneå*, and *Övertorneå*) adjacent to the Finnish border have, in addition to high unemployment rates, more than 10 percent of the local labour force in labour market measures. The Finnish extremes across the border (*Enontekiö*, *Salla*, and *Savukoski*) lie at slightly over 7 percent. However, here unemployment rates are higher while all of the aforementioned municipalities belong to labour markets where around a quarter of the labour force is either unemployed or engaged in labour market measures. Moreover, there is almost no municipality in the Nordic countries where such measures are not applied. Åland, the Nordic showcase for low unemployment is the exception here along with some twenty very small Norwegian municipalities.

Intensifying commuting

Spatial structures and mobility patterns are closely linked to each other. In addition across the Nordic countries many areas are now functionally integrating, and this is occurring not only at the local level (Box 1.2). As such the myriad of decisions by households and firms in respect of their choice of location is increasingly made in a regional context beyond administrative boundaries. Furthermore improving traffic infrastructures enables ever longer daily

distances to be commuted between places of residence and work. Commuting is then partly replacing intra-regional migration.

In fact, over the last ten years around every third (Denmark) or every fourth (Finland, Norway, Sweden) local labour market has been integrated into a larger one. The enlargement of labour markets, however, has primarily taken place around the largest urban centres where new

In recent years functional integration has become a frequently used term throughout Europe to depict both a distinct geographic trend and a strategic concept in policy making. In the Nordic countries the latter description is used to foster the development of central as well as peripheral areas.

Functional integration can occur around one or more urban cores also involving the firmer inter-linking of administrative units such as municipalities. The expansion of the geographic area, within which spatial interaction such as realised movements of people, commodities, services etc., is taking place, responds to changes in supply and demand generated by economic activities.

The policy interest in functional integration is fuelled by the general fact that the size of a region matters in ensuring sustained economic growth. This is particularly important in the mostly sparsely populated Nordic countries. Through geographic enlargement and the functional integration of a region its economic base can be diversified. Furthermore it is supposed to increase the specialisation of the labour force and to have an effect on employment, productivity and wages. Individuals can access an enlarged labour market with more job opportunities without migration. Other effects include the development of the regional transport infrastructure, increased traffic volumes and commuting but also suburbanisation and steep increases in housing and living costs. For regions with strong economic growth it may also contribute to solving bottlenecks in the labour force or the housing market supply.

The main focus in this section, however, lies on the functional dimension between an inhabitant's place of work and their place of resident, also labelled as 'commuting'.

employment possibilities are provided in a growing service sector. An obvious example here is the former separate Uppsala labour market which now belongs within the Stockholm labour market. In Denmark almost every second employed person commutes to work across a municipal boundary whereas in Finland, Norway and Sweden it is around every third person. However, different municipal structures limit comparability here. A detailed description of the problem is provided in the technical annex. For Iceland exact statistical information on commuter flows is not available. However, since today some 70% of the Icelandic population resides in commuting distance to Reykjavik city it is also around the capital where the main commuter flows on the Island arise.

Figure 1.16 depicts the main commuter flows towards dominant Nordic labour market centres, i.e. those municipalities maintaining a commuter surplus. In 2004 this was the case for roughly one out of five municipalities in Denmark, Finland, Norway and Sweden. The major part of these municipalities are either cities or nearby municipalities. Since physical distances between these few centres of employment are rather large the radial pattern of daily in-commuting from their surroundings prevails in the Nordic countries. Generally the area of commuter catch-

ment is enlarging up the urban hierarchy, i.e. depending on the size and importance of the main labour market centre.

Significant commuter ties beyond the local level exist between capitals and second or third-order urban centres in particular but also from/towards the other regional administrative centres. (Table 1.1 and Figure 1.17). In Finland and Sweden the attractiveness of the labour market to long distance commuters declines with its size and here the capital labour markets do attract most long distance commuters. In *Helsinki* the accumulated number of in-commuters from all regional administrative centres in Finland sums up to around 9% of all in-commuters on the capital labour market. The corresponding figures for *Tampere* and *Turku* are 7% and 5% respectively. On the Stockholm labour market the importance of this group is almost the same as in *Helsinki* while *Gothenburg* and *Malmö* attract clearly less commuters from other Swedish regional centres compared to the Finnish proportions. In Denmark the pattern is the opposite with *Århus* (7.5%) having more than twice as many of this group of commuters as compared to *Copenhagen*. Norway stands out with a general high share of long distance commuters on its labour markets. Around one in ten (9-11%) in-commuters on the *Oslo*, *Bergen* and *Trondheim* labour market originate from the respective other

Figure 1.16 Main commuter flows in the Nordic countries 2004

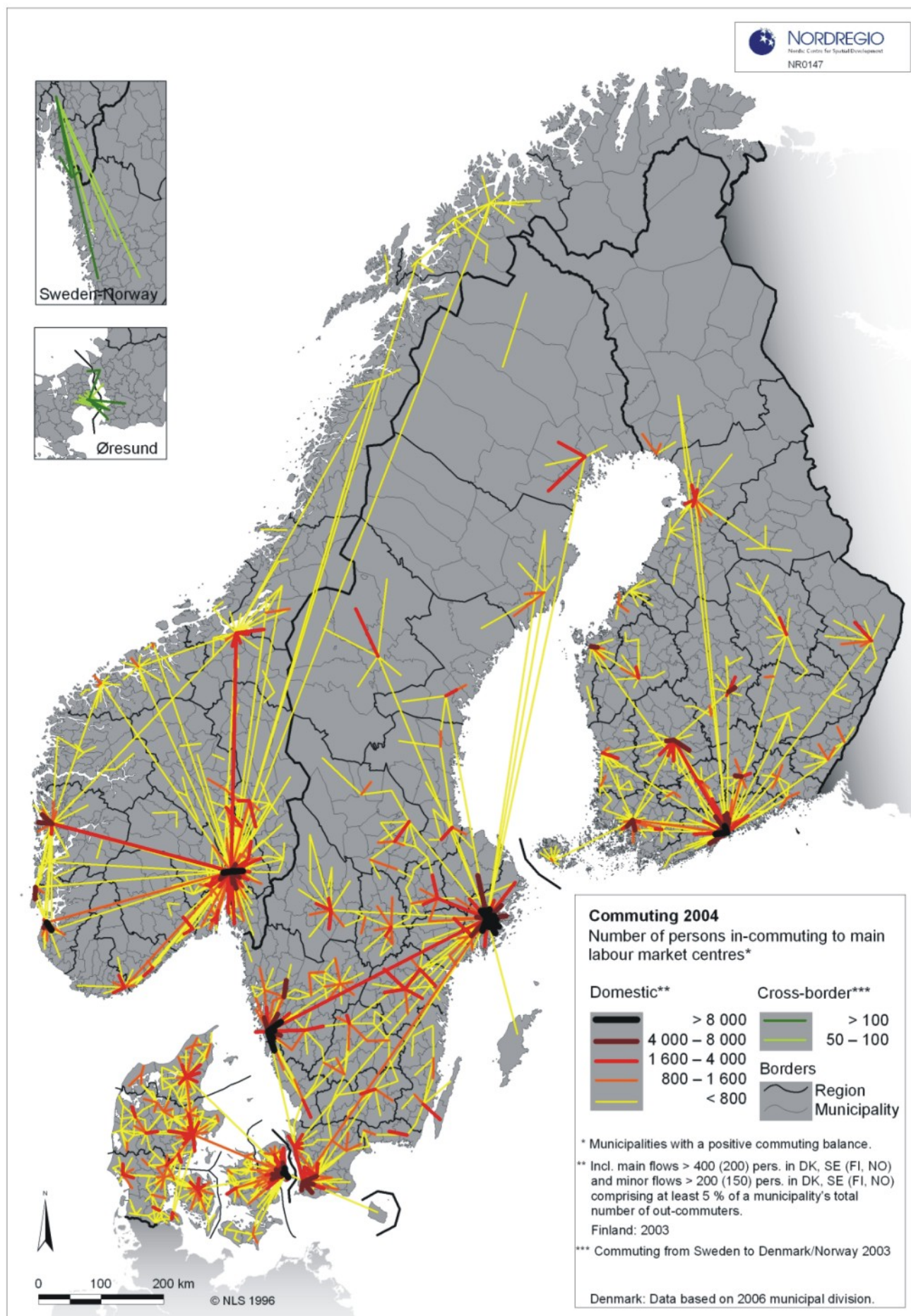


Table 1.1 *Commuting between administrative centres 2004*

COUNTRY to city	In-commuters from other adm. centres ¹	
	Share 2004 (%)	Change 2000-04 (% units)
DENMARK		
København	3.1	0.0
Odense	5.3	-0.1
Århus	7.5	-0.2
FINLAND		
Helsinki	8.7	+0.4
Tampere	7.2	-0.7
Turku	5.2	-0.6
NORWAY		
Oslo	10.4	-1.7
Bergen	8.9	-1.5
Trondheim	11.0	+0.6
SWEDEN		
Stockholm	7.7	-0.8
Göteborg	4.1	-0.2
Malmö	3.9	-0.1

¹ In-commuters from all other regional administrative centres in the respective country excluding the destination city.

Norwegian regional administrative centres. Generally the attractiveness of the largest labour markets for long distance commuters from regional administrative centres has over time seen a slight reduction. *Trondheim* and *Helsinki* are the exceptions here and continue to build on their already strong positions. Those distances, however, cannot be travelled daily. In contrast commuting between regional administrative centres (i.e. excluding the capitals) is almost negligible. Some of the few exceptions here are areas in physical proximity to each other and with good transport connections, such as in the southwest of *Skåne* region (*Malmö-Helsingborg*) in Sweden or at *Jylland's* east coast in Denmark. In Norway most significant intra-regional commuting takes place along its southwest coast (*Stavanger-Haugesund-Bergen*).

Commuting has, although given geographically restrictions, also gained importance on the Faroe Islands facilitated by an improved traffic infrastructure around the capital. Hence main commuter flows are directed from the towns and villages of *Eysturoy* and *Streymoy Island* towards *Tórshavn*.

On an intra-Nordic scale the volumes of commuter flows are lower but of particular regional relevance in two Nordic cross-border areas, namely in the *Øresund* area (Denmark/Sweden) and along the southern Norwegian-Swedish border (Figure 1.16 & Table 1.2). In the latter area more than half of all cross-border commuting in the Nordic countries is taking place.¹⁰ Commuting across the *Øresund*, however, has seen tremendous increases in recent years. At both border crossings extensive employment and income possibilities are provided by the nearby capital la-

bour markets of Oslo and Copenhagen while housing costs are much lower on the Swedish side. Consequently most of the cross-border commuters are resident in Sweden. In 2004 a total of 20 593 persons commuted from Sweden to either Norway or Denmark. In the opposite direction commuter flows amounted to a mere 1 153 and 692 persons respectively. While commuters to Denmark mainly target greater Copenhagen and *Helsingør*, it is Oslo and its eastern surroundings (*Akershus*, *Østfold* and *Hedmark County*) in the case of Norway. In a Swedish border municipality like *Strömstad* (*Västra Götaland* and *Värmland*) more than 10% of the employed population out-commutes to a Norwegian destination. Moreover there are noteworthy mutual commuter flows between Oslo and Gothenburg.

Over the first half of the current decade the flows from Sweden towards Denmark have further increased by some 14% while they remained stable with Norway. In the opposite direction changes were negligible except for a slight decrease in the number of commuters from Norway to Sweden. The establishment of the *Øresund* fixed link at the beginning of the decade has favoured both Copenhagen and Malmö's labour markets by contributing to solve labour shortages in the Danish capital while reducing unemployment in the Malmö area. At the Swedish-Finnish border minor commuter flows arise between the adjacent municipalities of *Haparanda* (SE) and *Tornio* (FI) as well as in respect of the Finnish Åland islands and the region of *Södra Östergötten* (Vaasa). Those flows, being small in a Nordic context, can nevertheless be important at the local level. In *Haparanda* commuters from neighbouring *Tornio* occupy more than one out of ten jobs. Flows into this direction are double those the other way around. Commuting between the Nordic capital labour markets is less intensive and mainly takes place between Helsinki and Stockholm (1 400 commuters).

The same holds true for commuting from/to adjacent EU labour markets. At the Danish-German border the number of commuters in the main flow from Schleswig-Holstein (DE) towards *Sønderjylland* (DK) amounts to a mere 1 694 (2003) but has significantly increased since the end of the 1990s.¹¹ Even if both regions belong to the more sparsely populated category in their respective countries with rather constrained labour markets and weak links towards larger urban centres, the unemployment rate is still almost twice as high on the German side. Hence most of the commuters are Germans but as in the *Øresund* region more and more Danish citizens relocate over the border for commuting purposes. In contrast to the situation on the Danish-Swedish border, here the major part of the jobs are low wage ones within the trade and services sector. The attraction of the Danish 'three corner' area (*Vejle*, *Kolding*, *Fredericia*) and *Odense* is rather modest being the work place for only around one out of ten commuters. At the Finnish-Estonian border some minor commuter flows exist in relation to Estonian construction workers employed in the Helsinki area.

Table 1.2 *Travel to work across municipal boundaries in the Nordic countries 2000-2004*

	Commuters			Commuter rate (%)			Change in commuting (%)		
	Number	Shares (%)		2004			Annual average 2000-2004		
	2004	in total	m./fm.	Total	Male	Female	Total	Male	Female
	(1)	(1)	(2)	(3)	(3)	(3)	(4)	(4)	(4)
Denmark	1 216 421	100	56/44	47.0	46.9	47.3	0.7	0.1	1.5
Capitals	685 379	56.3	55/45	60.6	60.7	60.5	0.2	-0.4	0.8
Metropolises	231 773	19.1	57/43	34.7	34.8	34.6	1.3	0.5	2.5
Reg. centres with univ.	108 498	8.9	58/42	39.6	40.2	38.9	1.5	0.3	3.3
Reg. Centres without univ.	139 222	11.4	57/43	41.2	41.3	41.0	1.5	1.1	2.2
Medium-sized towns	46 495	3.8	58/42	33.0	32.4	33.8	1.2	0.7	1.9
Non-urban areas	5 054	0.4	55/45	25.8	26.6	34.3	-1.2	-1.2	-1.1
Finland	719 435	100	57/43	28.2	31.2	25.0	2.1	1.7	2.6
Capitals	300 154	41.7	55/45	39.2	43.2	35.3	1.7	1.5	2.1
Metropolises	104 668	14.5	57/43	30.7	34.5	26.7	2.2	1.6	3.0
Reg. centres with univ.	96 458	13.4	58/42	24.0	26.7	21.0	2.8	2.6	3.1
Reg. Centres without univ.	92 972	12.9	57/43	24.7	27.7	21.5	2.2	1.7	2.9
Medium-sized towns	52 115	7.2	60/40	24.0	27.1	20.5	1.8	1.4	2.3
Non-urban areas	73 068	10.2	60/40	16.4	18.5	14.0	2.5	2.0	3.3
Norway	723 652	100	59/41	32.1	35.1	27.1	0.5	:	:
Capitals	289 952	40.1	58/42	45.9	50.3	40.7	0.3	:	:
Metropolises	38 026	5.3	60/40	22.2	25.9	19.2	0.3	:	:
Reg. centres with univ.	109 820	15.2	60/40	29.3	34.2	25.4	1.2	:	:
Reg. Centres without univ.	148 405	20.5	59/41	31.9	35.5	27.9	0.5	:	:
Medium-sized towns	55 900	7.7	59/41	25.3	28.5	21.7	0.5	:	:
Non-urban areas	81 549	11.3	62/38	20.7	18.8	12.9	0.4	:	:
Sweden	1 257 814	100	58/42	29.6	32.5	26.5	1.2	0.9	1.5
Capitals	515 176	41.0	55/45	45.8	49.2	42.2	0.6	0.4	0.8
Metropolises	313 523	24.9	58/42	36.5	40.2	32.4	1.5	1.1	2.0
Reg. centres with univ.	163 508	13.0	60/40	19.2	21.9	16.1	1.4	1.1	1.8
Reg. Centres without univ.	143 272	11.4	59/41	20.0	22.3	17.4	1.8	1.3	2.4
Medium-sized towns	87 282	6.9	61/39	19.1	21.7	16.0	1.9	1.6	2.4
Non-urban areas	35 053	2.8	64/36	14.9	17.7	11.8	2.2	2.1	2.4
Cross borders	20 805	100	69/31				3.1	2.4	4.7
From Norway to Sweden	1 153	:	56/44	:	:	:	-4.0	-4.1	-3.8
From Sweden to Norway	13 433	:	72/28	:	:	:	0.2	-0.6	2.4
From Sweden to Denmark	5 683	:	66/34	:	:	:	15.7	15.7	15.7
From Denmark to Sweden	536	:	65/35	:	:	:	18.8	20.3	16.3

(1) Finland & cross-borders: 2003

(2) Male/Female. Finland & cross-borders: 2003; Norway: 2001

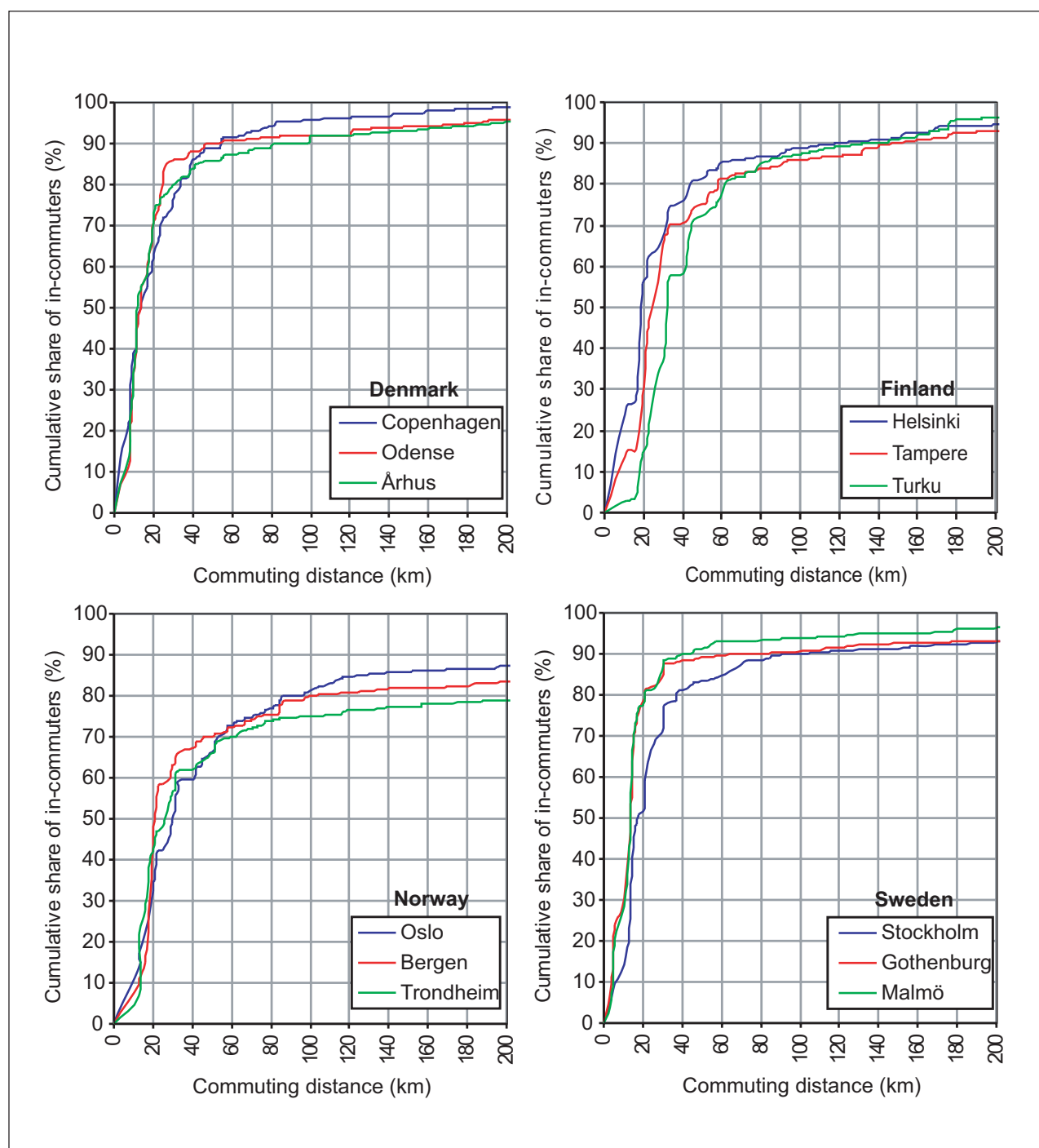
(3) Number of commuters as a share of total employment at place of work. Norway: male and female shares 2001.

(4) Annual average change in the number of commuters. Denmark: excl. Bornholm. Finland: 1999-2003. Cross-border commuting: Norway-Sweden 2001-2003. Denmark-Sweden 1999-2003.

Labour market related commuting is increasing apace in all Nordic countries, and most rapidly so in Finland. However, here the share of commuters in total employment is also low. In Norway the number of commuters is growing slowly. When moving beyond the national level increases become evident all across labour markets of different types (Table 1.2). Note that the table does not show in-commuting to the labour markets but observes structures and changes in commuting on the labour markets.

Furthermore also bear in mind the aforementioned limited comparability between countries due to different municipal structures. It is hardly surprising that, especially in respect of Nordic capital labour markets, travel-to-work mobility is most intensive and generally fades down the urban hierarchy. Finland is the textbook case here. Among other economic and methodical factors constrained housing markets in the capital areas are part of the explanation. Since most jobs are still to be found in the city centre in-

Figure 1.17 *Travel-to-work distances around Nordic capitals and metropolises 2004*



tensive commuting is the result. While commuting is further intensifying on other Nordic capital labour markets it has been slowing down somewhat in Copenhagen.

Nordic metropolises in Finland and Sweden also show above average commuting intensity. In addition rates on labour markets of regional centres are somewhat higher in Denmark, Norway and Sweden. Furthermore it is here where the largest increases in commuting rates have occurred in recent years. Regional centres with a university in particular have seen commuter rates grow rapidly. The trend may be based on improved employment prospects possibility due to the ongoing expansion of the public sector and

the knock-on effect of this on interconnected service-sector providers which can provide additional employment possibilities in the often otherwise rather isolated Nordic regional centre labour markets. Furthermore, commuting to and from non-urban labour markets has significantly increased in Finland and Sweden but decreased in Denmark.

Males still dominate commuting, particularly in Norway, with a male-female mix of 59 to 41 moving across national borders. The shares are more balanced in respect of capital labour markets and most predominantly 'male' on primarily non-urban labour markets as well as in medium-sized towns. Without exception however, on the national

labour markets, female commuters have increased seemingly faster across all categories sometimes at the double rate as men. This is most obvious in Denmark. Moreover, male commuting has declined slightly on the Copenhagen and Stockholm labour markets. For Norway gender-split data on commuting over time is not available.

The lion's share of commuters travel to the Nordic capitals, to second and third-order centres and undertake travel journeys to work over a distance of up to 40 km as the crow flies¹² (Figure 1.17). Taking into account real transport modes and networks this may roughly correspond to a reasonable daily one-way travel time of, maximum, 45 minutes since hereafter the curve seemingly flattens. Longer distances are quite unusual in Denmark but more common in Finland and particularly so in Norway. For one third of the commuters a distance exceeding forty kilometres one way is often to be travelled. Furthermore on capital labour markets daily commuting distances¹³ are somewhat longer than in second and third-order cities. Helsinki is the exception here. Oslo's local labour market in particular is large with more than two out of ten commuters travelling on the middle range (i.e. between 40-100 km). In Finland, Sweden and Norway long distance commuters,

i.e. those travelling more than one hundred kilometres between their places of residence and work, comprise some ten percent or more of all commuters. It is not necessarily the capital labour market however which is most dependent on recruitment of a far-flung labour force. In Trondheim, for example, the share of long distance commuters is 25 % and as such is the highest among all cities in question. Travelled distances also depend however on the regional urban structure. Finland's second and third-order cities, namely, *Tampere* and *Turku*, are located only some 180 and 160 km distant respectively and thus mutually form large origin areas for Helsinki commuters.

In addition, commuted distances have steadily increased in recent years mainly due to extended and improved traffic infrastructures around the main labour market centres and between them. A Danish study¹⁴ notes that taking into account the real traffic infrastructure the average distance of a round trip has increased by a few kilometres between 2000 and 2004. Travel times have however remained fairly stable. Given the ongoing concentration of economic activities and the tendency towards residence in nearby countryside areas, volume and distances are however expected to further increase in future.

Demographic imbalances consolidating

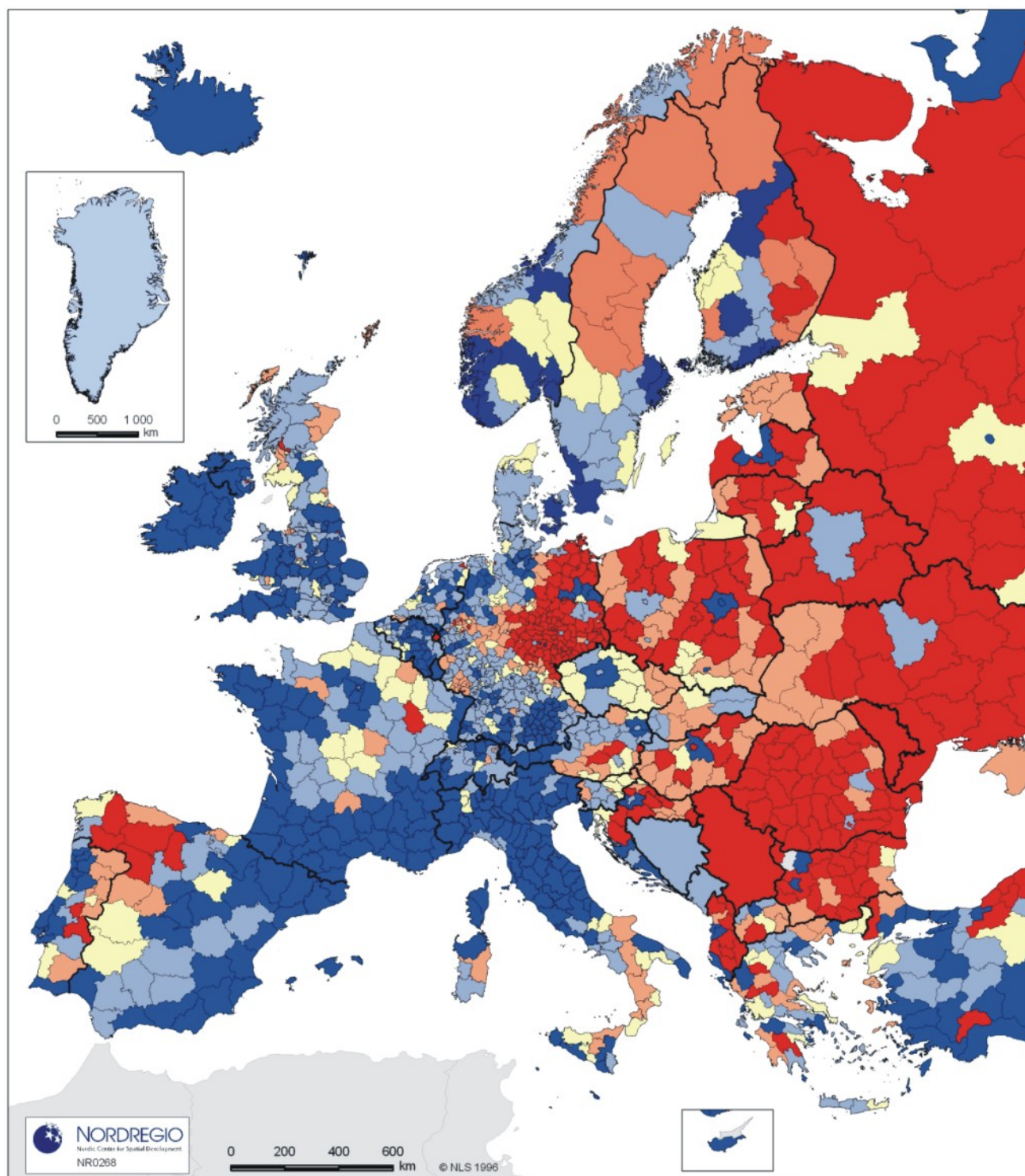
During the current period the Nordic population grew modestly by approximately 0.4 percent *per annum* or in total by 470 000 persons between 2000 and 2005. The Danish, Finnish and Swedish populations increased at around average EU rates though this was surpassed by rates for Norway, Iceland, the Faroe Islands and Greenland. Even the Nordic extreme country of Iceland, with annual growth rates of above one percent per annum, nevertheless remained below the population level increases in Spain, Ireland, Malta and Cyprus (Figure 1.18). Here, as well as on the Faroe Islands and Greenland, strong nativity is the main cause of this development. In contrast Sweden's population increased solely from immigration during the late 1990s which helped to balance out negative natural change. The situation is currently changing since subsequently higher birth rates now counterbalance immigration. Nevertheless Sweden remains the number one Nordic destination country for immigrants in relative and absolute terms with around three fourths of its population gain stemming from this source. During the current decade Finland has also seen significantly higher immigration surpluses than in previous years, which is also partly evident in Norway. Population gains from immigration in Denmark however lowered somewhat.

Placing the more modest demographic development in the Nordic countries over the past few years within an enlarged EU and wider European context it appears however

that the striking territorial imbalances in Finland and Sweden remain acute (Figure 1.18). Even by admitting limited comparability between the spatial units analysed (NUTS 3 and equivalents) differences in the pattern emerge. In relative terms widespread population losses in the EU15 exceeding those of the worst hit Nordic peripheries (*Kainuu* and *Etelä-Savo* in Finland) have only been witnessed in the New German *Länder*, northwest Spain (around *Zamora*, *León*, *Lugo* and *Ourense*) and the inner parts of Portugal (around *Alentejo* and *Pinhal* and *Interior Sul*). All over Eastern Europe, however, such comprehensive population decline occurred almost everywhere at severe rates and territorial imbalances are more rapidly increasing than in the Nordic countries. Notwithstanding some rare exceptions only the eastern capital metropolitan areas have grown in population, many of them at rates comparable to those of the Nordic capital areas. While the traditional Nordic peripheries suffer from out-migration, often combined with low fertility rates, the latter factor is more decisive in the heavy population losses of Eastern Europe. The case of St Petersburg and its surrounding area is illustrative here as migration gains could not compensate for exceptionally low fertility rates throughout the period. Almost all other regions in Northwest Russia declined at least twice as fast in population terms as, for example, *Kainuu*. This is also the case in many Romanian and Bulgarian regions.

In the second half of the 1990s regional polarisation

Figure 1.18 Population change in Nordic and European regions 2002-2005



Change in population 2002 – 2005*

Annual average rate per 1000 population

EU27		> 5.0 ‰
		1.0 – 5.0 ‰
		-1.0 – 1.0 ‰
		-5.0 – -1.0 ‰
		< -5.0 ‰

Data source: Eurostat, National Statistical Offices,
National series

* Albania, Austria, Croatia, Cyprus, Germany, Greece, Hungary, Ireland, Macedonia, Portugal and Russia 2001-05; France, Romania, Serbia and the United Kingdom 2000-04; Malta and Poland 2000-03; Ukraine 2003-05; Bulgaria 2004-05.

Bosnia and Hercegovina, Serbia, Montenegro and Moldova
NUTS0

within each of the Nordic countries increased dramatically, especially favouring the capitals and a few selected urban centres while draining the sparsely populated peripheries. As the economy subsequently recovered from the crisis in the early 1990s, migratory pressure had reached a level not witnessed in nearly three decades. At the beginning of the 21st century this overall pattern prevails (Figure 1.19). The acute regional demographic situation, however, improved somewhat as economic growth has also been less robust in recent years. In addition to the capital areas, other Nordic metropolises and several regional centres have now gained substantially in population terms sometimes exceeding the growth rates of the most central areas. In consequence suburbanisation has further gained momentum throughout steadily widening surroundings. Municipalities within commuting distance of those centres have thus enjoyed the most positive population development in the Nordic countries in recent years. Nativity rates are moreover now rising rapidly in the capital regions, espe-

cially in Finland and Sweden, as these regions were the 1990s migrant's preferred destination areas. The situation in Denmark has developed somewhat to the contrary with currently worsening population decline in medium sized towns and non-urban areas.

In the Nordic countries population development is strongly linked to the urban hierarchy and its functional dimension. It is usually the largest urban labour markets which are favoured by both positive net migration and natural change. In the framework of spatial policy special attention is placed on migration since this is the major force behind the shaping of territorial demographic imbalances in the Nordic countries. Migration is also easier to influence geographically than nativity. The policy focus, however, often lies on net migration being the outcome from in- and out gross flows. There is a strong correlation between both flows. Consequently regions with extensive out migration usually also receive high volumes of in migration and vice versa. Hence small changes in net migra-

Figure 1.19 Population change in the Nordic countries by urban category 1990-2005

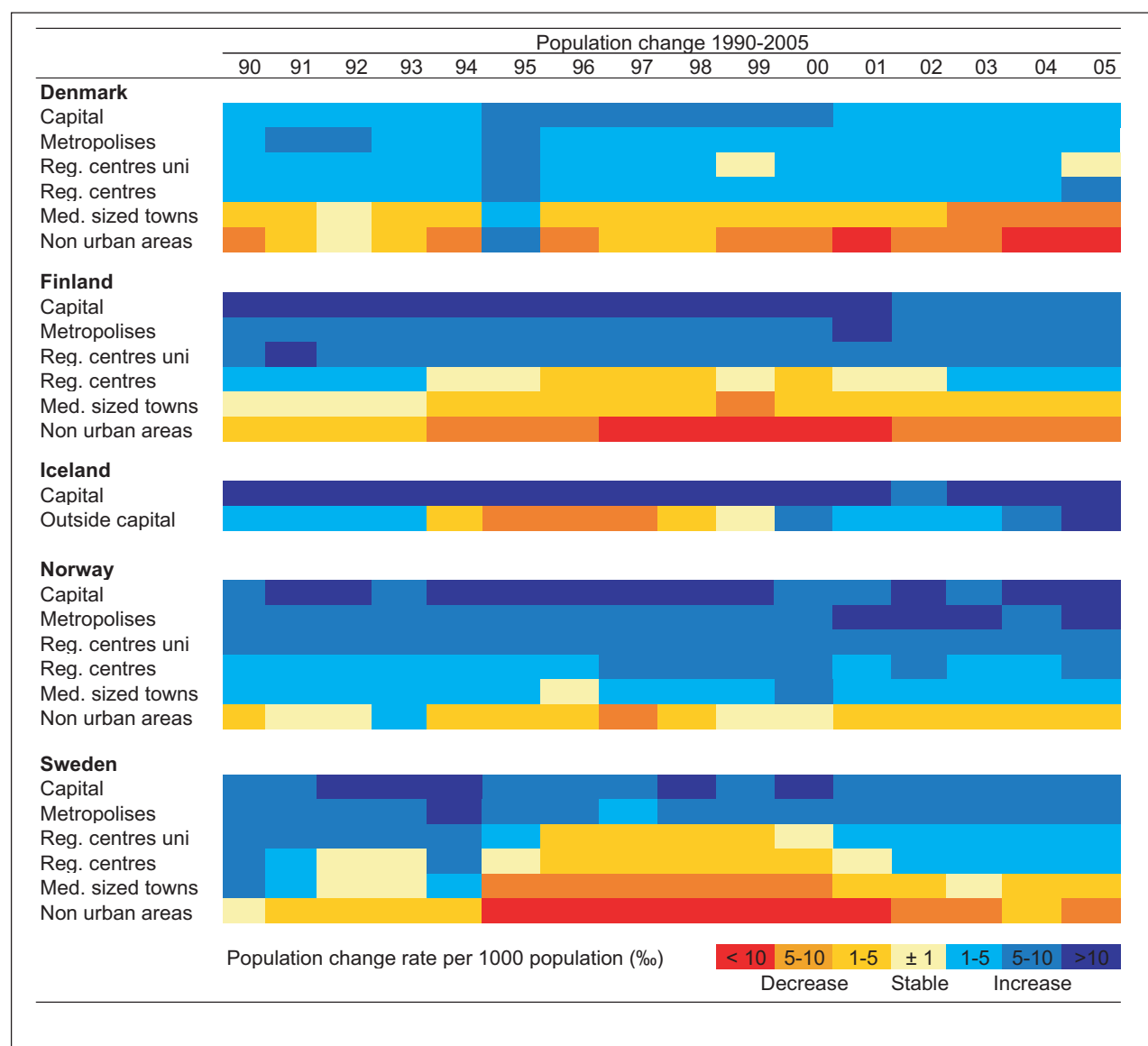
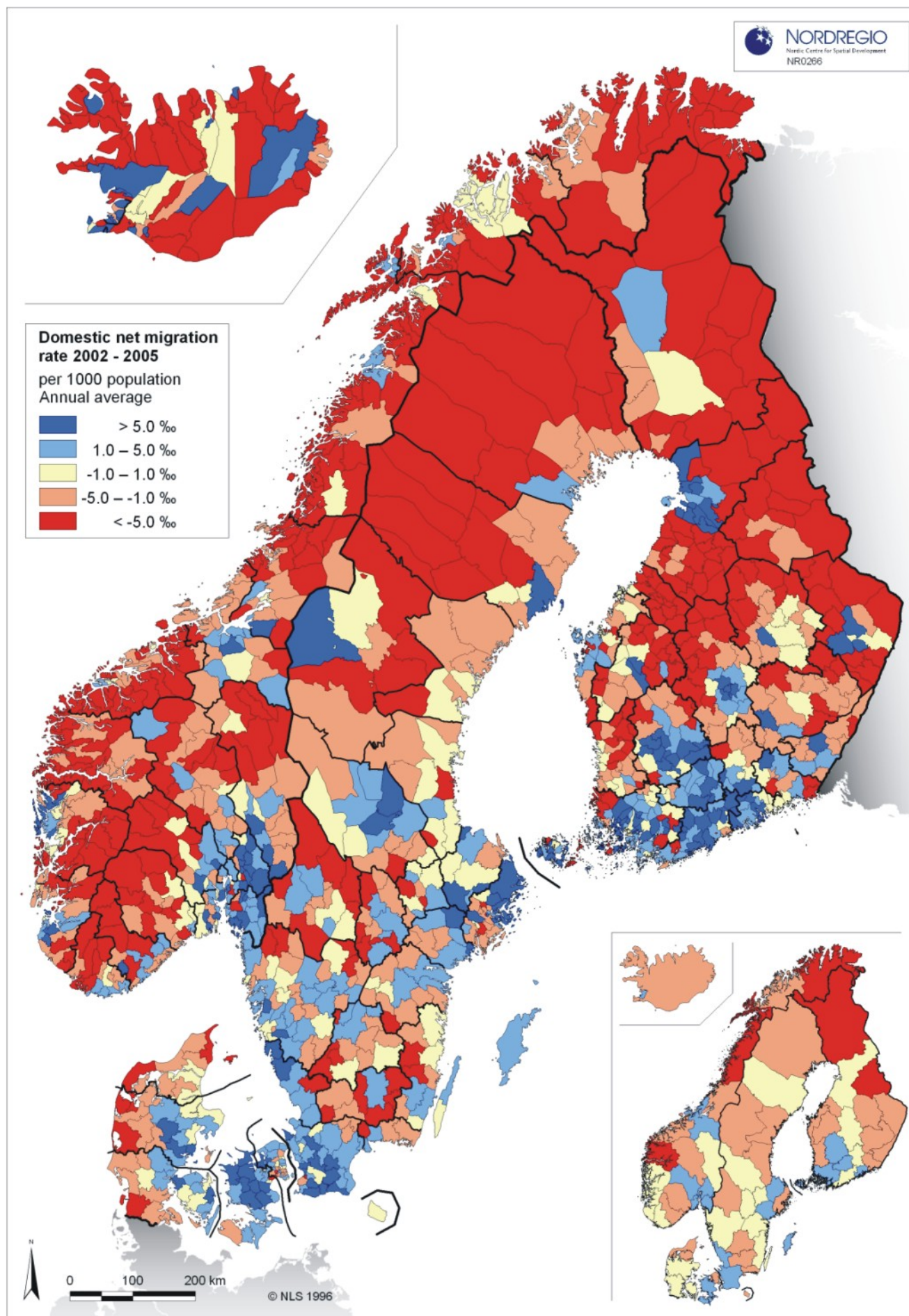


Figure 1.20 Domestic net migration in the Nordic countries 2002-2005



tion may be the result of large gross flows and the other way around.

Moreover during the current decade demographic imbalances across all Nordic countries continue to be produced by migration which remains one of the key factors in the ongoing, yet consolidating, process of demographic polarisation. Continuously increasing mobility among young adults in their twenties in particular puts further demographic pressure on out-migration areas. In the worst hit countries of Finland and Sweden however migration losses in the traditional peripheries and non urban areas have been less severe in the first years of the current decade (see Figure A.2 in the Annex). In contrast migration losses in Denmark's respective areas such as the remote islands of *Æro* and *Langeland* but even *Lolland* were more significant than at the end of the 1990s. Nevertheless migration pressure have eased somewhat during the first five years of the current decade and only every fourth Nordic region now suffers from migratory losses.

The current winner and loser regions in migration terms are however little different from those of the 1990s. It remains, primarily, the capital regions and their surroundings that gain most from migration, areas such as Oslo and *Akershus* or *Øst- and Vestfold* in Norway, *Itä Uusimaa* in Finland and *Sjælland* in Denmark. The regions of *Halland* and *Skåne* on the Swedish west coast did however outperform the Stockholm surrounding area of *Södermanland*. The ten worst hit Nordic regions are found in Norway and Finland with the most dramatic losses being in *Finnmark* and *Kainuu* respectively.

Apart from the capital regions one of the areas with the highest population surpluses in the Nordic countries is the *Øresund* region. The Swedish west coast (*Halland* and *Skåne*) in particular has grown due to considerable migration surpluses from domestic but also from international migration. The latter group mainly comprises Danish citizens moving to *Skåne* to take advantage of the opening of the fixed link across the strait in 2000. Today Danes constitute the largest group of immigrants in Sweden. Several mostly economic reasons explain the pattern. Firstly there is a broader supply of jobs in the Copenhagen area including higher wages. Secondly housing prices are considerably lower in Malmö let alone in other parts of *Skåne*. Thirdly Danish immigration policy applies more restrictive rules in respect of immigration for family-reunion purposes. Around 2000 Danes migrate to *Skåne* every year, which is more than five times as many as from other parts of Sweden. Approximately half target Malmö. The remaining half primarily settles close to *Helsingborg* and *Landskrona*. These migration flows are some four or five times larger today than those of 2000 when the *Øresund Bridge* was opened. A typical migrant is a young male, who settles in Malmö but maintains his job in Copenhagen. In fact, a recent study¹⁵ confirms the driving force of the trend. Accordingly being resident in Malmö and working in Copenhagen gives some 15-20 percent higher disposable in-

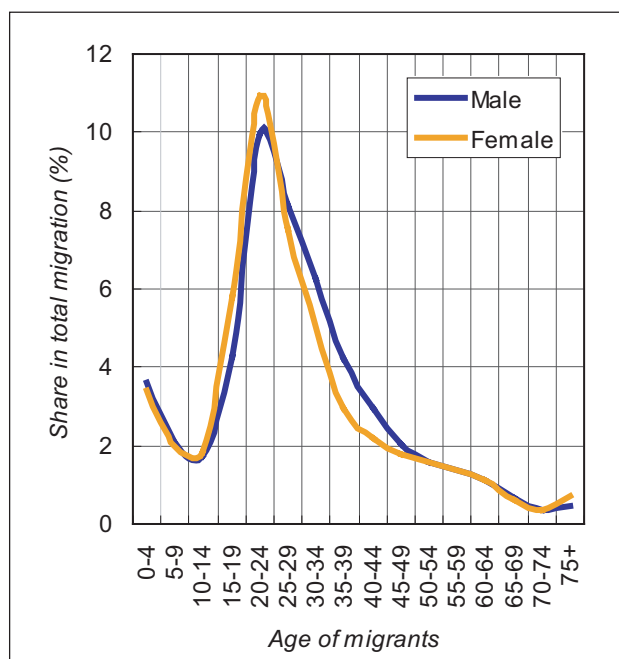
come. Hence labour market related commuting over the strait has also grown in volume. Opposite migration flows are less extensive.

As the *Øresund* example shows, large regional net migration surpluses can almost entirely stem from immigration. Generally, metropolitan areas and larger urban centres are the most attractive destinations for immigrants, usually because of the availability of jobs and pre-existing social networks. Looking at the regional distribution of immigrants it appears that particularly in Denmark, Norway and Sweden almost every municipality had positive population gains from this source in recent years. Consequently here immigration can accelerate demographic imbalances but apparently also counterbalance losses from domestic migration and natural change.

The overall trend of currently declining migratory pressure and a somewhat slowed process of demographic polarisation appears in a different light when focusing on domestic migration (Figure 1.20). During the current period around two out of three Nordic regions had a negative domestic net migration rate. The few winners are almost solely confined to the Nordic capital and metropolitan regions. In 2005 around 1.2 million persons, or around 5 percent, of the Nordic population relocated over a domestic municipal boundary. This roughly corresponds to the size of the largest Nordic cities, namely Stockholm and Copenhagen. While a portion of these inter-municipal migration flows in a classical manner take place between rural or peripheral areas and urban centres, a further growing share of relocations concerns those from the centres of the largest cities to their surroundings. Those are the most attractive areas for domestic migrants. Patterns of suburbanisation become clearly visible here. The core cities themselves tend to be disfavoured in this regard. Examples include the eastern vicinity of *Oslo*, the entire Swedish west coast around *Gothenburg* and *Malmö* as well as *Copenhagen's* and *Århus's* wider surroundings. In Finland domestic migrants mainly headed towards municipalities in the areas between Helsinki and *Tampere* but also to *Oulu*. Taking municipalities as a proxy around 75% of the Norwegian, Finnish and Swedish territory experienced losses stemming from domestic migration. The corresponding figure for Denmark is 50%.

The composition of domestic migrants is fairly similar in all Nordic countries and is rather sustainable over time. (Figure 1.21) It becomes obvious that those highly selective migration flows distort the local and regional population structure by age and gender. Domestic inter-municipal mobility is dominated by young adults. Every second domestic migrant is aged between 20-35 years. When reaching family-founding age mobility rapidly decreases and then slightly increases again after retirement. Taking into account the fact that children are likely to be included in relocating households, and thus are not taking an individual decision to migrate, the rationales of the very young working age groups are crucial in the development of ter-

Figure 1.21 Demographic structure of domestic migrants in the Nordic countries 2005



ritorial demographic imbalances. In addition higher educated persons are more mobile than others. This is further emphasised by the fact that young women in the fertile age range relocate more often. The Finnish and Swedish peripheries in particular face serious distortions of their gender and age structures due in the main to the over proportional mobility of this group. Moreover regional imbalances in the population structure are further reinforced by chain effects. At the place of origin, for example, fewer children are born due to the lack of women fertile age. In addition life expectancy is steadily increasing. As a consequence those populations face a double-whammy in terms of ageing and thus appear to 'grey' faster. In many areas however the trend is partly counterbalanced by immigration surpluses usually dominated by younger persons.

A vast empirical literature exists on the motivation behind migration in the Nordic countries. Generally education comes first as a reason prior to work concerning the younger age groups. However, prospective employment after education also guides the decision and hence the attractiveness of a labour market increases with its size. While migration for study purposes is more often short, the following relocation for the first job can take place over longer distances. The changing value framework of young people in particular which sees urban life as more desirable has also gained in stature. Thus 'soft' factors such as culture become increasingly important. Other surveys point to the importance of career-related work-to-work and study-to-study migration.¹⁶ In contrast migration from unemployment to employment is marginal today. Reference to the statistical material presented in this volume supports this finding.¹⁷

Demographic imbalances have a direct impact on the local and regional capacity for future prosperity and growth. The structure and dynamics of population influence for example the tax base and the public budget, they generate specific service demands and they determine the composition of the human capital crucial to the labour market. Here a major component is the age structure. Swedish studies¹⁸ investigating different age groups and their importance for economic growth point to the ages of 50-64 being most important in this respect, partly because of their strategically settled position on the labour market but also due to the weight of accumulated knowledge. Furthermore higher shares of economically less or non-active age groups such as children, pensioners or young adults hamper economic growth (see also Figure A.4-A.6 in the Annex). However, in the long run, a balanced age structure is most sustainable.

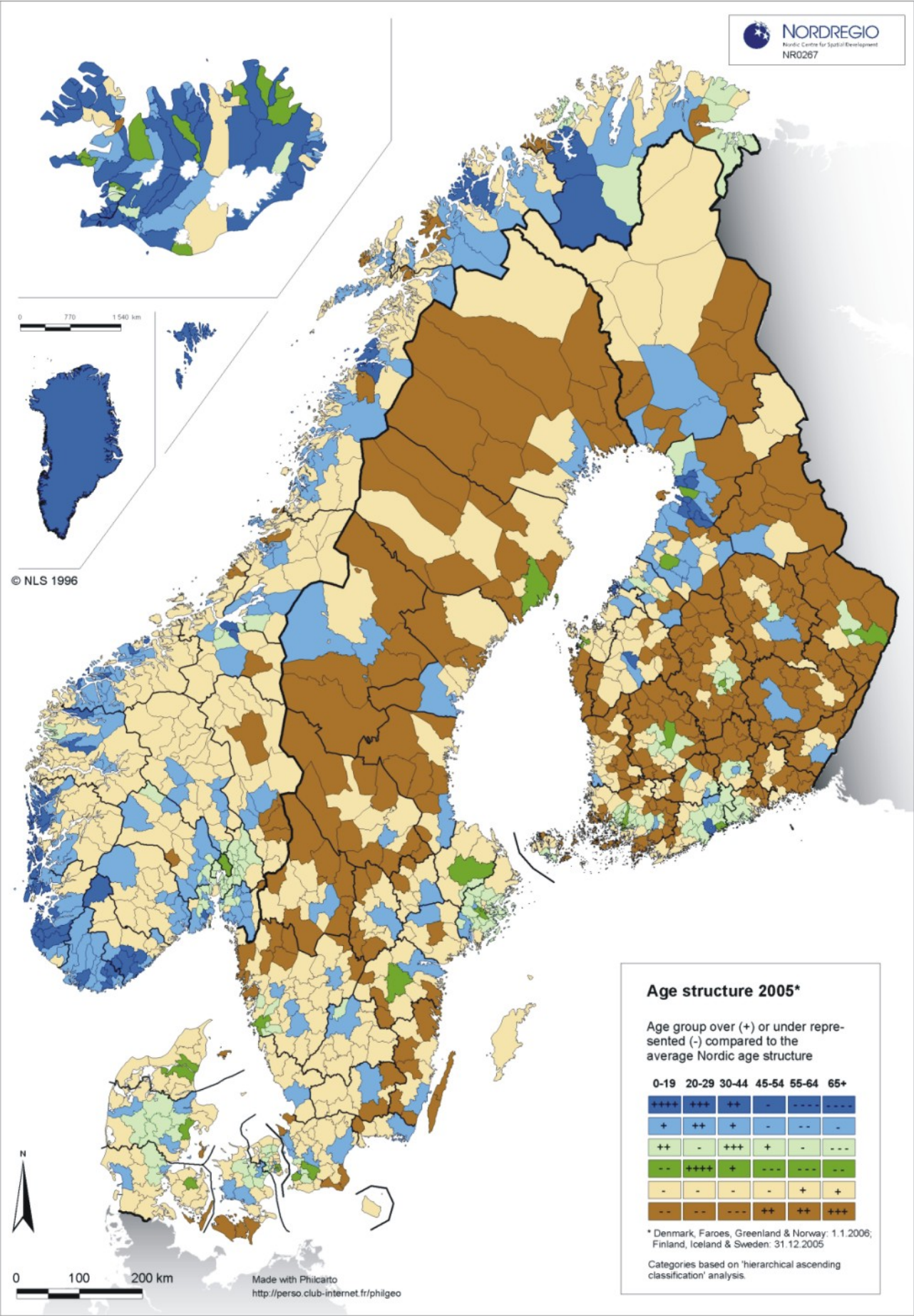
In EU terms the Nordic population comprises more children due to the existence of younger populations in Denmark, Norway, and especially Iceland all of whom maintain high nativity rates (Figure A.3 in the Annex). On the other hand, very old persons (above 75 years of age) are more prevalent, primarily, in Sweden. Even taking into account their considerable spending power it has been calculated that this age group incurs the largest *per capita* societal costs stemming from their extensive need for health care services.¹⁹ In addition a significant group of persons of pre-pension age dominates the Nordic working age population. These persons are mainly Finns. Hence by 2010 Finland will start to age subsequently growing older than Sweden which is currently 'leading' in this area.

Moving down the geographical scale and taking into account the distinct effects of permanent selective migration, local and regional age structures become far more distorted as shown in Figure 1.22. Here local age profiles are depicted against the Nordic average. Disregarding differences in the national age composition as described above some clear patterns do however emerge.

Firstly the younger population favours capitals and larger cities including regional centres. Young adults concentrate in core cities whereas families with children settle in commuting distance to a few main urban centres. Here the parental generation is already in their thirties. Apart from the capitals, this category includes cities like *Trondheim* in Norway, *Århus* in Denmark, Gothenburg in Sweden and *Turku*, *Tampere* and *Jyväskylä* in Finland. In most Icelandic municipalities and larger cities on the western coast of Norway (e.g. Bergen and Stavanger) there exists an extremely young working age population with many children.

Secondly small and peripheral municipalities are steadily 'greying'. The situation in Denmark and Norway's ageing peripheries is modest compared to the already extremely old aged population of municipalities in the inner parts of Sweden and Finland. Here pensioners dominate the population. Moreover people in the older working age

Figure 1.22 Population structure by age in the Nordic countries 2005



groups, primarily males, provide the main employable group in those local labour markets. Given the specific situation of these labour markets however the current workforce is likely to become economically inactive (pensioners) without necessarily being replaced. In addition a shrinking working age population increases the dependency ratio and employment rates are generally low.

In Finland's inner and eastern parts several municipalities are already highly dependent on their old age population. This includes the Nordic extremes of *Luhanka*, *Kuhmoinen* and *Suomenniemi* (*Keski-Suomi* and *Etelä-Karjala*) with more than 30 percent of their population older than 65 years. In Sweden's northernmost municipalities like *Pajala* and *Övertorneå* or *Dorotea* and *Björholm* (*Norrbottnen* and *Västerbotten*) a similar situation eschews.

1 Nordicum, 1-2007, p. 12-13

2 Andersson, L.F. (2006): Tar jobben slut? Institut för tillväxtpolitiska studier (ITPS). Stockholm 2006

3 The results of the Eurostat Labour Force Survey in Åland are based on a small sample size of 120 persons. Hence conclusions to be drawn from those figures are rather limited.

4 Finnish Ministry of Labour (2004): Finland's national action plan for employment 2004

5 Persson, L.O.-Ed. (2004): Economic renewal and demographic change: An evaluation of local labour market performance in the Nordic countries. Nordregio report 204:8, Stockholm 2004

6 Eurostat Labour Market Policy Database 2005. The sum of all measures exceeds one hundred percent because a number of measures with multiple target groups were included. Hence the figures comprise multiple counts.

7 Denmark: *Støttet beskæftigelse*, Finland: *Palkkaperusteiset toimenpiteet*, Iceland: *Vinnumarkaðsaðgerði* Norway: *Ordinære arbeidsmarkedstiltak*, Sweden: *Konjunkturberoende åtgärder*. For further information consult the technical annex.

8 Specific client groups include young, old and disabled persons as well as immigrants, re-entrants and other persons under public priority.

9 Persons in labour market measures are not registered as unemployed persons. Thus taking these persons into consideration in unemployment calculations would raise the unemployment rate for example by 50 percent in Sweden.

10 Nordisk Ministerråd (2005): Nordisk Pendlingskarta, Huvudrapport. TemaNord 2005:518, København 2005.

11 Schmidt, D.T. (2006): Hvem er grænsependleren ved den dansk-tyske grænse? Institut for Grænseregionsforskning, Aabenraa 2006

12 Approximations of distances 'as the crow flies' are based on municipal centre points. The data does not allow for corrections regarding the real location of origin and destination within municipalities. Furthermore the number of commuters on the shortest travel distances among cities varies considerably due to the varying size of those residential municipalities adjacent to the respective city (municipality).

13 Since the frequency of travel to work cannot be derived from the data, daily commuting is supposed to be conducted at a maximum distance of 90-100 km.

14 Nielsen, B. (2005): Udviklingen i pendlingen siden år 2000. Landsplanområdet, Notat, København 28. September 2005

15 Øresundsbro konsortiet (2006): Svensk på det danske arbejdsmarked. København.

16 Johansson, M.; Persson L.O. (2000): Utgångspunkter för 2000-talets regionalpolitik: delbetänkande av Regionalpolitiska utredningen Rapport 1: Lokala arbetsmarknader i konkurrens: arbetskraftens rörlighet under 1990-talet. Stockholm.

17 When comparing 2004 unemployment and domestic net migration rates for Nordic labour markets it turns out that there is almost no correlation in Denmark and Norway maintaining nearly full employment. For Sweden a very weak correlation is evident. Only in Finland with a high overall unemployment rate and large variation between labour markets does a slightly stronger correlation present itself. The existence of many 'outliers', however, blurs the picture somewhat.

18 Eliasson, K.; Westerlund, O. (2004): Vad förklarar skillnader i tillväxt mellan svenska regioner?, ITPS, Arbetsrapport, Stockholm 2004.

19 Malmberg, B. (2003): Befolkningsutveckling och regional tillväxt. Arbetsrapport, Institutet för framtidsstudier, Stockholm 2003.

Administrative structural reforms of government

This chapter focuses on the issues raised in the context of the pressure for, and expectations of, reform emanating from current public debate on the nature of modern democracy, the role of public administration and in particular, the distribution of responsibility between the various tiers of government, both within the Nordic countries and beyond. The aims of such a drive for structural reform are connected to the goal of creating a more efficient and effective regional

development policy, as well as to the more concrete matters relating to service provision. In this context then it would be useful to clarify and distil the questions of *why administrative structural reform is relevant to the theme at hand* (i.e. territorial development trends and policies) and *what are the current reform trends in the Nordic countries and how are they likely to play themselves out within the territorial development context in the next few years?*

Rationales and objectives of structural reforms

The drive for greater efficiency and effectiveness and the wholehearted adoption of evidence-based policy-making strategies, approaches that are intimately connected to the wider thrust of 'New Public Management' thinking have, it should also be noted, been very visible in the Nordic countries. As such, in terms of territorial governance Sweden is not only the best example of the archetypal 'Nordic welfare state', but also among the best examples of the 'agentification' of the public sector. Finland has often been cited as being in transition from a highly top-down management structure to a more bottom-up, programme-based mode, where the public and private sectors, at both the regional and national levels work in close proximity with 'network governance' being the *sine qua non* of the new approach to political and administrative tasks. Denmark has made a name for itself in respect of its decentralised model of governance, in addition to embarking upon a number of innovative solutions in relation to public management, such as for example its '*flexicurity*' model. This is based on a more active labour market policy centred on the maintenance of a generous level of unemployment support, but with more flexibility in terms of labour market and employment rules over the hiring of staff. Norway is often cited as one of the best examples of a country where the balance between urban and rural areas, geographical core and periphery is consistently followed through in policy terms. Iceland on the other hand has, in recent years, been cited as a 'Nordic miracle', due to its economic performance and, in the Nordic context, in relation to its unusually innovative approach to taxation issues.

The reasons for the adoption of these new administrative structures and distributions of power and responsibility are manifold. The most obvious are as follows:

- Ageing population, extensive service needs (and responsibilities on the local level) and the dispersed spatial structure
- Need for efficiency and effective service production and delivery, while maintaining strong local autonomy and democratic accountability
- The efficiency and effectiveness debates and in particular how they impact on the question of the 'ideal' size of administrative, functional and/or political units for service delivery in a system where accountability is maintained.

The modernisation of the public sector is an ongoing process. Governments are continually adjusting their structures, processes and organisational methods in response to societal change. Thus a debate on the modernisation of the public sector, of which the current issue of administrative structural reform is a part thereof, is inherent in the nature of the public sector. Given the changing nature of capitalism and the inherent changes brought about by the emergence of 'globalisation' in the late 1970's significant developments were to occur in the governance realm. By the 1980's this debate had intensified and, for our purposes, come to be concentrated on issues related to governance, and in particular the division of responsibility and accountability. This was largely due to the emergent 'crisis of

the welfare state' which developed during this period and to the fact that in Western European countries in particular government became increasingly over-stretched. In addition, there was growing realisation that the public sector had exceeded an economically sustainable size both in terms of the degree of taxation that was required to maintain its structures, and in terms of the perceived inefficiency of service delivery and public sector management which increasingly became a further source of criticism. Is the welfare state too heavily skewed in favour of service 'producer' groups? Are taxpayers receiving value for money? Are the qualitatively best and economically most efficient systems of service provision being used? Are services delivered close enough to the citizen-*qua*-consumer? Is the voice of the citizen sought and/or listened to in the decision-making process over the governance of service provision? What are the most suitable units of service provision? Each of these questions, in their turn reflective of the whole debate over 'governance' - are also relevant to the topics discussed in this report, not least since the privatisation pressures that have impacted on the core issues of public service delivery are closely connected to the population-base of these services, as well as to industrial and economic structures, employment etc.

The traditional welfare state model with its strong corporate structures, top-down steering and search for consensus as a basis for decision-making, which to varying degrees and with national variations has been integral to the Nordic state model's focus on government and *governing* (as a hierarchical and *top-down process* of using power, and re-articulating political interests into the process of policy development and implementation) has increasingly been accompanied by *governance* (a bottom-up or multi-directional process of elaborating policies and managing change in a political environment). A variety of interactions relationships and processes exist between the layers of governance, which are both horizontal and vertical. The focus of analysis increasingly targets the governance of service provision, rather than the formal fiscal inputs and outputs.¹

In outlining some of the main current reform processes in the Nordic countries, we have asked what are the differences, similarities, common logics and dividing lines to be found here between the Nordic countries. If there is no 'Nordic model' available, what do the national models suggest and what are the tensions and paradoxes identified? It is worth noting here that *if* there is a Nordic model (on the level of structure), it is usually associated with *strong local autonomy and local democracy*², though significant differences remain between two- and three-tier systems, and over the degree of autonomy, while processes of centralisation and decentralisation vary greatly, as does the actual distribution of responsibilities. Some of the key features here in terms of such similarities and differences are summarised in Table 2.1 in relation to structure, reform culture and democratic participation.

The autonomous territories of Greenland, the Faroe Is-

lands and Åland are also undergoing processes of reform, though thus far they have been limited to the process of municipal mergers. The autonomous status of the territories (e.g. Greenland, based on Home Rule Act of 1979, the 1948 Faroe Island Act, and the Åland Act on the Autonomy of Åland in 1921), as well as the limited population base implies a different structure and role for these areas. In the Faroe Islands and Greenland in particular the structural reform agenda of the early 21st century has been largely dominated by municipal mergers, as has been the case in Island, though the Danish structural reform process has also had its repercussions in these autonomous territories. The 18 current municipalities of Greenland are to be reduced to 4. As for the Faroes the current number of 34 is also likely to be reduced, with one amalgamation already agreed in 2006 between two medium sized municipalities, and additional negotiations between two other municipalities foreseen for 2007. The amalgamations will however not be effective before the municipal elections of 2008. Åland, on the other hand, with its 16 municipalities is also currently reconsidering the sustainability of its local authority structure, and the government of Åland has recently commissioned a preliminary study on the need for municipal reform. This study was undertaken by *Statistics and Research Åland*. In terms of the challenges faced Åland has much in common with its Nordic neighbours, as municipalities are the main providers of services and as such have extensive powers and responsibilities. Similarly to mainland Finland, Denmark and Iceland for instance, one of the main topics of public discussion in connection to structural reform has been the size of municipal units. Municipal units on Åland have often been seen as too small in relation to the extensive service provision responsibilities. The largest municipality, Mariehamn, had 10 780 inhabitants (as of 1 January 2006), while the smallest, Sottunga, only 127. The average size of municipalities on Åland, in 2006, was 1 673. (ÅSUB 2006, 5), so the debate on mergers is quite natural.

One of the main factors requiring adaptation identified in all of the Nordic countries, as well as elsewhere, is the complexity of the system, which in itself is behind the need to move from governing to governance. In the Nordic cases this is generally connected to the tradition of strong local autonomy, though as regards the issue of complexity the notion of fragmentation is also important. This can be seen to consist of the following dimensions:

- The different functions of the municipalities and regions (primary school, day care, hospitals etc.) are increasingly managed as independent units, with professional management, though resource allocation remains under *political* control
- Increasing influence of users/consumers in service provision
- Increasing flexibility in choosing between different service providers for the citizens-*qua*-consumer.

Table 2.1 Key features of structural reforms in the Nordic countries

	Denmark	Finland	Iceland	Norway	Sweden
Administrative regions ¹ (numbers)	5	19 + Åland	-	19	21
Municipalities ¹ (number)	98	400 + 16	79	431	290
Directly elected regional level	Yes	No (exc. Kainuu)	No	Yes	Skåne, Västra Götaland
Voter turnout in last municipal elections	85	58	83	59	73
Main reform processes ² (1994-2004)	Minor change, Evaluating public sector structures	Programme-based policy	-	Responsibility reform	Programme-based policy, RGP and 'regionala samverkans-organ'
Main reform processes ² (2005-2007)	Extensive structural reform	First stage local structure reform	Municipal mergers	Territorial governance pilots	Committee on Public Sector Responsibilities
Reform culture/tradition	Bottom-up, high degree of politicisation	Incremental, top-down, low degree of politicisation, consensual	-	Bottom-up, high degree of politicisation	Incremental, top-down, low degree of politicisation consensual

¹ Regional division 1.1.2007.

² In regional development.

Sources: Lähteenmäki-Smith et al 2006 and Demokratiutvalget 2005.

Though this increases choice, it also requires the adoption of new management styles and cultures to ensure accountability while also entailing that new forms of democratic control and citizens' influence are required (e.g. referenda)

- Increasing mobility and commuting, but also the new European regulatory structure demand closer co-operation between local authorities and other stakeholders. Many of the previously locally embedded and democratically accountable decisions are moved to new territorial contexts (inter-municipal, sub-regional...), which then require new forms of political decision-making, as well as in many cases a more co-operation-based organisational culture.³

These issues are laden with potential conflicts and paradoxes, as Wright's analysis of the paradoxes of structural reform aptly illustrates. According to Wright there are at least seven key paradoxes with governance reform:

- The most far-reaching reforms are undertaken in countries with the most efficient governance, i.e. in

countries which on the surface at least seem to need the reform the least;

- Many reforms are based on private sector management *praxis* models, which are known to be quite unstable and not necessarily best suited for the public sector;
- High level civil servants (i.e. committed and interested individuals) are often behind the governance reform 'drive'
- Even though many reforms are justified on the bases of the cost cuts (to be achieved as a consequence), most reforms have the opposite effect;
- The ambition of reform is in most cases connected to transparency and improved accountability, but in some cases the outcomes can lead to more complex models with less transparency and marginal impacts on accountability
- Most of the reforms are justified by the ambition of achieving more efficiency in the system, but this goal is often not achieved, if only for the reason that increased efficiency is a complex issue, difficult to de-

fine, let alone measure. The causalities and logics are not sufficiently understood in this regard.

- Those behind the reform drive are often driven by the aim to diminish the 'role of the state' (in most cases meaning the role of the central government) or to 'decentralise'. This is another issue that has been difficult to judge in many cases. Many reforms have their roots in debates and disagreements at the national level (central government)

and also require a state power or central government willing (and able) to implement the reforms.⁴

After outlining the current situation in respect of ongoing structural reform in the Nordic countries we will return to these paradoxes and summarise some of their key aspects, once the question of how the structures are adjusted in order to meet emerging societal and policy challenges has been addressed.

The reform process in Denmark

The Danish reform process has raised particular interest, not least in the other Nordic countries facing reform pressures, connected to services and the need to achieve growth and welfare. The fact that this was the first structural change of this type has made it particularly interesting, even though the impacts on different aspects of policy and societal development remain as yet unclear. The Danish process can be seen to be drastic in both its depth and perhaps even more in the speed with which the reform process has been implemented.

The overall accountability of the system and the level of influence that citizens have in it have always been key underlying principles here with Danish democracy essentially constructed on the 'service democracy' model, where the proximity of the citizens to the decision-making structures and the consensual nature of decision-making remain the core ideals of Danish public life, and not least of its governance⁵. These principles were visible in the work of the commission on public sector responsibility in 1998 (*Op-gavekommissionen*), which set out to ensure that:

- Public tasks are undertaken as close to the citizens as possible,
- The execution of public tasks rests on economic and professional sustainability, i.e. carrying out tasks must take place as economically and professionally as possible
- Public authorities that can be democratically controlled by direct elections provide public goods

Similar ideals were carried through in the subsequent work of the Danish Structural Commission (*Strukturkommissionen*), which reported its findings in 2002. The basic idea here, inspired by the principles formulated by the Commission on Public Sector Responsibility, was that the existing division of labour across the three-tiered system of government was no longer functionally optimal, nor cost effective. Six models for the division of labour across the Danish three-tiered system of government were proposed⁶, ranging from a *status-quo* model to one comprising seven to eight regions, with a municipality structure that saw a minimum of 20 000 inhabitants, as well as more radical

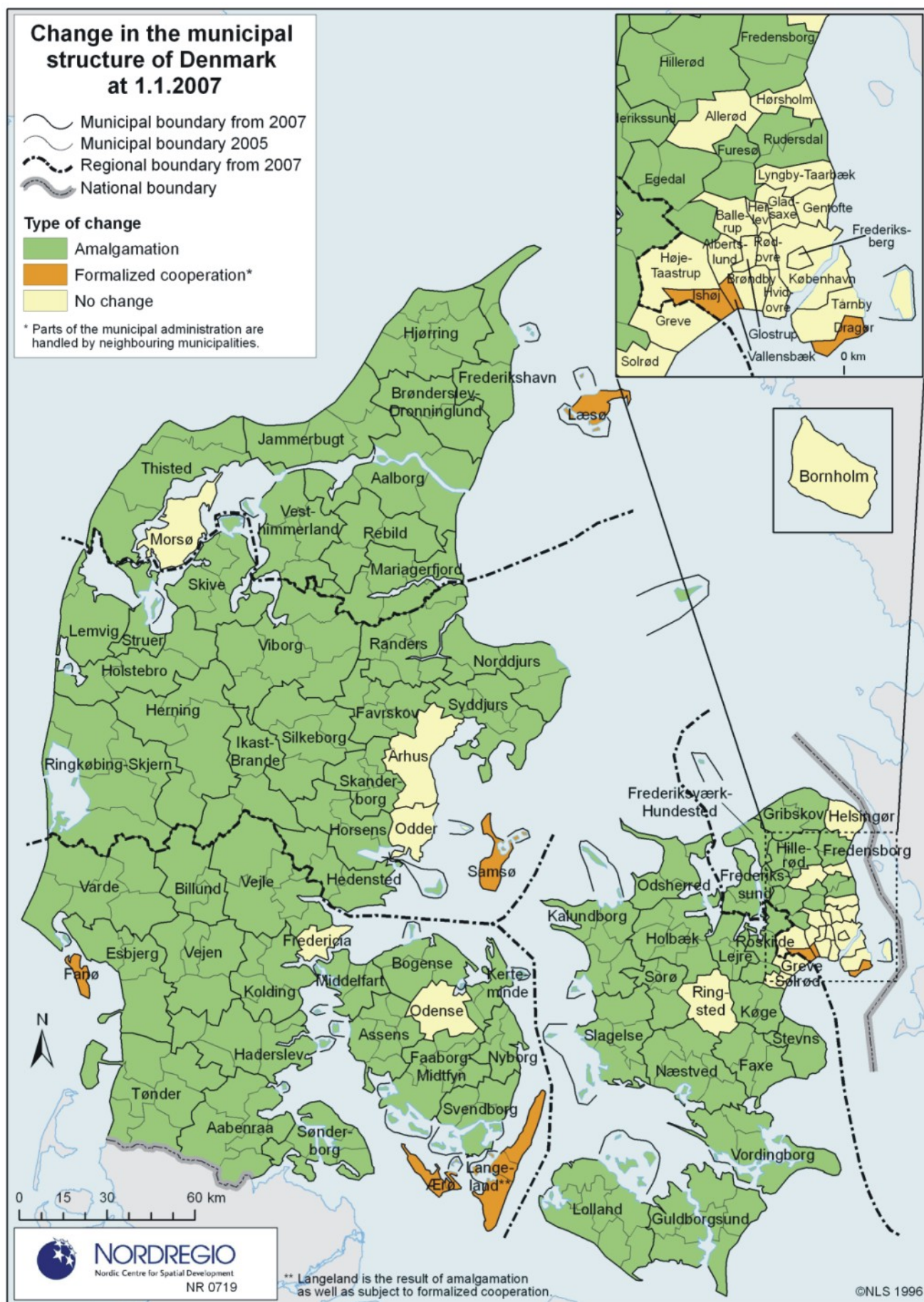
proposals with no regions at all, and municipalities with at least 30 000 inhabitants.⁷

Parallel to the work of the structural commission, another group, namely the select committee established by the Ministry of the Interior and Health set out to review the structure and form of the Danish hospital sector and suggest alternative solutions to the existing division of responsibilities. As the hospital sector clearly comprised the largest share of regional-level spending, this process was in fact fundamentally important to the final outcome of the Danish governance structure. The committee first came to the conclusion that a minimum population base of 250 000 inhabitants was needed in order to ensure the cost-effectiveness of the regional hospital sector. In addition, it was also argued that due to the growing pressures over service provision as a whole and the ever increasing level of demand being placed upon the public services, an even larger population base would in fact be ideal, i.e. 400 000-750 000 inhabitants. For different reasons then, but ultimately with a similar logic and method of argumentation, the findings of both reports had important implications for the role of the regions, with each basically fundamentally questioning the existing regional structure.

With the subsequent 2004 process, the main implications for the theme at hand were connected to the agreement that the municipalities should be empowered and the structure of service provision both simplified and clarified, in order to avoid the previous overlaps and an a distribution of tasks which was unclear. The number of municipalities was reduced to 98 through voluntary mergers, and five new regions were established in place of the old 14 counties. Changes in the distribution of tasks and responsibilities altered the functional profiles and the distribution of tasks on the local and regional levels, as well as those on the central government level.⁸

The reform process took a contractual form, i.e. the results were summarized in a contract between the Danish government (the Liberal Party and the Conservative Party) and the Danish People's Party. The model applied can thus be seen as very transparent. The final agreement made in June 2004⁹ was, by and large, consistent with the original

Figure 2.1 Changes in the Danish municipal structure from 1.1.2007



proposal issued by the government in April 2004, apart from a few minor changes, particularly in the field of regional development policy, which was regionalized. This had not been the case in the original plan. These changes may yet however prove to be quite important, especially in the context of the regional growth policy and in respect of the ability of the regions to forge a more decentralized industrial policy.

The goal: competitive regions and efficient municipalities

The structural reform was preceded by a debate where arguments for efficiency savings and greater competitiveness were put forward.¹⁰ Bigger municipalities with at least 30 000 inhabitants were also called for. An early argument in favour of structural reform was put forward by the Confederation of Danish Industry (*Dansk Industri*), which in 2002 argued that there ought to be fewer municipalities and counties in Denmark since they are inefficient and costly. Arguments against such a structural reform were based in the main around democracy issues, e.g. the fact that local political representatives would be reduced from around 4 500 to 2 500, raising an underlying fear that as a consequence of having fewer representatives, there would subsequently also be fewer young persons and women on the ballot papers, which would be detrimental to equality concerns in the long run.¹¹

The issue of democracy has also been discussed in terms of the lack of political debate concerning the structural and welfare reform. The argument here is that the citizens themselves are not sufficiently involved in the discussions, and the partnerships involved tend not to be inclusive.¹² Despite the fact that there were arguments in favour of and arguments against the structural reform, it should however be emphasised that it was implemented relatively smoothly. The municipal mergers were undertaken on a voluntary basis and though initially the municipalities were rather reticent, they eventually began to find suitable partners, and the situation became one of actively identifying potential partners.¹³ The reform was enacted by the right-wing government with support from the far-right party (*dansk folkeparti*), as the Social Democrats withdrew from the negotiations. They are said to have left because the government did not manage to deliver sufficient efficiency gains throughout the process. There are however naturally also political motivations behind the defection, since the Social Democrats did not want the reform to be a success for the government.¹⁴

The regions are larger than their 'predecessor' counties (*amter*) with 0.6 – 1.6 million inhabitants. During the November 2005 municipal elections, the new regional representatives were also elected. The municipalities will, in addition to providing services such as elderly care, child-care, elementary schools and other pre-determined social tasks, will also have additional tasks and responsibilities from

2007 onwards. These concern health care, education, social issues, industrial services, public transportation and roads, nature, environment and physical planning and culture. In addition to regional development, the five regions' responsibilities include health care and the maintenance of a number of social institutions.¹⁵

Main controversy: the new system of inter-municipal equalisation

There are a number of new aspects to both Danish regional policy and equalization policy that have caused lively debate on many of the aspects hitherto taken for granted in the Danish governance structure, as the structural choices are reflective of, and connected to, a number of policy ideas discussed elsewhere in this report. The broad consensus on local democracy has not however been abandoned, but the ways in which it is now operationalized in policy terms may be seen to be in a state of flux.

The new equalization system, set up in connection with the structural reform, in order to ensure the development possibilities of the more peripheral or lagging areas, is but one aspect of this controversial structural change. This reform seeks to equalize the funding base between the capital region and the more rural and peripheral areas, thus entailing a considerable restructuring of the equalisation account that will redirect funds from the Eastern parts of Denmark in general and the capital region in particular to the Western parts of the country.¹⁶ Needless to say, equalization plans have caused considerable debate, not least among those authorities that will end up paying more.¹⁷ The equalization issue is also connected to the differentiated status of the capital region, as Copenhagen and Frederiksborg no longer constitute a region in their own right, but are now simply two municipalities among others. How this, together with the impact of the equalization system, will affect Danish regional growth is one issue that has attracted significant debate in policy terms.¹⁸

The final implications of all aspects of the reform process in addition to the method of its actual implementation remain to be seen, with the new governance structure finally being put in place from 1 January 2007. Thus far there have been a number of surprises for the political and academic observers, including the speed at which the municipalities who were urged to implement the ambitious merger programme managed to do so indeed this was achieved in a considerably shorter time than even the most optimistic estimates thought possible.¹⁹ The years to come will provide us with a firmer cognitive base as to how this was achieved and what the implications of the governance innovations were, e.g. the regional growth in, and the fine balance between, equalisation, competitiveness, justice and growth. All of these themes are discussed in more detail, and in connection with the policies implemented and planned, in the chapter on Regional Policies in the Nordic Countries.

Table 2.2 Key responsibilities of the reformed regional and local administrations in Denmark

Key responsibilities after 1st January 2007	
Municipalities	Regions
<i>Social services</i>	<i>Hospital service,</i> Including psychiatric and specialized hospitals
<i>Health care</i> Preventive treatment, rehabilitation, treatment of alcohol and drug abuse, home care, local dental care, special dental care and social psychiatry	<i>Regional development</i> E.g. nature, environment, business, tourism, employment, education and culture, development in the fringe areas and in rural districts and the 'regional growth policy'
<i>Activation and employment</i> Projects for the unemployed without insurance in job centres run jointly with the state	<i>Secretarial service</i> For the regional partnerships for growth and the EU Structural Funds
<i>Child care</i>	<i>Raw material planning</i>
<i>Taxation advice and collection</i> in cooperation with state tax centres	<i>Operation of some institutions</i> For groups with special needs in social services and special education
<i>Transport</i> Participation in regional transport companies The local road network	<i>Regional transport companies</i>
<i>Education</i> Primary school Integration and language education for immigrants Special education for adults	
<i>Nature, environment and planning</i>	
<i>Local business service and promotion of tourism</i>	
<i>Care for the elderly</i>	
<i>Libraries, schools of music, local sports and cultural facilities</i>	

Source: Ministry of the Interior and Health 2005 and <http://www.arf.dk/Struktur/Fakta/Opgaver.htm>.

The reform process in Finland

The Finnish regional structure last went through an extensive reform period prior to Finland's accession to the EU. The two-tiered system implemented at that time, with a variety of organisations and actors in different sectors, proved to be rather complex and perhaps not ideal in all sectors and areas, e.g. particularly in respect of service provision which remains the core of the structure and compounded by the fact that the structure of responsibility remains unclear. The clamour for reform is, in part, connected to the obvious inefficiencies of the current system, but perhaps more importantly to the economic pressures now faced by the local authority structure, where the size of municipalities has in many cases proven to be insufficient to cope with issues such as out-migration, ageing

and the increased costs of health service provision.

Finnish local authorities are responsible for a variety of tasks ranging from health and education to the social sector and land-use planning. To an increasing degree, these services are provided collaboratively by groupings of municipal authorities, through joint municipal boards. Within the educational sector their tasks include overseeing the comprehensive school system, upper secondary schools and vocational institutes. The administrative status of the polytechnics has been actively debated in recent years. Currently a regional responsibility there is however now interest in relocating responsibility for them to the state level. In the cultural sector, the municipalities are in charge of libraries, cultural and recreational services. Day care for

children, as well as elderly care and the care of the disabled are also among the list of local authority responsibilities. Within the health care sector the local authorities provide primary health care services, as well as specialist medical and dental care, in many cases in collaboration with neighbouring municipalities. Supervision of land use and construction is another responsibility held by the local authorities. Other spheres of responsibility include, for instance, certain areas of education (i.e. adult education), social services and fire and rescue services, water and energy supply, waste management, road maintenance and environmental protection.

The structure of municipalities has remained surprisingly stable over the years. Between 1955 and 1977 the number fell from 547 to 464. Since then however, by 2005, it had only been further reduced to 432.²⁰ Nevertheless, an accumulation of pressures and problems has crystallised into a demand for change. The traditional equation revolves around state and municipality trying to co-ordinate their actions and attempting to strike a balance between service needs and the resources available. This has also been the basic starting point for the current reform process.

The main goal of structural renewal: viability of service provision

The issue of municipal structure has thus far dominated the structural reform agenda in Finland, though its links to regional issues are likely to be more pronounced in the near future, after the local level structure is disbanded. The main point of departure here has been the government report, delivered in April 2004, on the current administrative and service structure entitled, "Better service, more efficient administration".²¹ The focus of this document was on ensuring the availability of public services in all regions by making the structure of both the state and local levels more efficient and better able to deliver in terms of service provision.

The Finnish government has, since the spring of 2005, been preparing new legislation for the reform of the local authority structure, which would seek to address some of the challenges identified above, within a highly debated (and symbolic) project PARAS, which stands both as an abbreviation based on the words service structure, but also happens to translate as 'best' in Finnish, as the project has had at its core the ambition to identify the best, or at least the 'best achievable' and politically feasible structure for local authorities and service provision. The question soon became one of how many municipalities or how many inhabitants and crystallised into a political debate centred on achieving or avoiding municipal mergers, which was itself dependent on the political affiliation of the interested party.

The tasks of the PARAS project on service structures and municipalities were as follows:

- To evaluate and submit a proposal for the appropriate areas of responsibility for services assumed by the municipalities with due regard to the content and specific

features of such services, including for instance their availability, standard of quality and the long-term financial resources of the municipalities, as well as regional features.

- To evaluate the restructuring of municipalities and cooperation across municipal boundaries at all regional levels up to the national level.
- To analyse and promote best practices for the organisation and production of various services.
- To evaluate the steering and development systems for the production of services and related research and to prepare proposals for further improvements.
- To evaluate the division of duties and allocation of costs between the Central Government and municipalities and to prepare the necessary proposals.
- To prepare the normative and legal changes related to the organisation and provision of services necessary for the implementation of the Project.²²

A proposal for the Framework Act that defines the policies and schedule of the project to restructure local government and the services it provides was forged on this basis in June 2006. The main aims here included the improvement of local government operations productivity while restraining the growth of local government expenses and ensuring that municipal welfare services remain both accessible and of a good quality. The vexed issue of municipal democracy was also referred to here.²³

As was the case with other Nordic countries, scenarios were put forward, though in some senses they were less commensurable than in the neighbouring countries, as they addressed different functions of government. The three main options subsequently identified included:

- *Basic municipality model.* This is the *status quo* scenario with municipalities having a minimum of 20-30 000 inhabitants. Local authorities maintain responsibility for a large share of service production and continue to be the elected level. Hospital services remain based on voluntary co-operation.
- *District scenario.* In this scenario social and health issues are, for reasons of economic efficiency, the responsibility of a single organization. Other services are the responsibility of the suitable actor. The population basis for services is set at 100 000 minimum.
- *Regional municipality model.* This scenario proposes a structure of 20-25 regional municipalities established for service production with the current municipalities remaining as 'local units'. Elected politicians exist at both regional and local levels. It is a regional right to levy tax (not local).²⁴

The subsequent proposal for the Framework Act (The Act dealing with the Restructuring of Local Government and Services) was given to the parliament in September 2006. This Act contains both the guidelines and the framework

for the restructuring of local government and the services it provides. The legislative and administrative reforms necessary for carrying out the restructuring initiated by the Act should be completed by the end of 2009.

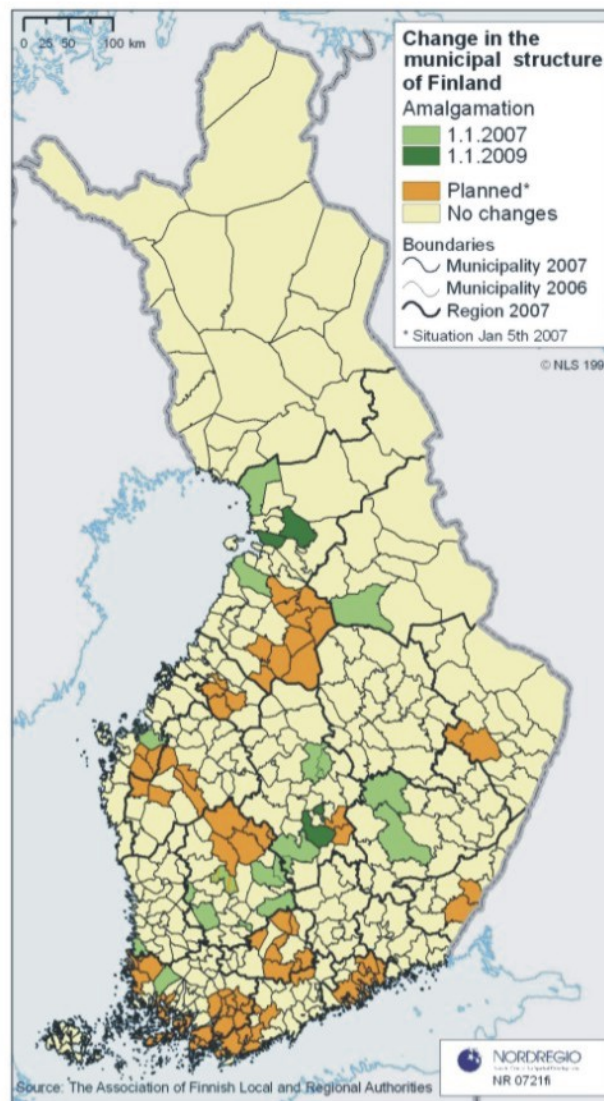
Under the proposal, the municipal structure would be strengthened by merging municipalities and by incorporating parts of some municipalities into other municipalities. Service structures would be strengthened by forming larger catchment areas for those services for which the population base provided by individual municipalities is insufficient and by increasing cooperation between municipalities.

The Framework Act also lays down a procedure in which central government and a municipality in a particularly difficult financial situation would jointly examine the ways in which the municipality in question could ensure the provision of statutory services for its residents and make provisions on the obligation of central government and the municipality to use the findings as a basis for measures intended to ensure the prerequisites for these services. The work should be undertaken on the basis of the economic indicators of the municipality in question.

The intention here is to put the basic services programme covering local government tasks and their financing on a permanent basis and to make it part of the statutory consultation procedure between central and local government. The system of local government financing and central government transfers to local government is to be overhauled in this context. The municipal tax revenue base would be strengthened by transferring certain tax deductions from municipal to state taxation and by ensuring that the system of local government financing does not discourage municipal mergers and cooperation. The aim is to merge all central government transfers earmarked for specific administrative branches. To sum up, the core of the reform at this stage is the promotion of inter-municipal collaboration in service provision, rather than a drastic reconsideration of the role of the regions per se. Municipal mergers and the accompanying changes this entails for service structures are the most visible outcome of the process. The numerous merger processes are highlighted in Figure 2.2.

The Act is tasked with reforming the municipal structure ensuring that services are secured, which in turn requires closer co-operation from the local authorities. As with the Nordic countries, the ideal size of local authorities has perhaps been the most eagerly debated issue. In the context of the Finnish debate consensus has been reached around a figure of 20 000 inhabitants, i.e. in basic healthcare and social services the threshold for effective co-operative service units has been set at 20 000, while in secondary vocational education the 'ideal size' of units is deemed to be around 50 000. Some more specialised services will also in future be provided by larger associations of local authorities ('joint municipal boards'). The issues of the functionality and subsequent differentiation of regions were also addressed in the Finnish debate and,

Figure 2.2 *Municipal mergers in Finland at 1.1.2007 and beyond*



subsequently, in the legislative reform that followed. It can be argued that one of the key issues in respect of service structure that has finally been made more explicit in the framework legislation referred to above concerns the more clearly pronounced differentiation between different types of municipalities: such as for example that between metropolitan regions, regional centres and their surrounding areas, and municipalities with lagging economies. Such specifications were not previously acknowledged so explicitly in legislative terms.

The much debated need to forge a more active policy for the capital region has also been a much debated issue and is likely to grow further in importance now that the principal issues of municipal mergers have been settled. The broader metropolitan region is expected to co-ordinate and intensify co-operation in particular in respect of land use, housing and transport. The regional centres which over the last ten years have been at the core of Finnish regional policy are now expected to co-ordinate their efforts in service provision more broadly.

While there is some room for additional economic support from the state to encourage closer co-operation across local authority boundaries on the one hand and municipal mergers²⁵ on the other²⁶, the reform has thus far stopped short of tackling the underlying regionalisation questions (division of responsibility between central government-regions-local authorities). Such issues are likely to re-appear on the agenda however now that the basic structural question relating to the local level has been settled. The lessons from various ongoing regional experiments may also be relevant here, be they in programme form such as those implemented for functional and network collaboration reasons within the regional centres or *seutu* (regional municipalities, NUTS 4 level). Or those in 'pilot' form such as the *Kainuu* regional experiment, where regional autonomy and direct democracy was piloted for the first time between 2005 and 2012.²⁷

The Act on the regional self-government experiment in Kainuu was passed by the Finnish Parliament in May 2003. The aim of the self-government experiment was to gain experience in relation to the effects of the imposition of regional self-government on regional development work, basic services, citizen activity, and the relationship between the regional and the state central government as well as the municipal and the state local government. In accordance with the Act, the region has primary responsibility for social welfare and health care services and partial responsibility for education, both of which were formerly exercised in the municipalities. The region will also be responsible for general industrial policy and regional planning and for the development of the *Kainuu* region.²⁸

A number of possible strategic and political interpretations of the reform exist, ranging from that of the 'father' of the reform, the ex-prime minister (Social Democrat) Paavo Lipponen, who in a speech from 2004 outlined the key driver of the reform agenda as an example of a municipal merger in *Kainuu*, while the current minister for municipal and regional affairs Hannes Manninen (Centre

Party) has used it as a means of avoiding forced municipal mergers and argued for added responsibilities for the regional level²⁹. The most far-reaching interpretation perhaps has been that provided by the President of the Committee of the Regions, Peter Straub (Christian Democrat from Baden-Württemberg), who interpreted the reform as an example of European regionalism, linked to regional empowerment *vis-à-vis* the central government.³⁰ As the reform is an outcome of a central government initiative, it is however more likely to represent administrative regionalization of a more 'top-down' rather than 'bottom-up' nature. This does not however imply that it cannot also have positive bottom-up mobilizing and empowering side-effects.

It remains too early to judge the success of the experiment, though a number of tentative conclusions have been identified in respect of its parameters, including those concerning the issues of democratic legitimacy and democratic accountability, as well as those in relation to service provision and regional growth dynamics.³¹ The fact that the regional elections held in conjunction with the local elections of 2004 were the first direct regional elections in Finland should not be underestimated however. If nothing else, they provided a useful test of electoral turnout and for the suitability of the Finnish electoral system in such a context; both of which can be perceived in quite a critical light, as the turnout was a disappointing 51.3% (as compared to an almost equally low local election turnout of 52.4%) while the electoral system and the information provided was deemed to be largely unsuitable and insufficient for the purpose.³² The evaluation of the initial years of the process continues, while the experiment will doubtless provide valuable insights into regional governance, local democracy and service provision in the Finnish context. For the time being however the emergent theoretical, political and philosophical interpretations and underlying motivations remain difficult to genuinely assess in relation to the degree and depth of the ongoing reform process.

The reform process in Iceland

Iceland has a two-tier system, with no regional level. The main focus in respect of the governance issue has been on the national level and the 'effectivisation' of the departmental structure on the one hand and on the local level with a high number of local authorities in the context of the country's fragmented geography, on the other. In terms of governance and policy innovation Iceland is in fact one of the most interesting Nordic countries and it has been a keen policy innovator, strongly influenced by many New Public Management ideas. Public debate, as in Finland, has however been dominated by the issue of municipal mergers. The realities of the settlement structure and pop-

ulation size to landmass ratio however generally render regional policy and territorial governance questions, nationally-speaking at least, 'non-issues'.

The Icelandic governance structure is clearly, in respect of the distribution of responsibilities, a two-tier system, with the local authorities and central government being the levels involved. There is no real regional administrative level with responsibility of its own, and regions exist only as collaborative constellations set up on a voluntary basis for planning purposes.³³ Compared to other Nordic countries with extensive local authority and financial responsibility, Iceland's local authorities' share of public spending

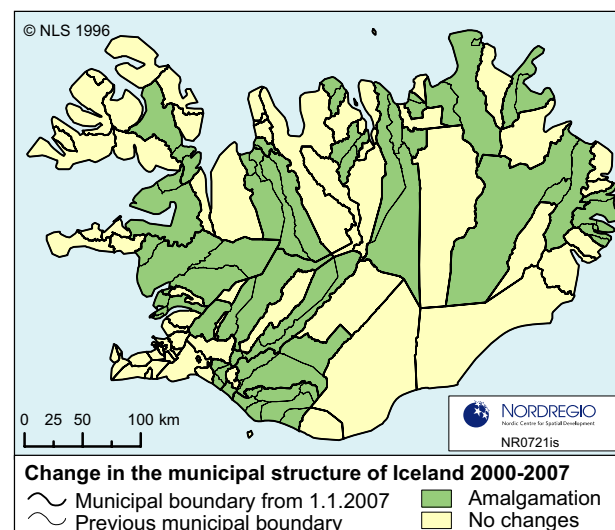
is relatively small because the State takes responsibility for many of the costly functions handled by local or regional authorities in other Nordic countries. The larger role played by the central government in Iceland can be attributed to the size and disparate territorial distribution of the population. The degree of centralisation and concentration in the capital Reykjavik is also a major factor here. The number of municipalities has however fallen in recent years reflecting the extensive process of municipal mergers that has taken place. The differences between municipalities are considerable, with geographical size ranging from 2 to 8 884 km² and population from 38 to 113 730.³⁴ The number of municipalities has decreased from 124 in 2000 to 79 in 2006 (after the municipal elections). The role of the local authorities has also changed, becoming more complex and now embracing primary schools and social services. The major share of the municipalities' work entails the management of primary education, a local authority area of responsibility since 1996.

Due to the limited number of municipalities more or less institutionalised forms of collaboration already exist across local authority boundaries and as with the Finnish case for instance, the fragmented local authority structure has led to municipalities joining forces voluntarily, though usually out of necessity, to deal with particular services, such as those for the elderly, waste management and pollution prevention, co-operation in the fields of culture, sports and youth work, public transport, utilities and education. Roads and transport are areas where inter-municipal collaboration is the norm, and where regional plans have already been drafted as stipulated by the Planning and Building Act No. 73 from 1997.³⁵

As with the other Nordic countries, interest representation on behalf of the local authorities is taken care of by the Association of Local Authorities. In addition to national interest representation, the association also represents local authorities in respect of international contacts and formulates common policy positions on individual issues. A special co-operation agreement is in force between the association and the government, containing formal provisions covering relations between them.

The main reform question debated in recent years relates to the issue of local governance reform and in particular the question of municipal mergers. As is the case in Finland the main objective of the reform process has been to strengthen the municipalities in such a way that they would be better able to provide public services. While the logic in the Finnish case has been to create sufficiently strong local autonomy units able to carry on the tasks and responsibilities already lodged within the sphere of local

Figure 2.3 *Municipal mergers in Iceland between 2000 and 2007*



responsibility, in Iceland the debate has perhaps reflected rather more that which has occurred in Denmark, i.e. bringing about the reform of local authorities such that they could become strong enough to adopt new tasks and responsibilities, which in the Icelandic case would be moved from the state to the local level.³⁶ The aims of the local authority reform are similar to those of the other Nordic countries on the one hand, but also in some ways rather different. This is particularly so in the context of the increased decentralisation sought in the provision of public services in order to render clearer the division of tasks between the central government and state authorities and local government. At the same time however the increase in local level share of public consumption remains a significant end goal. Thus the services that have been considered as suitable for decentralisation have included areas that in many cases come under the ambit of 'local level responsibilities' in the other Nordic countries, e.g. basic health services or care for the elderly.

The referenda held to decide upon the question of mergers in October 2005 did not go according to plan, with the referendum only resulting in one single amalgamation (out of the 16 proposed) thus leading to an overall reduction by three municipalities. The process was subsequently put 'on ice' either to be taken up in future in the context of a more 'top-down' fashioned amalgamation process, or as a variation of the Finnish and Danish processes, i.e. voluntary mergers or forced co-operation (leading gradually, it is hoped, to mergers as co-operative ties and functional interdependence are strengthened).

The reform process in Norway

In Norway as elsewhere a consistent trend towards increasing the degree of public sector functional specialisation can be determined. On the territorial level this has perhaps been most visible in the establishment of specialized state regions, each having distinct responsibility for only one limited function. This is also an area where pressure for reform has emerged, as the call for regional and structural reform in the Norwegian case originated at the local level in response to the desire to simplify the decision-making process and improve service provision while bringing these issues closer to the citizen. As is the case in Sweden, calls have been made for the number of regions to be reduced (to somewhere between five and seven). There have however, been equally strong arguments made within the current government for a structure with 10-12 regions, but with an increasing degree of power and responsibility. Those who, on the other hand, call for fewer regions often seek to decouple the debate on regionalisation with that of the decentralisation of administrative tasks. The number of regions is however to be drastically reduced.

Norway is currently divided into 19 counties and 434 municipalities (2006). As with Sweden and Finland, in Norway the interests of the State-level are represented at the sub-national level through the County Governors' offices. The tasks of the municipalities are vast and varied, ranging from primary and lower secondary education, social services, and municipal roads, to water and sewerage and zoning regulation. Upper secondary schools, as well as dental health care, areas of physical planning (including cultural heritage) and collective transport are administered at the county level. The last major reform of relevance to the territorial structures and distribution of responsibility was undertaken in 2002, when the previously regional hospitals were taken into the sphere of responsibility of the state, within the context of the newly established new hospital districts.

In their co-operation declaration (*Soria Moria-erklæringen*), the current government launched an ambitious plan for regional administrative restructuring. The outcome of this process is envisaged, by 2010, as a new regional structure with fewer regions at the administrative level between central government and local municipalities. These new regions are to remain responsible for regional development issues, though the specific issues to be included in the regional development 'toolbox' remain as yet to be determined (as of early December 2006).

The State level in Norway is directly represented at the regional level through the County Governors' offices, while the municipalities represent the autonomous local government administration. Both levels of administration receive part of their revenues through local taxation, fees and local business management, and part from allocations from the central authorities and other public institutions. The county municipalities (*fylkeskommunene*) represent a tra-

ditional administrative division dating back almost ten centuries. During the Viking age local *fylkesting* (county councils) commanded great power with this system of local self-government further evolving throughout the Middle Ages.

Main goal: clarifying the distribution of responsibilities as a mean of promoting innovation in the public sector

The bottom-up approach taken in Norway resembles the Swedish approach much more than the 'big-bang' approach recently implemented in Denmark. As in most other Nordic countries, in Norway the association of local and regional authorities has played a key role in the reform process, not least through its lobbying functions and through the information material it produces. Indeed, the 2004 report commissioned by the Norwegian Association of Local and Regional Authorities (*Kommunenes Sentralforbund*) became one of the most debated proposals for a new regional structure in any of the Nordic countries.³⁷

A recent report from the Norwegian government on strategies and plans for innovation and modernisation in the Norwegian Public Sector addressed this issue and called for increased focus on the distribution of roles and responsibilities in order to ensure innovation in the public sector.³⁸ This can in part be seen as relating to the more universal concern with evidence-based policy making³⁹, while also being connected to the role of national ministries in ensuring better cooperation between different sectors and institutions, while also exerting decisive influence on the research and innovation budgets. The White Paper on research gives the Ministry of Government Administration and Reform responsibility for initiating and ordering research and development of a cross-sectoral character in the public sector and argues for simplification and transparency in governance terms.

This restructuring process is supported by the Norwegian Association of Local and Regional Authorities. As with the associations found in other Nordic countries, the association is a national association for municipalities, counties and public enterprises under municipal or county ownership, with all the municipalities and counties being members, with a strong interest representation and lobbying role on behalf of its members. It has initiated a project named "the new county authority", under this initiative, a string of reports have been published. The main recommendation from the local and regional authorities has been that Norway should develop strong regions, with more responsibilities and elected bodies than the current counties possess.⁴⁰

The local democracy commission concluded in spring 2006 that local autonomy is strongly embedded in the public sector while the municipalities enjoy a high degree of legitimacy, with inhabitants being content with the way local democracy functions and the degree of participation on the local level remaining high, even if the turnout in the local elections is not as

high as it once was. The ministry will unveil a white paper on the local democracy issues in spring 2007.

The main instrument of policy renewal: moving towards new regions via a gradual pilot-based approach

In Norway, the office of the regional state representative/county governor dates back to the 1660s. Currently, the office is a *sectoral* authority with responsibility for environmental issues, childcare, social welfare, physical planning, civil defence, legal matters and agriculture. At the same time, the office has *co-ordination* responsibilities with respect to streamlining state policies *vis-à-vis* the municipalities. The office also holds *supervisory* authority, by ensuring that State and Government policies are put into action by the municipalities. And finally, the office is also a *legal guarantor*, responsible for ensuring the legal protection of individual citizens and commercial entities.

The office of the county governor attracted increased significance as a supervisory body *vis-à-vis* the municipalities in the 1990s and early 2000s. This is particularly manifest in the context of the state sectoral authorities located at the regional level (public health, education). By providing the county governors office with new responsibilities, successive

Norwegian governments (post 2000) have made a point of arguing that this is the result of increased decentralisation.

From 2004 to 2007 two county administrations will participate in pilot studies at the regional level. Unitary governance arrangements co-ordinating the regional administrative tasks of the county councils (*fylkeskommunene*) and the offices of the County Governors (*fylkesmenn*) have been set up in Møre and Romsdal as well as in Hedmark counties. From the outset, it was determined that the initial 4-year pilot study period could be prolonged for a total of two additional years (2008-2009).

The two counties have selected very different organisational arrangements for their regional pilots and in both Hedmark and Møre and Romsdal; the experiments have been actively followed by action researchers. In Møre and Romsdal county, the organisational reforms set up for the 4-year period are much more significant than is the case for Hedmark county. In Hedmark, no change has been required in the formal organisations of the county administration or the office of the state regional representative, whereas in M&R the two organisations have been merged into one common regional institution with a single chief administrative officer.

The objective of the *Enhetsfylke* pilot studies is to ascertain whether the administrative arrangement of pooling

Box 2.1 The planned reform schedule in Norway

Dec 2006

White Paper to the Norwegian Parliament on regional administrative reforms. To contain a principal discussion of regional administrative responsibilities, financing of the regional level, the introduction of a new regional administrative territorial division etc, to be debated in the Parliament after New Year 2007⁴¹

Spring 2007

All municipalities to discuss the proposed changes to the regional structure.

Dec 2006 – Dec 2007

Government to prepare - with all relevant local and regional stakeholders the changes required by the reform of the regional administrative structure. This is likely to include adjustments to central government and regional authorities, including the County Governors' offices (Fylkesmannsembetene).

March 2008

Government to propose a new law on administrative reforms focussing on the regional level.

June 2008

New law proposal to be debated in Parliament.

Late 2008 – Early 2009

Political parties to nominate candidates and create political programmes for elections to new regional assemblies 2009.

Sept 2009

Election of new regional assemblies (in conjunction with the Parliamentary elections)

Jan 1, 2010

Implementation of new regional reforms.

the resources of these two institutions constitutes a significant simplification of governance at the regional level. The aim is to make public sector administration more transparent, and thus more user-friendly, both with respect to clients (municipalities, companies) and private individu-

als. Another objective of these pilots is to explore whether such an institutional co-ordination endeavour results in efficiency gains or in the rationalisation of public sector functions. It is thought that by pooling professional sections and competencies, synergies may be achieved.

The reform process in Sweden

The local authority structure in Sweden was continually reformed during the period stretching from the 1950s to the 1970s. Indeed, contrary to the emerging situations in the other Nordic countries, the issue of municipal mergers has not been viewed as pressing. As such, the Swedish debate has remained much more functionally based.

The Swedish national debate generally focuses on the issue of functional regions and the issue of 'regional enlargement', i.e. having larger and fewer functional areas, with the travel time needed for commuting becoming the key indicator of functionality, effectiveness and feasibility of the structure in place.⁴² In the context of the national level discourse, 'region' is equated with labour market area, functional region or commuting area, whereas the issue of regionality in terms of mobilising bottom-up processes is more prevalent in the regional level debates, in particular in regions with an increased degree of autonomy (e.g. Skåne and Västra Götaland).

The key structures include local and regional authorities (divided into state regional and local authority-based organisations, as in Norway). The democratic governance structure is a three-tiered system, with local, regional and national levels. There are currently 290 municipalities, with tasks falling into two main categories: those fulfilled under the general powers granted to the municipalities and county councils under the Local Government Act, and those based on special legislation. The specifically regulated tasks the municipalities are usually required to provide include education, social services, care of the elderly and of those with disabilities, physical planning and building, certain environmental tasks and rescue services.

The state regional level consists of the county administrative boards, of which there are 21. In addition there are the democratically elected county councils, whose tasks have traditionally centred on the provision of health care, though in recent years this has, in some cases, been accompanied by other responsibilities in respect of regional development and growth policy issues (transferred from the state regional level. In Stockholm, to the co-operation bodies between municipalities elsewhere). Other important tasks include transport and dental care. In recent years particular interest has been focussed on the two 'regional trials', namely, those in Skåne and Västra Götaland. From 1 January 2003 county councils and local councils can form

indirectly-elected regional cooperation councils. In such cases, these regional bodies take on a larger responsibility for regional development strategies – a task transferred from the county administrative boards.

The new co-operation bodies, i.e. *samverkansorgan* are inter-municipal collaborative bodies that have been formed to take over some of the tasks and responsibilities formally exercised at the county level (state regional level). This possibility was made available to all counties in 2002, but the legislation requires all municipalities in the county to agree on the establishment of such a body. Thus far, nine *samverkansorgan* have been established and another four are currently in the process of being set up. There are also more programme-based forms of regionalisation, as has occurred in the other Nordic countries. The regional growth programmes require close co-operation and partnership-mobilisation and formulation in the regional sphere and this may in the longer term also influence the structural forms of governance.

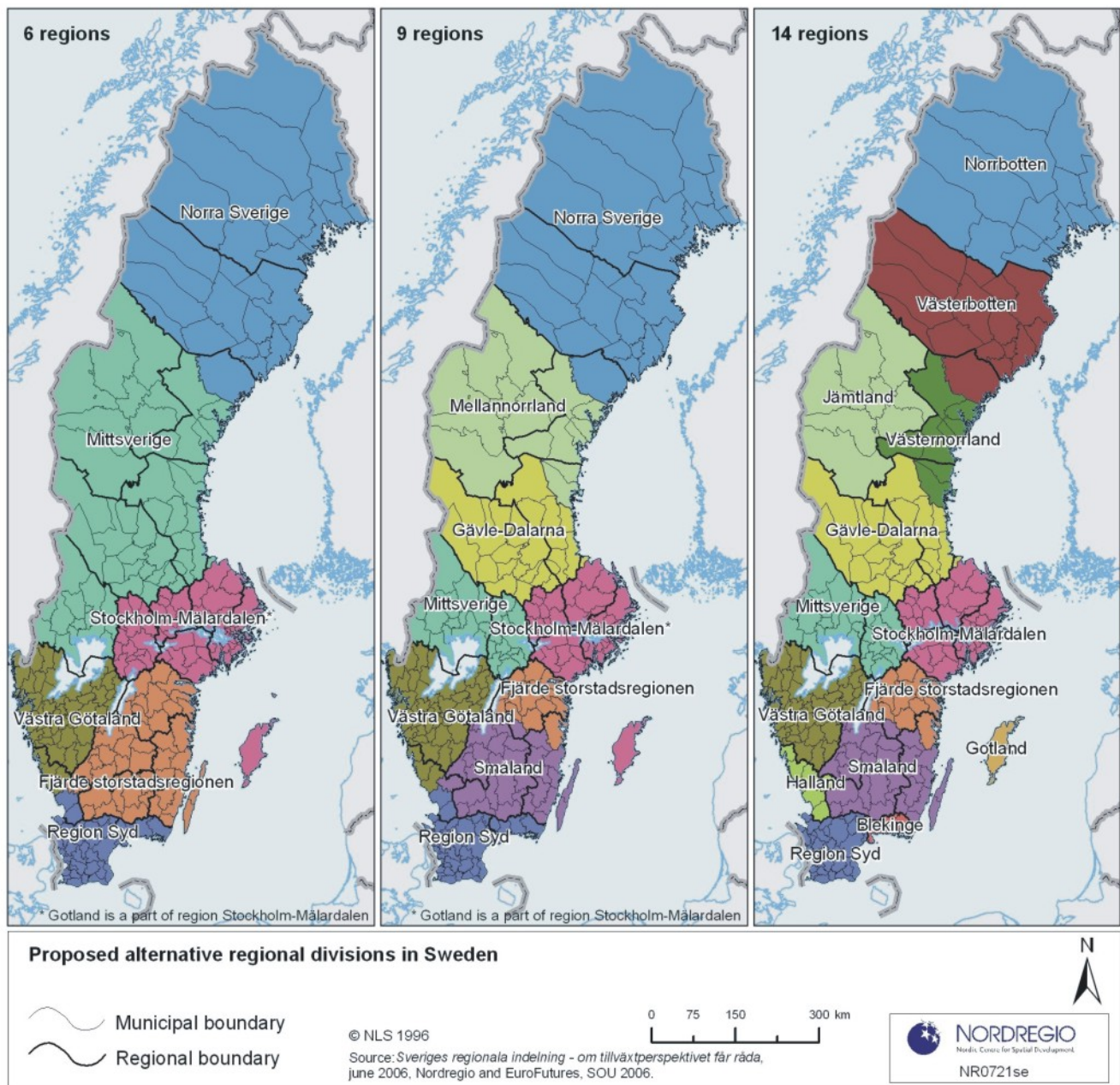
Main goal: clarification of responsibility as an instrument of governance innovation

On the process level the main focus of interest has been on the Swedish Committee on Public Sector Responsibilities (*Ansvarskommittén*), which is currently working on the overview of the Swedish societal structure, to be finalised in February 2007.⁴³ The main aspects of the commission's work include:

- Clarifying the division of responsibilities between different levels of the administrative system (where multi-level governance occurs) in cases where it is impossible or inappropriate to concentrate responsibility at a single level, and for enhancing innovation capacity
- Enhanced innovation capacity at local government level, building on a clear division of responsibilities between the local and central government levels
- Enhanced innovation capacity at central government level, comprising inter-sectoral development of central government services and national level governance.

The first phase of the structural reform work in the committee attempted to highlight and analyse the structure of

Figure 2.4 Alternative regional divisions in Sweden as proposed by the Ansvarskommittén



tasks and responsibilities – and their distribution between the state, the municipalities, and the county councils (landsting) – at a general level, and also to analyse some of the future societal changes facing Sweden. The points of departure included the maintenance of municipal autonomy, together with the national responsibility for regional equalisation and access to welfare services across the country. Equality does not exclude variation and the future structure of society is seen as one where growth, the utilisation of technological development and internationalization are addressed, together with the horizontal policy goal of sustainable development.⁴⁴

One important issue of note here has entailed the various experiments with regional autonomy. Since 1997, Kalmar, Gotland and Skåne counties, and since 1999 Västra Götaland, have all been given autonomous region status on a trial basis, with Skåne and Västra Götaland still utilising their regional autonomy models.⁴⁵ In addition to the self-

governing regions municipalities and county councils (landsting) can also form municipal co-operation bodies (kommunalförbund för regional utveckling), with a formal responsibility for regional development policy and transportation planning, i.e. policy fields otherwise under the responsibility of the county administrative boards. The formation of regional development councils is based on a voluntary decision taken by the municipalities of each county, though all of the municipalities have to agree on the decision. At present there are nine municipal co-operation bodies: in the counties of Blekinge, Dalarna, Gotland, Halland, Jönköping, Kalmar, Södermanland, Uppsala and Östergötland.

The first phase of the commission on structural reform resulted in the publication of a government report.⁴⁶ One overarching future problem formulated in this paper is the

large gap between welfare needs and available resources. The report suggests changes in the 'steering model', which is problematic due to its sectorised division, which in turn possibly hinders development and a more holistic approach to policy making on these issues (reflective of the fragmentation problems identified earlier in this chapter). The report suggests that the continued work of the Committee on Public Responsibility should consider the structure and distribution of tasks and responsibilities; the questions concern the relationships between the government and the authorities; as well as the division of responsibilities (and by extension of power) between the state and the municipalities (or regions; 'two levels of municipalities').

The main controversy: from centralisation to regional empowerment?

The second phase of the Swedish Committee on Public Sector Responsibilities, due to be completed in February 2007, aims at deepening the analysis and looking at the tasks for the municipalities as a whole, including the structure for providing health care and the distribution of those responsibilities between the state, the county councils and the municipalities; regional development and the societal organization of the regions; the state's steering/control over the societal organization – both regarding the relationship between the government and the public authorities and that between the state and the municipalities. A plethora of publications and background reports was also compiled during the second phase.⁴⁷ The implications and practical results of the process are likely to cause controversy, as currently no consensus exists on the regionalisation of the relatively centralised Swedish system.

The Swedish Association of Local Authorities and Regions (SALAR) (*Sveriges kommuner och landsting*) is currently involved in something called the 'Responsibility Project' (*Ansvarsprojektet*), in addition to the central gov-

ernment level work referred to above. Here also analysis, reports and data are provided in order for the authorities and members of the Association (the Swedish municipalities, county councils, regional co-operation bodies municipal co-operation bodies [*kommunalförbund för regional utveckling*] and self-governed regions) to make their standpoints on the structure of the future organization of the society.⁴⁸ In a report, aimed at the promotion of discussion on the questions raised in the Committee of Public Responsibility, concludes on the issues under discussion as follows:

- There is a need for regional development and we need to plan and assist this development. What is the best way of doing this?
- There are too many actors in the 'regional developmental field' – a new structure of responsibilities, tasks, and power could be more efficient, producing a better overview and insight. This is promoted by the creation of a stronger, clearer and more legitimate leadership function. But the question then is: who should have the regional leadership – the state or the municipalities?
- The functional regions do not match the administrative borders of Sweden.

SALAR have reiterated their two opinions on regional issues, albeit rather vaguely: (1) directly elected regional assemblies are needed in the future; (2) The current regional geographical divisions should be re-assessed.⁴⁹ The outcome of this work, as well as of the whole reform process to follow, is highly dependent on political circumstances. The recent change of government is likely to have an impact here, not least with the central government gaining the important portfolio for industrial development, including regional policy while the minister in question is well known to have a preference for greater decentralisation and regionalisation.

The reform processes in the autonomous Nordic territories

All of the Nordic autonomous territories are faced with similar challenges relating to issues of service provision and structural change. In the case of Åland the process has only recently begun with the initial considerations being reported in a recent report commissioned by the Government of Åland.⁵⁰ While the Faroe Islands and Greenland are currently undertaking a process of municipal mergers as part of their structural reform process, the structural reform situation in Åland can be said to be at an earlier stage, with the alternatives still considered and debated. The re-

port tends to be more positive towards reforming the distribution of tasks and responsibilities than to implementing municipal mergers with voluntary forms of co-operation between municipalities likely to be the norm here.⁵¹

Local governance in the Faroe Islands has traditionally been intimately associated with rural development (*bygdamening*). As a consequence of the economic crisis of the 1990s, the structural commission set up in response itemised regional development (*økismenting*) as a strategy re-

placing bygdamening, and was designed to ensure a more robust approach to socioeconomic development. The crisis in the early 1990s led to many changes in the Faroes, some introduced by Faroese authorities and some demanded by the Danish state, as part of the terms on which loans were given to rescue the Faroese economy from total collapse. The change of focus from rural development (bygdamenning) to regional development (økismenning) represented apolitical acknowledgement of the problems of governance in the 1980s. The establishment of the Structural Commission was contained in the terms set by the Danish government, as the large number of municipalities was identified as one of the reasons behind the economic problems. The municipalities had in general made significant investments throughout the 1980s, which were typically financed by increasing municipal debt. By the early 1990s several municipalities had a debt level 3-5 times higher than their annual budget. For the same reason the Danish state wanted the Faroese government to undertake a structural reform process (thus the Structural Commission was established), which in turn was tasked with reducing the number of municipalities in the Faroes.⁵²

From 2001 to 2006 the number of municipalities in the Faroe Islands declined from 48 to 34. The 2006 law proposal on voluntary municipal mergers did not identify the number of municipalities but rather the areas within which municipalities could amalgamate. Municipalities within these areas could merge into considerably larger municipal units (including 1 to 7 municipalities), decide against such mergers all together, or decide to establish other forms of inter-municipal co-operation, stopping short of actual mergers. The law proposal was subject to public hearings in late 2006, but when the proposal was discussed in the Løgting in late December 2006, the coalition could not reach an agreement and the proposal was sent back to the Parliamentary committee, to be discussed again in the Parliament in February 2007. One of the proposals put forward by the structural commission was to reduce the number of municipalities to a total of 7-9 with the likely solution leaning towards a model of seven municipalities / local units (Figure 2.5). These changes, however, are subject to public hearings scheduled for early 2007. The new and larger municipalities could then take on new tasks and responsibilities which have until now rested with the central government, such as childcare, social protection, welfare services for senior citizens and social services.

As can be seen from the Figure 2.5, the most recent municipal mergers in the Faroes have taken place in the most central parts of the islands. This, and other recent regional developments in the Faroe Islands have led to additional local functional specialisation, as the settlements surrounding centres such as Klaksvík and Tórshavn has taken on the characteristics of commuting areas. This is however putting increasing strain on the production of local social services. At the same time, infrastructure investments such as sea tunnels and airport expansions have also

Figure 2.5 Proposed changes to the municipal structure of the Faroe Islands

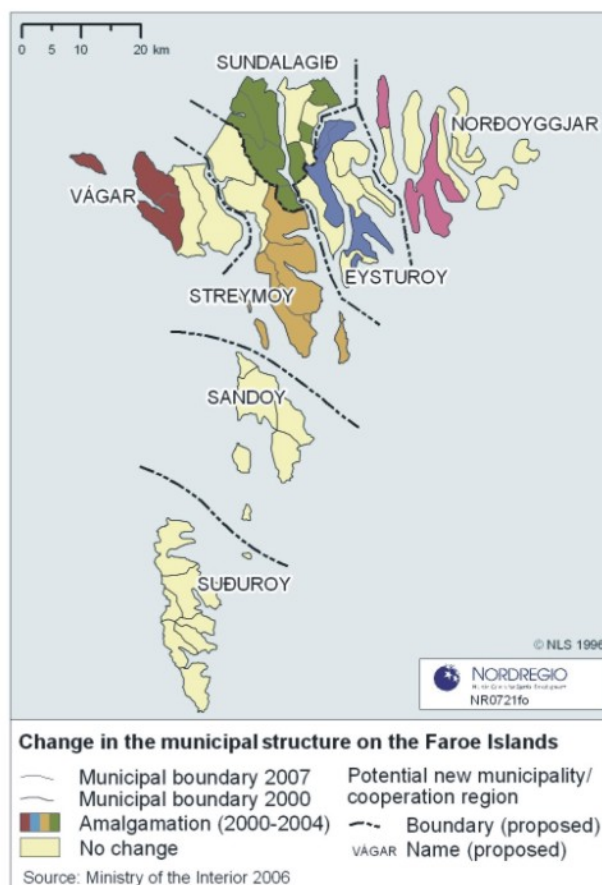
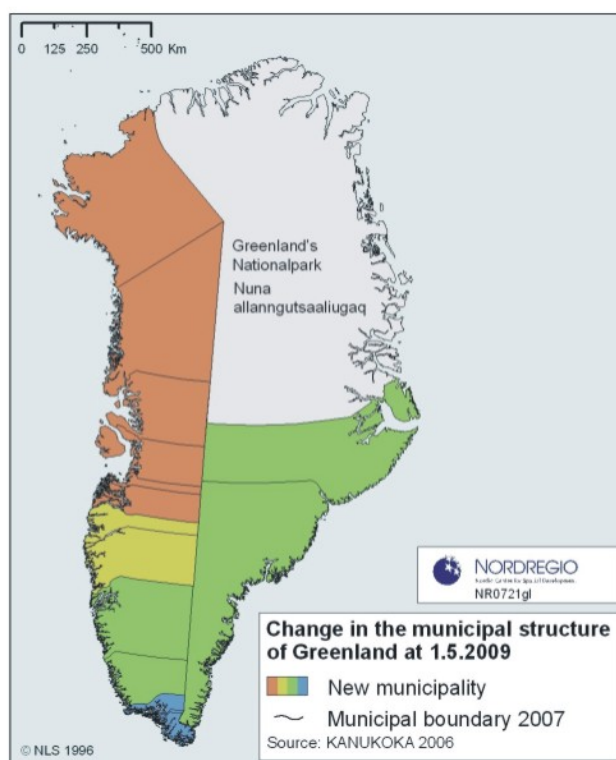


Figure 2.6 Proposed changes to the municipal structure of Greenland



provided more economic dynamism for the islands.

In Greenland the Home Rule Authority set up a Structural Reform Commission in 2003 with a mandate to assess the division of tasks and responsibilities between the Home Rule Authority and the municipalities. In order to increase efficiency in the public sector the commission proposed a major overhaul of the municipal structure, reducing the number of municipalities from 18 to 4 in its final report presented in October 2005. Among the most recent developments here, the local council of *Nuuk* decided in early December 2006 that a merger was to take place between the municipality of *Nuuk* and its East-Greenlandic neighbours of *Ammassallip Kommunia* and *Ittoqqortoormiit Kommunea*³ (Figure 2.6). The structural reform process here is currently ongoing with a

deadline of May 2009 and in its entirety is to be implemented in the period 2009-2013. None of the new proposed municipalities will have less than 10 000 inhabitants.

In addition, the structural reform commission proposed a reduction in the number of politically elected levels from three (county councils (*landsting*), municipal councils and township councils) to two, by abolishing the township councils. The reforms will, at the present rate, be phased in between 2009 and 2013. The proposed municipal mergers in Greenland will produce some of the world's largest municipalities in terms of territorial coverage. Indeed, while the future new East Greenland municipality will host 21 000 inhabitants, it will also cover a land area of some 635 600 km², almost twice the area of Norway.

Implications for the future: differentiated structures and experimentation to remain

The starting point for governance reform in the Nordic countries is both functional and democracy-related, in many cases relating to service provision needs, but also efficiency concerns in public sector governance more broadly. The service pressures have resulted in a variety of reform processes and pilots, where on the national level the organisational form selected is a Committee on Public Sector Responsibilities or some other similar body, which seeks to clarify the division of responsibilities between different levels of the administrative system (where multi-level governance occurs) and by so doing, enhance the capacity of the public sector to renew itself. Another expression of the need to restructure is the aim to improve the innovation capacity at the various different levels of governance while seeking to clarify functional specialisation in such a way as to build on a clear division of responsibilities between the local and central government levels in particular. On the central government level, the issue is most often articulated in terms of the cross-sectoral development of central government services and national level governance. In most cases however such territorial reform processes are generally separated from these more intra-governmental processes. The cross-sectoral perspectives should however be discussed together with the multi-level territorial considerations however, as issues of scale, function and political organisation are all equally relevant for territorial governance.

On a general level the reform processes have raised the level of interest in 'best practice', and the exchange of experiences etc. Moreover, it is generally understood that the Nordic countries provide a relevant and appropriate context for such comparisons, as their policy contexts, geography, functional division of tasks etc., are sufficiently similar to warrant such comparison. Activities in relation to

regional and sub-national experiments are moreover ongoing in Sweden, Norway and Finland and here comparisons and the identification of best practice remains a fruitful basis for further governance reform.

The Danish case is the one example we currently have of structural reform in the Nordic countries (the only one that has, as yet, been implemented) and therefore potentially interesting and inspiring for others. While the final implications and impacts are yet to be investigated, the reform process itself can be taken as an example for others, this includes in particular questions such as, how the process to move towards a less regionalized, more localized model with more tasks appropriated to the municipalities was developed, and which actors were decisive (the personal commitment of the minister is often referred to). The contractual model remains an interesting example of commitment, though the issue of local commitment and engagement is naturally an issue that should also be further investigated. The fact that a directly elected regional level remains, though without taxation powers, is also likely to provide some lessons, as the taxation prerogative is often seen as being closely connected to notions of accountability. The fact that Structural Funds management was decentralized to the regions and the new model of regional growth *fora* will in future also potentially provide interesting comparative material with other Nordic countries with regional growth agreements, public-private partnerships and triple helix ideas being implemented.

It is also worth noting that while there are many common denominators to the territorial governance structures of the Nordic countries, and a similar value-base of notions such as democracy etc exists, there are nevertheless a number of important differences when it comes to administrative and political cultures. It seems clear that the 're-

gional issue' (i.e. the very existence, mandate and objectives of the regional level) is here to stay, i.e. likely to remain on the political agenda in the foreseeable future, with some actual decisions and changes emerging. How this debate is channelled into public sector reform and onto the political agenda is however likely to vary from country to country. In the Finnish and Swedish cases there is more of a 'consensus culture', which makes it difficult to put in place major changes. The nature of party political geography in these countries and their electoral systems also militate against major reforms, as the politicization of territorial issues is historically low. Norway and Denmark on the other hand have traditionally perhaps a more bottom-up tradition, though the most recent Danish reform was unusual in this respect. The degree of politicization is higher however, as there tends to be more regular political shifts in power.

In particular when it comes to the question of regional and local structures and of drawing lines between authorities, it is clear that much of the debate has centred on the question of what kind of functional entities are feasible, viable and ideal. Yet questions remain relating to the questions of democracy and governance in a more profound, principled fashion.

In terms of the paradoxes and tensions referred to in the introductory section, private sector influences are clearly visible and the local and regional agendas are compounded by issues relating to public-private partnerships in service provision, collaboration models in regional development, evidence based decision-making and management by results. This, one might assume, makes the comparative perspective necessary, not only between national and regional authorities, but also across them and across sector boundaries, e.g. network management, project and programme management etc. The presence and central role of the individuals, both civil servants and politicians seems to apply also, though here we only have anecdotal evidence thus far. The commitment of individuals however may be a central prerequisite for the commitment required within the organizations implementing the reforms themselves.

As to the aspects of paradoxes relating to the unexpected or counter-intuitive effects, it is again too early to judge. The drivers are largely connected to New Public management ideals and efficiency, effectiveness, access to services and transparency are all continually referred to in all cases discussed. The role of different level actors remains highly diverse across the Nordic countries. In this sense there is no 'Nordic solution' or ideal, though some policy ideals may be shared (strong local autonomy and the accompanying decentralisation, together with a high degree of interventionism – perhaps with the exception of Iceland, democracy and accountability as issues closely connected to service provision and the need to find new solutions for service provision through public-private partnerships etc.). The questions to emerge for comparative assessment in the

coming years will thus continue to be connected to the numerous process characteristics and the bottlenecks, tensions, political bargains and understandings of the causalities involved.

¹ Kickert, Kooiman and the "Dutch school"; cited in Tiihonen, S. (2004) *From Governing to Governance*. Tampere: Tampere University Press. 57-58).

² E.g. Demokratiutvalget (2005) *Demokrati i Norden*. [Rapport av Demokratiutvalget/nordisk ministerråd, Democracy in Norden, A Report by the Nordic Council of Ministers' committee for democracy issues.] Nordisk Ministerråd, København.

³ Demokratiutvalget 2005, 29; Bogason Peter (2001). *Fragmentert forvaltning*. Århus: Systime.. The nature and implications of this fragmentation has been one of the issues investigated in the public enquiries and research programmes focusing on the distribution of power and its implications, undertaken in most Nordic countries in the 1990s and early-21st century. Finland is in its turn now also launching a research programme on "Power in Finland" in 2007, financed by the Academy of Finland.

⁴ Wright V. (1997): "The Paradoxes of Administrative Reform" in Kickert (ed.) *Public Management and Administrative Reform in Western Europe*. Cheltenham: Edward Elgar. 1997, 10-11.

⁵ Kjør, U. and Mouritzen, P.E. (2003) *Kommunestørrelse og lokalt demokrati – resumé af en undersøgelse*. Unpublished manuscript. 2003, 29

⁶ Strukturkommissionen, 2004

⁷ The process of structural reform in Denmark is described for instance in Gjerding 2005 and Mouritzen, P. E. (2004) "Strukturreformen som en skraldespand", *Administrativ Debat*, nr. 4, 9-14. For some of the underlying motivations and rationalisation see also Mouritzen, P.E. (2004b) "Spændinger i velfærdsstaten" i Jørn Henrik Petersen & Klaus Petersen (red.) *Fra 13 udfordringer til den danske velfærdsstat* Syddansk Universitetsforlag. For a discussion of the different aspects of the reform, see also a feature of *Journal of Nordregio* on the issue; NO3/2005, September/2005.

⁸ Ministry of the Interior and Health (2005): *The Local Government Reform – In Brief*. 28 and 30.

⁹ Indenrigs- og Sundhedsministeriet, 2004

¹⁰ HBTL, 050918.

¹¹ Aftenposten, 051115.

¹² Jyllands-Posten, 050203.

¹³ Aftenposten 051115.

¹⁴ GP 040702.

¹⁵ Indenrigs- og sundhedsministeriet / The Danish Ministry of Interior and Health (2006) *Regional Policy Report* from 2006.

¹⁶ Ibid, 14-15

¹⁷ e.g. "Vådeskuddet i udligningsreformen", a debate article by the

mayors of Ballerup, Høje Taastrup, Køge and Ny Hillerød, published in Berlingske Tidende, 17th of May 2006; other examples of the debate also available at the database of the Danish Association of Local Authorities; see link: http://www.dk.kl.dk/default.asp?id=56857&oo_id=56232.

¹⁸http://www2.htk.dk/oekonomi_og_analysecenter/Udlningsreform/Boersen_Opinion.pdf; see also the report on the role of Copenhagen as an engine growth; Copenhagen Economics (2006) Udgangspunktet for vækst i Region Hovedstaden. *Analyse udarbejdet for Region Hovedstaden*, March 2006, Electronic report available at: http://www.copenhageneconomics.com/publications/HUR_Vaekst-analyse.pdf.

¹⁹ Gjerdin 2003, 7

²⁰ Statistical practice between Finland and Denmark differs here, as Finnish national figures include the municipalities of the autonomous region of Åland, while the Danish ones do not include those of Greenland and the Faroe islands.

²¹ “*Parempaa palvelua, tehokkaampaa hallintoa*”, published by the Ministry of the Interior in 2005. Ministry of the Interior / Sisäasiainministeriö (2005): Parempaa Palvelua, Tehokkaampaa Hallintoa. [Government report “Better Service, more efficient administration. Report on the functionality and development needs of the Finnish central, regional and administration. Available in electronic format at: www.intermin.fi]

²² Source: www.intermin.fi

²³ Government proposal for the framework legislation from September 2006; Hallituksen esitys Eduskunnalle laiksi kunta- ja palvelurakennemuutoksesta sekä laeiksi kuntajakolain muuttamisesta ja varainsiirtoverolain muuttamisesta.

²⁴ Lähteenmäki-Smith, Kaisa, et. al., 2006, *Local and Regional Reform Processes in Norden*, Finnish Association Of Local and regional Authorities, 20–24.

²⁵ There were 11 mergers taking place in 2005 and 2006, further 14 are set to take place in 2007, and at least a further 10 or so are in the process of being investigated.

²⁶ For instance the main national newspaper *Helsingin Sanomat* recently published a number of scenarios, based on either service structure, as has been predominant theme in the national debate, or on functional ties, commuting or market patterns, resulting in a local entity structure somewhere between 40 to 123 municipalities.

²⁷ For these programmes, see the chapter on regional policy. On Kainuu experiment see also Ministry of the Interior’s commissioned evaluation on the first year of the pilot (Ministry of the Interior Ministry of the Interior (2005) Siniset ajatukset – sanoista tekoihin. *Kainuun hallintokokeilun arviointi Ensimmäinen väliraportti*. [Evaluation report of the Kainuu experiment by Jenni Airaksinen, Anni Jäntti & Arto Haveri].

²⁸ (http://www.kainuu.fi/index.php?mid=2_15&la=en)

²⁹ This was apparent for instance in his presentation in a seminar on this topic the 6th of October 2006.

³⁰ Ministry of the Interior 2005, 105

³¹ e.g. Ministry of the Interior 2005, Jäntti 2006, Ministry of the Interior (2006): Ensimmäinen vuosi. *Kainuun hallintokokeilun seurantaraportti* kokeilun ensimmäisestä toimintavuodesta. [The first

year. *The report from the Kainuu experiment working group on the experiences of the first year of implementing the Kainuu pilot.*]

³² Jäntti, A. (2005) *Kainuun hallintokokeilu hallinnonuudistuksena: maakuntavaalit ja maakuntavaltuutettujen näkökulma*. Pro gradu-tutkielma, Tampereen yliopisto, kunnallispoliittikka. [Kainuu experiment as a administrative reform. Master’s thesis, University of Tampere, Local politics and public administration.], p. 45 and Ministry of the Interior 2005, 102–103

³³ e.g. Nordregio (2003) Regional Planning in Finland, Iceland, Sweden and Norway. Working Paper commissioned by the Danish Ministry of Environment, Forest and Nature Agency, p. 14.

³⁴ Council of Europe (2005) Structure and Operation of Local and Regional Democracy, Situation in Iceland in 2005. Strasbourg: Council of Europe, p. 6

³⁵ Ibid, 23

³⁶ Eythórsson, Grétar Thór (2005): “Icelandic Municipal Referendums Solve Few Problems”, Journal of Nordregio, No 4/2005. Available electronically at: <http://www.nordregio.se/Files/jono504.pdf> 2005, 4

³⁷ Selstad, T. (2004) Sterke regioner: Forslag til ny regioninndeling av Norge. Oslo: Kommuneforlaget AS. A similar report for Sweden was commissioned and published by the Swedish Ansvarskommitté in 2005 (Eurofutures and Nordregio (2005): Sveriges regionala indelning – om tillväxtperspektivet får råda. [Regional division of Sweden – if growth perspective prevails.]).

³⁸ Lassen/Statskonsult (2006) Strategier og planer for innovasjon og fornyelse i offentlig sektor. Oslo: Statskonsult. Rapport Nr. 2006:11.

³⁹ It is argued that “research activities will be of special importance to institutions that are facing large-scale reforms. Both evaluations, knowledge development, new research-based solutions to increase efficiency will be required.” (Ibid, 7–8.)

⁴⁰ KS 2006

⁴¹ KRD (2006) Om lokaldemokrati, velferd og økonomi i kommunesektoren 2007 (kommuneproposisjonen) St.Prp.nr 61.

⁴² See for instance *Regionalpolitiska utredningens slutbetänkande SOU 2000:87. NUTEK 2006; Nordregio and EuroFutures 2005.*

⁴³ As this report went into print, internal debate on regional divisions dramatically entered the public domain, with *Dagens Nyheter* reporting on the prospective proposal from the Committee on Public Sector Responsibilities, proposing 6–9 large regions instead of 21 counties. In addition contrary to certain expectations, the proposal for a greater “Mälardalen” region, including Stockholm, parts of Uppland, Västmanland and Södermanland did not appear to find favour. (DN 27 January 2007 “Klart för storregioner”)

⁴⁴ <http://www.sou.gov.se/ansvar/060214>.

⁴⁵ An evaluation has been done on Skåne and Västra Götaland by The Swedish Agency for Public Management (Statskontoret), as part of the work by Ansvarskommittén, Region Skåne och Västra Götalandsregionen (2006): Perspektiv på lokal och regional självstyrelse. Kristianstad: region Skåne. <http://www.sou.gov.se/ansvar/pdf/Regionalt%20ansvar%20p%20försök.pdf>.

⁴⁶ SOU 2003:123 Utvecklingskraft för hållbar välfärd

⁴⁷ There are some ‘external’ reports from *EuroFutures*, The Swedish In-

stitute for Growth Policy Studies (ITPS) and The National Board of Health and Welfare (*Socialstyrelsen*) as well as from The Swedish Agency for Public Management (Statskontoret) on steering, 'sectorization' ("sektorisering") and regional issues. See http://www.sou.gov.se/ansvar/rapporter_pm.htm.

⁴⁸ The reports and writings are presented at <http://kikaren.skl.se/artikel.asp?A=1922&C=1124>.

⁴⁹ SALAR, Sveriges kommuner och landsting, Diskussionsunderlag om den regionala samhällsorganisationen, PM 050323.

⁵⁰ ÅSUB (2006): Kommunreform på Åland? En förestudie. **Rapport**

2006:5, Electronic document available at : http://www.asub.ax/files/rapport_2006_5.pdf

⁵¹ Ibid, 45.

⁵² For an overview of the Faroese process of municipal amalgamations, see Holm, D. (2005) "Municipal amalgamations in the Faroes during the last 5 years", Paper presented at The 18th International Seminar on Marginal Regions Vágur and Klaksvík, Faroe Islands, 3rd – 10th August 2005.

⁵³ Press release from the 'KANUKOKA', the Association for Greenlandic Local Authorities, 7th December 2006, "Nuuk siger ja til Østgrønland", <http://www.kanukoka.gl/10604/>.

Regional policy in the Nordic countries

This chapter explores the European Union's (EU) regional policy and the impact of the 'Lisbon Agenda' on the Nordic countries. The EU Cohesion Policy's new objectives for 2007-13 are described with the indicative funding arrangements and regional allocations also presented. In addition a description of the regional policy process in each of the Nordic countries, including a description of the main actors and the overarching goals and measures used to implement them, is undertaken.

What constitutes *regional policy* is not an easy question to answer. This is perhaps because the tools used are often deployed in response to fundamentally different socio-economic, cultural and environmental problems. As such, the measures, support mechanisms, and administrative structures used are often unique in nature. In addition, the way in which regional policy is connected to other policies, like welfare, industrial and research policies differs on a cross-national basis. Regional policy is traditionally defined as policy directed towards solving the problems created by geographically uneven economic development. Traditional problems in this respect include the uneven distribution of income and welfare although what is perceived as a regional problem and its potential solutions have now expanded significantly beyond the realm of socio-economic issues to include gender, cultural and envi-

ronmental concerns. There are then different ways of interpreting and defining both what a regional *problem* is, and what a *regional* problem is. Regional problems are generally rather complex. This naturally leads to the development of a plethora of goals and measurements to deal with them. Finally, the ideological stance of the viewer, particularly in relation to the role of government in the economy, is also vital.¹

One way of delimiting the broad field of regional policy is to use a kind of 'self-defining definition', where what the respective countries themselves present as *regional policy* is taken as regional policy. This is the approach used in this chapter. Other policy areas can then also impact on regional development, as stated by the Danish government which notes that all measurements used to promote positive regional development need not necessarily have a regional political starting point, though they can still potentially have a profound impact on regional development.² Notwithstanding this however and for reasons of brevity only the most recent and important national regional policy strategies will be dealt with here. Comparisons between the figures presented in the tables used throughout this chapter should however be made with great caution as budget items, not outlined in the tables may actually have a significant influence on regional development.³

Comparing Nordic regional policies

As we have already noted it is not easy to isolate a set of distinct regional policy tools from those used in other associated policy fields such as innovation or education policy. As such *regional policy* is, in effect, a discursive outcome rather than a positive policy input, thus making cross-national comparison – even in societies as similar as those in the Nordic countries – difficult, even at the best of times. Notwithstanding this however tentative comparisons can be made concerning some aspects in the following.

In the descriptions of the respective Nordic countries outlined below it is obvious that similar tools and used and goals sought with regional policy generally aimed at creating and enhancing economic growth and strengthening competitiveness. The three EU Member States are clearly

influenced by the revised Lisbon Agenda focussing on innovation and entrepreneurship. Moreover, for the 2007-13 programming period, all Member State regions are eligible for EU regional policy assistance in the context of the objective on *Regional competitiveness and employment* (formerly Objective 2). The latter has influenced the geography of regional policies, as for example the Stockholm region in Sweden is now part of the area eligible for regional developmental support.⁴ This is also the case in Finland where the Helsinki region and other major urban regions are clearly seen as being eligible for regional policy support, while the capital region itself is seen as a growth 'engine' for the whole of Finland. This approach highlights the gradual shift in what was traditionally considered *re-*

gional policy away from a concentration on support to 'weaker' regions and towards a refocusing on the encouragement of indigenous strength and competence building across all parts of the national territory.

Indeed, in Sweden the term *regional policy* is now seen as rather outmoded, with the term *regional development policy* instead being used. The latest white paper on regional development is however not titled in accordance with any of these concepts – since it is called *A National Strategy for Regional Competitiveness, Entrepreneurship and Employment 2007-2013* (also functioning as the Swedish national strategic reference document for the EU Lisbon Agenda).⁵ This is thought to indicate more generally the adoption of a regional policy designed to make the most of the indigenous potentials of all regions though focussing primarily on the most prosperous.

Differences do however remain as the red-green coalition in Norway seems to favour a more traditionally-oriented support-based or 'distributive' regional policy. This is amply illustrated in a recent White Paper, *The Whole Country at Heart*⁶ which focuses on regions outside the capital area. A similar approach is adopted in the context of Icelandic regional policy which is clearly aimed at areas beyond the capital Reykjavik. Whether and how this difference between the Nordic EU Member States on the one hand and Norway and Iceland on the other is connected to the EU membership in general and in particular to adjustments to the Lisbon Agenda remains however to be seen.

Similar tools are generally deployed as regional policies in the Nordic countries e.g. *Regional Development Plans or Programmes* are prepared; in Finland by the Regional Councils; in Denmark by the Regions from 2007; and in Norway by the County Administrations while in Sweden they are also in the process of being prepared by the County Administrative Boards (or self-governed regions or municipal co-operation bodies). *Regional Growth Programmes* have also been used as a tool enhancing regional development and economic growth in Sweden since 1995. In Iceland four regional growth programmes have been prepared, while in Denmark they will be used from 2007, where the regional growth *fora* in each region, and on Bornholm, is tasked with their preparation. The regional growth programmes in these countries are all made up of partnerships which include public and private partners. The 'partner-

ship model' thus continues to have an important role to play in the Nordic regional policy arena. It is currently in Denmark however where the 'partnership approach' has become most firmly entrenched. In the *Globalisation Council*, set up by the government in April 2005, discussions with various interested groups and organisations have been ongoing on how to meet the challenges of globalization, though the work done here remains consultative only. In addition, the above-mentioned Danish regional growth programmes need to be approved by the Growth Council, involving both public and private partners at the national level.

One potentially significant area of difference across the Nordic countries in regional policy terms relates to the emphasis placed – at least rhetorically – on *sustainable development*, with Sweden taking the lead here. In the Swedish White Paper on Regional Development 2007-2013 sustainable development (SD) is to be integrated into all work on regional development, while it is noted that the three dimensions of SD – the economic, the social and the environmental – are equally important. In Denmark, regional policy does not as yet seem to have embraced the goal of sustainable development in the same way. Indeed, the notion of SD is not elaborated in a coherent manner in the Danish strategies. Moreover, when mention is made of the SD issue it is usually done in relation to *nature* and the *natural environment*.⁷ According to the EU Treaty SD should however be integrated into *all* European policies to meet economic, environmental and social objectives. It is also further specified as being "based on democracy, gender equality, solidarity, the rule of law and respect for fundamental rights."⁸ Nordic co-operation does however exist in this area based on the document, *Hållbar utveckling – En ny kurs för Norden, Reviderad utgåva med mål och insatser 2005-2008*. The strategy states that the principle of sustainable development should be *integrated in all societal areas*. Actors on all levels are pinpointed to carry out the strategy's objectives. Overall responsibility for following the strategy's goals and efforts remains however with the national governments'.⁹ As such, more elaborate discussions on the issue of sustainability in the Nordic countries' documents on regional policies could have been expected. Perhaps Sweden and Denmark represent the extremes on a 'Nordic scale' in this regard? This question however remains to be further investigated.

EU Regional policy influence

The EU – through the discipline imposed by the Competition Policy and the Internal Market – has become highly influential in relation to the formulation of regional policies in the respective Nordic countries (even in Norway and Iceland which are party to the EEA agreement) though

it is of course particularly influential in the EU member states (Denmark, Finland and Sweden). In the context of this chapter we will look more closely at the two most influential strategies in respect of EU-inspired regional development, namely, the *Lisbon Agenda* and the EU's own

institutionalised *Regional Policy*, which includes funding from the *European Regional Development Fund* (ERDF) and the *European Social Fund* (ESF).

The Lisbon agenda – more economic growth and jobs

The Lisbon Agenda was launched in 2000 with the goals of creating more growth, more and better jobs, and better governance. The overarching or quantified headline goals were that by 2010 average economic growth in the EU should be 3% - with 20 million new jobs having been created between 2000 and 2010.¹⁰ The Lisbon European Council identified two profound new developments worthy of consideration in the drive to enhance economic development and create more jobs, namely, *globalization* and the growing importance of *information and communication technologies* (ICT). The favourable economic outlook at that period made these goals seem tangible.¹¹ By 2005 however, after a period of persistent economic sluggishness, the Lisbon Agenda's (2004) mid-term review led by former Dutch Prime Minister Wim Kok, noted that goal attainment was now 'highly unlikely', due in the main to weaknesses in the European labour market, which created the following difficulties:¹²

- The insufficient number of jobs being created in the services sector (even though this is seen as the most important in terms of employment)
- Significant regional imbalances, particularly since enlargement in 2004
- A high rate of long-term unemployment
- Labour supply does not match demand (which is said to quite often be the case in periods of economic recovery)
- A shortage of women participating in the labour market
- European demographic trends, in particular an ageing population.

The 2005 re-launch of the Lisbon Agenda entitled, *Working together for growth and jobs - A new start for the Lisbon strategy*¹³ focuses on *action*, instead of quantified targets. Only two quantified target remain, an employment rate of 70% and a 3% share of GDP to be devoted to research and development by 2010.¹⁴ The policy priorities remain however more growth, more and better jobs and better governance. In addition, a whole range of measures to be used by the member countries in reaching these priorities is forwarded, even though the panoply of goals and reporting processes is lessened:

In order to stimulate *more growth* the Commission intends to:

- Make the EU more attractive to investors and workers by building up the internal market, improving European and national regulations, ensuring open and

competitive markets within and outside Europe, and lastly by extending and improving European infrastructures

- Encourage knowledge and innovation, by promoting more investment in research and development, by facilitating innovation, the take-up of information and communication technologies (ICT) and the sustainable use of resources, and by helping to create a strong European industrial base

More and better jobs are to be created thorough:

- Attracting more people to the employment market and modernising social protection systems. The Member States and the social partners must implement policies to encourage workers to remain active and dissuade them from leaving the world of work prematurely. They must also reform the social protection system in order to achieve a better balance between security and flexibility
- Improve the adaptability of the workforce and business sector, and increase the flexibility of the labour markets in order to help Europe adjust to restructuring and market changes. Simplifying the mutual recognition of qualifications will make the mobility of labour easier throughout Europe. The Member States should remove all restrictions in this area as quickly as possible
- Invest more in human capital by improving education and skills. The Commission intends to adopt a Community lifelong learning programme. The Member States will also submit national strategies in this area in 2006

Better governance is to be created through a clearer and more effective sharing of responsibilities. The Commission has also proposed to a simplify coordination with fewer and less complex reports.¹⁵ A stronger partnership between the European Commission and the Member States is also demanded. The Member States are therefore obliged to submit *National Reform Programmes* outlining how through their national policy strategies they are implementing the Lisbon Agenda. These national programmes are then discussed at subsequent spring European Council meetings. After the first round in October 2005 the Commission relayed their findings on these national reform programmes into the report, *Time to Move up a gear*, the European Commission's 2006 Annual Progress report on Growth and Jobs. Three main policy areas were highlighted in the instructions for the national programmes: *macro-economic* and *micro-economic reforms* and reforms concerning *employment*. Based on an assessment of the national programmes four actions are suggested in order to develop the national reform programmes:¹⁶

- Investing more in knowledge and innovation
- Unlocking the business potential, particularly of SMEs

Responding to globalization and ageing

- Moving towards an efficient and integrated EU energy policy

The Danish reform programme, in short, points to the following essential forthcoming social and economic challenges in Denmark:

- Improve people's ageing, through decreased public debt and higher employment figures by the employment and integration of weaker groups on the labour market.
- Ensure that the benefits following globalization pay, flexible markets, higher quality in educational system and a rise in the number of educated young persons, and better quality higher education and research.
- Strengthen the framework for increased productivity in the private sector through tougher competition, better co-operation between the public educational system and the research community, enhancement of innovation and entrepreneurship and better regulation and infrastructure.
- Ensure best possible value for users of the public sector where modern management will be supported by the deployment of new technology, free choice and will increasingly be subject to competition.

The Danish government also underlines that a number of reforms are either being planned or undertaken: the structural reform, a welfare reform, the Globalisation Council initiative, and the realization of lifelong learning and education for all.¹⁷

In the Finnish National Reform Programme eleven priorities are identified. Three concern the *macro-economic level*:

- Economic stability and sustainable public finances, the key measures being those related to the ageing population and a pension reform launched in 2005.
- To curb public expenditure.
- Secure welfare services and increase public sector productivity.

The *micro-economic reforms* suggested in the Finnish reform programme forward a number of structural changes to increase competitiveness and productivity. This will be done through supporting knowledge and innovation, by promoting entrepreneurship, by creating better functioning markets, by improving communication and transportation networks, and by supporting an energy and climate policy that supports sustainable development. In respect of *employment policy* the goals are to raise the rate of employment and to improve the functioning of the labour-market. The key measures concern the need to extend labour market careers, to improve incentives in the tax and benefit systems and to balance the demand and supply of labour.¹⁸

In the *Swedish National Reform programme for Growth and Employment 2005-2008* the former Swedish Government presented its priorities in juxtaposition to the European Commission's twenty-four point reform programme.¹⁹ In September 2006 a general election took place in Sweden. The election results saw a change in government, with the Alliance for Sweden forming the government. The new Government subsequently presented a revised Swedish Reform Programme for Growth and Jobs 2006 to 2008, within the framework of the European Strategy for growth and jobs.

The major goals in respect of the *macro-economic situation* include meeting long-term demographic challenges and promoting economic growth by increasing the labour supply, employment opportunities and the number of hours worked in the business sector and maintaining sustainable public finances. The key to safeguarding welfare is to overcome 'exclusion' in the labour market and to create more jobs and enterprises. The key goal for the *micro-economic* realm is to become the world's best country to start up and run a business. To meet the challenges posed by globalisation Sweden has the competitive advantage of producing knowledge-intensive goods and services. This can be promoted by e.g. creating a better business climate, developing a sound innovation policy, and strengthening Swedish research. The challenges faced in the area of *employment policy* include the need to reduce unemployment and the problem of exclusion in the labour market. Labour market policy thus aims at e.g. having more people of working age employed, 'making it worthwhile to work' and simpler to take on new employees.²⁰

EU Regional policy: convergence through competition and co-operation?

The regional policy of the EU for the new programming period 2007-2013 is outlined in the *Third Cohesion Report*.²¹ The three main policy priorities are *convergence*, *competitiveness* and *co-operation*. In late December, 2005, the UK Presidency finally managed to secure an EU budget agreement which has important implications for the next Cohesion Policy programming period from 2007 to 2013. The strategic guidelines in respect of cohesion are:²²

Concerning *investments and jobs*:

- Transport infrastructures must be expanded and improved
- Synergies between environmental protection and growth must be strengthened so as to guarantee the sustainability of economic growth, innovation and job creation
- Traditional energy dependency must be reduced through improvements in energy efficiency and use of renewable energies

Concerning *knowledge and innovation*:

- Increase and improve investment in research and technological development, especially in the private sector (including through public-private partnerships), small and medium-sized enterprises and co-operation among companies)
- Facilitate innovation and encourage the creation of companies with the objective of promoting a climate which promotes the production, dissemination and use of new knowledge (entrepreneurship)
- Promote the information society and the dissemination of information and communication technology (ICT) equipment to companies and households
- Improve access to finance by creating financial engineering mechanisms, while supporting financial instruments other than subsidies

Concerning *jobs*:

- More people must be attracted into and retained in employment through the modernisation of social protection systems
- Worker adaptability and labour market flexibility must be increased by investing in human capital through improvements in education and skills
- The administrative capacity of public administrations and services must be increased and a healthy labour force maintained

Concerning *territorial cohesion and co-operation*:

- The contribution of cities (urban areas) to growth and jobs (in order to promote entrepreneurship, local employment and community development, for example)
- Supporting the economic diversification of rural areas

(e.g. the synergy between structural, employment and rural development policies)

- Cross-border, trans-national and interregional cooperation focused on the aims of growth and job creation.

The EU's regional policy for the coming years exhibits some novel additions and amendments as compared to the previous programming period. The most significant change is *the direct link to the Lisbon Agenda*. In the *Community Strategic Guidelines for Cohesion* regional policy is directly linked to the Lisbon Agenda's main priorities. A certain amount of the Structural Funds resources – 60 percent in Convergence regions and 75 percent in Competitiveness regions – must be allocated to Lisbon-related priorities. Other changes include the fact that *all regions* are now eligible for structural funding; proposals for simplification of the management of the structural funds have been formulated; a reduction in number of objectives and financial instruments for regional policy (implies the abolition of Community Initiatives, with fisheries and rural development treated separately); each member state has to produce its own document detailing its priorities for the 2007-13 programmes called *National Strategic Reference Frameworks*.²³

In addition to these two main objectives, specific transitional arrangements have been set up for the regions that formerly received financial support under the Objective 1 programme. The transitional arrangements correspond to a progressive decrement of funding. The allocation of funding mainly depends on regional GDP *per capita* as compared to both the EU15 and the EU25 average. Regions *phasing out* of the Convergence objective are specified as regions that have a GDP level below 75% of EU15, but above 75% of EU25 (the so-called *statistical effect*). In 2007, the phasing out regions will receive funding corresponding to 80% of their 2006 funding, decreasing on a

Table 3.1 *A summary of the new objectives of the EU Cohesion Policy 2007-13*

Objective	Specification	Corresponding Objectives 2000-2006	Budget share (est.) %
Convergence	Least developed regions, with a GDP /capita below 75% of the EU25 average	Objective 1	81,7
Regional competitiveness and employment	All regions, not funded under the Convergence priority. Comprises two elements: regional programmes funded by the European Regional Development Fund (ERDF) and a European Social Fund (ESF) national level programme.	Objective 2 + 3	15,8
European Territorial co-operation	Offspring of the INTERREG programme, targeted at strengthening territorial cooperation on a cross-border, trans-national and inter-regional basis between European regions, especially by exchanging knowledge and establishing cooperation.	Interreg, Urban, Equal, Leader+	2,4

linear basis until 2013, when it will attain the level of the Regional Competitiveness and Employment (RCE) objective. The second type of transitional arrangement deals with regions *phasing in* the Regional Competitiveness and Employment objective. These are regions that received financial support in the framework of the Objective 1 programme during the period 2000-06, but that now have a GDP *per capita* above 75% of EU25 and above 75% of EU15. In 2007, the 'phasing in regions' will receive funding that corresponds to 75% of their 2006 *per capita* aid, decreasing linearly until 2011, when it will attain the level of the Regional Competitiveness and Employment objective.²⁴

Structural funds in the Nordic countries

What does this mean for the three EU member states in the Nordic countries? Sweden, Finland, and Denmark are, as EU Member states, eligible to receive structural funds within the framework of the EU Regional Policy. On entering the EU in 1995, Sweden and Finland had the specificity of their northernmost regions recognised in their Accession Treaties. Therefore, the EU initiated the creation of a specific structural fund objective – Objective 6 – aiming at *the promotion of development in regions with exceptionally low population density*.

In the previous programming period (2000-2006) the funding received by Sweden and Finland increased substantially compared to the previous period, while for Denmark funding levels remained stable. The reason for this increase was that the northernmost Nordic regions became eligible for the lucrative Objective 1 assistance. The argument was that such regions needed specific help in meeting the challenges imposed by their harsh climatic constraints and their remoteness from national and European markets, as well as in addressing the constraints imposed by their specific settlement patterns. The allocation to Sweden and Finland for the period (2000-2006) was 829 million euros and 1 049 million euros respectively, which accounted for one third of Sweden's, and one half of Finland's total received aid.²⁵

The agreement reached on the 2007-2013 EU-budget saw a significant reduction in the level of funding allocated to the Nordic countries, as a whole, and in particular to

their northernmost regions as compared to the previous period. Although the reduction (*per capita* and *per annum*) is larger for Finland than for Sweden and Denmark, Finland still remains the leading Nordic recipient of EU Structural Funds.

For the next budget-period, Finland will receive, on average, approximately 42 euros *per capita* every year. This figure is rather high considering the fact that the main parameter for the allocation of the Convergence objective funding in the 2007-2013 period will be based, predominantly, on the level of regional GDP *per capita*. This means that, in the main, the ten (now twelve as of 1/1/2007) new EU Member States will benefit from the Structural Funds. It is also worth noting that the region of East Finland (*Itä-Suomi*) remains eligible for temporary relief as a *phasing in* region, implying a progressive decrement of funding until 2013 (although it will actually receive the more advantageous phasing out benefits).

In the next programming period, no Nordic region will be eligible for *Convergence* objective funding. However, all Danish, Finnish and Swedish regions (with the exception of East Finland, which is eligible for *phasing-in* aid) will be eligible for the objective on *Regional Competitiveness and Employment* allocations. The new EU budget agreement also stipulates that Sweden will receive additional funding for the latter objective, in compensation for the loss of objective 1 status for its northernmost regions. Finally, the northernmost regions of Sweden and Finland, as defined in the countries' Accession Treaties, retain the 35-euros-*per-capita*-and-*per-annum* payment in relation to their territorial specificity.²⁶

The division of financial support in the RCE objective is the prerogative of the national government. Some indicative financial allocations have been made public in the three Nordic EU Member States. The Danish government has published its allocation decisions in respect of the regional growth *föna*, in the new Danish regions, as of 1st January 2007.²⁷ The Finnish government has made public the indicative division of these funding arrangements, at the level of the NUTS2 regions. In Sweden, only the indicative division of the 800 million euros allocated from the European Regional Development Fund (ERDF) has been published by the government. The further division of the nearly 600 million Euros allocated by the European Social Fund (ESF) will be decided upon later this year.²⁸

In Denmark the distribution of 90% of the funding has been made according to four criteria in order to support the whole of Denmark, though a certain focus remains on those regions with the largest needs. The peripheral areas should during one year have had at least 35 per cent of the funding. The criteria are:

Table 3.2 Structural Funds spending in the Nordic countries 1995-2013

	SF spending (Euro/capita per annum)		
	1995-1999 ¹	2000-2006 ²	2007-2013 ²
Denmark	23	25	14
Finland	54	66	42
Sweden	25	40	27

¹ At 1994 prices; total for objectives (1-6) and community initiatives; Source : Aalbu et al., 2004 (Nordregio R1999:3). Denmark 1994-1999.

² At 2004 prices; Source: European Commission [SEC(2006) 726].

Table 3.3 Indicative Structural Funds allocations 2007-2013

	Allocations, mill. Euro ¹		
	Denmark	Finland	Sweden
Basic financing			
Convergence	N/A	N/A	N/A
Regional Competitiveness and Employment	453	1 425 *	1 239
European Territorial cooperation	92	107	236
Sub-total	545	1 532	1 475
Special financing			
Additional Regional Competitiveness and Employment Funding	N/A	N/A	150 **
Special fund for outermost regions	N/A	319	216
Total	545	1 851	1 841

¹ 2004 prices

* Including 491 Million Euros attributed to East Finland as Objective 2 phasing-in allocation.

** Compensation for the loss of Objective 1 funding.

Source: EU Commission.

- The region's share of the total population in Danish peripheries (45 % weight)
- The region's share of the total population in Denmark (40 % weight)
- The region's share of the total number of unemployed in Denmark (10 % weight)
- The region's share of the total number of persons without a certain level of education in Denmark (*erhvervskompetencegivende uddannelse*) (5 % weight)

The regional growth *foras* receive funding from the government. They then produce strategies for regional growth and industrial development, which are subsequently circulated for comments to the so-called *Growth Council*. The current distribution of funding indicates that Nordjylland and Bornholm are prioritized, which is confirmed by the Danish Ministry of Economic and Business Affairs. Nordjylland which has a 10.6% share of the population and 9.7 % share of the 'industrial income' (*erhvervsindkomst*) will receive 25.3 % of the Structural Funds in Denmark. While Bornholm, with a 0.8% share of the population and a 0.6% share of the industrial income, will receive 3.3 % of the funding. Midtjylland and the Hovedstaden Region in particular are, in consequence, significantly disfavoured in this respect. Sjælland receives the same as its share of population and industrial income. The direct connection between regional policy and the Lisbon Agenda is underlined in the Danish *Regional Growth Strategy 2006*, while the EU goal of becoming the most competitive region in the world economy is to be supported by regional growth and industrial development. The structural funds programmes in Denmark will henceforth focus on four areas: *education, entrepreneurship, innovation and the use of*

new technology (which echoes Denmark's own globalization strategy). The goals of the EU structural funds open up new perspectives as funding can be actively used to support regional industrial strategies and to contribute to the local and regional anchoring of the nation's globalization strategy.²⁹

In Sweden two agencies are responsible for payments from the Regional Development Fund (ERDF) – *Nutek* (The Swedish Agency for Economic and Regional Growth) – and for the EU Social Fund the Swedish ESF Council (*ESF-rådet*). The indicative distribution of funds from the ERDF between the eight regional structural funds programmes (*regionala strukturfondsprogram*) (NUTS 2-regions) has been based on the following criteria, population, unemployment, rate of employment, educational level, population density and GDP. The distribution criteria are not explicitly specified beyond that. The programmes are to be developed and implemented by partnerships, which will build on existing regional growth partnerships and existing structural fund programmes, while the coordinating agencies will be the county councils and self-governing regions (Västra Götaland and Skåne).³⁰

In Finland the nineteen *regional councils* are responsible for drawing up proposals for regional structural funds programmes concerning their areas which are to be financed by the EU structural funds. The Ministry of the Interior draws up programme proposals.³¹ In the ERDF Operational Programmes for western and southern Finland, the most challenging areas have been defined mainly by criteria and indicators based on their problems. In addition, all regions chosen as regional state aid areas have been defined as the 'most challenging regions'. The Finnish Ministry of the Interior does not draw up the EU-programmes for Åland, since Åland has a special protocol that regulates its relationship with the EU. The role of the Finnish Govern-

Table 3.4 Indicative regional allocations of EU Structural Funds in the Nordic countries
2007-2013 in million euros (2004 prices)

Country Area	Allocation of Structural Funds 2007-2013					
	Ground financing (excluding European Territorial Co-operation)			Special funding	Total allocation	
	ERDF ¹	ESF ¹	Total	Outermost regions ²	Total	Per capita /year
	(mill. Euro)	(mill. Euro)	(mill. Euro)	(mill. Euro)	(mill. Euro)	(Euro)
Denmark*	-	-	453	22	453	12
North Jylland	-	-	102	9	102	21
Middle Jylland	-	-	66	2	66	8
South Denmark	-	-	93	5	93	12
Sjaelland	-	-	66	4	66	12
Copenhagen	-	-	78	-	78	52
Bornholm	-	-	14	2	14	46
Finland**	554	554	1 103	319	1 422	39
East Finland	163	163	325	165	489	105
North Finland	138	138	275	154	429	97
West Finland	127	127	253	N/A	253	27
South Finland	123	123	245	N/A	245	13
Åland	3	3	5	N/A	5	27
Sweden***	799	590	1 389	216	1 605	25
Upper Norrland	208	N/A	-	123	-	-
Middle Norrland	151	N/A	-	93	-	-
North Middle Sweden	167	N/A	-	N/A	-	-
Stockholm	32	N/A	-	N/A	-	-
East Middle Sweden	69	N/A	-	N/A	-	-
West Sweden	54	N/A	-	N/A	-	-
Småland and Islands	58	N/A	-	N/A	-	-
South Sweden	60	N/A	-	N/A	-	-

¹ ERDF = European Regional Development Fund; ESF = European Social Fund

² 35 euro per inhabitant.

Denmark: Assets to fulfil structural reform (2007 prices)

* Source: Ministry of the Interior and Health Care, Denmark (Exchange rate applied 1DKK = 0,13 Euros). Ten percent of the total convergence funding is not directly allocated to specific regions. It is instead allocated in competition between the regions. 'Regions' here refer to the new Danish regional division, put in place on the 1st January 2007.

** Source: Finnish Ministry of the Interior; Regional division: NUTS2.

*** Source: Swedish government (Exchange rate applied 1SEK = 0.108 Euros); Regional division: NUTS2.

NB: due to the number of official sources used and consequent figure approximations the sums in the table may not be accurate.

The marginal differences are not corrected consciously.

2004 prices

ment in the case of Åland is however that EU-funding for programmes in Åland comes via the Finnish state budget.

National regional aid 2007-2013

In the new SF programme period for 2007-2013 new rules will be put in place affecting the levels of national state aid to industry, both when it comes to *aid levels* and in respect of which *regions will be eligible for support*. The Structural Funds, administered by *DG Regio*, are thus not the only financial tools used in the implementation of EU regional policy objectives, as *DG Competition* also has a significant

role to play here particularly in relation to state aids. *National regional aid* has a significant impact on national regional policies, as it basically: "governs how member states can use their own money to assist their own regions".³² The synergy between the two financial instruments is enhanced by their common schedule of operationalisation, from 2007 to 2013. Regional state aid is applicable in the framework of the agreement on the European Economic Area (EEA) and thus also affects Norway and Iceland.

Regional aid is only one of the types of aid available, but it is one of the most heavily funded, along with Agri-

culture and Environment. The aids are divided into two categories: *horizontal* (e.g. environment, R&D, Energy) and *vertical* (e.g. agriculture, coal, manufacturing...) schemes. Regional aid belongs to the horizontal type. If the total amount of state aid in the Nordic countries seems rather small compared to that of Germany or France it actually amounts to the highest when expressed in *per capita* terms.

National Regional Aids were defined in the guidelines agreed upon by the 25 member states in December 2005 as consisting of “aid for investment granted to large companies, or in certain limited circumstances, operating aid, which in both case are targeted on specific regions in order to redress disparities”.³³ Moreover, it is deemed to “promote the economic, social and territorial cohesion of Member States and the EU as a whole”.³⁴ The national regional aid agenda differs from that of the Cohesion funds. However, the main concern for *DG Competition* is to construct a legal framework that allows for this type of aid while remaining within the bounds of fair competition. In that regard, such aid is deemed “exceptional” and should not be allowed to become an institutionalized financial instrument.

The geographical areas (Figure 3.2) to be covered in each country as well as the levels of regional investment aid, as proposed by the Member States, are currently in the process of being approved by the Commission. These parameters are mainly based on the regional level of GDP *per capita* compared to the European average, in approximately the same manner as the Cohesion policy Objectives. Consequently, the regions falling under the ‘Convergence’ objective in the next programming period are also eligible

for the maximum ceiling of regional investment aid.

The consequences of these new rules for Nordic countries’ less-favoured regions are important (Figure 3.1). The NUTS 2 regions of *Upper Norrland* and *Middle Norrland* in Sweden and *Northern and Eastern Finland* are eligible for a regional investment ceiling of 15%, due to their low population density. In Denmark, no region is automatically eligible for such aid. Each country is however granted an additional extra coverage relating to a certain percentage of its population: 8.6% in Denmark, 11.1% in Finland and 2.4% in Sweden.³⁵

The EU Commission has edited draft guidelines concerning national state aid levels for the new 2007-2013 programming period.³⁶ The intention here is to regulate, for competition purposes, the amount of monetary aid given by national government to their less-favoured regions. National regional aid guidelines are drawn up by *DG Competition*, and not by *DG Regio*. For the Nordic countries, the very low population densities of some of the regions make them eligible for national aid. The criteria to be met in Finland and Sweden are as follows: *Relatively less disadvantaged regions, but still lagging behind in terms of regional development* (Art. 87.3 c). Besides this there is also a new form of aid to combat depopulation in the *lowest population density* regions of Finland and Sweden: *arctic regions* (NUTS 2) with a population density below eight inhabitants per sq. km. In both Finland and Sweden there are also *low population density areas* which imply that regional transport aid can continue in these areas as before. The Finnish region of *North Savo* is categorized according to the economic development and low density population objective.

National regional policies in the Nordic countries: recent developments and future trends

Denmark –new regions and revitalized regional policies

Danish regional policy and its regional administration are currently undergoing a process of substantial change. Indeed for the first time a legal obligation to develop the regions of Denmark exists. This obligation and the right to make initiatives, falls on the regional councils in the new administrative structure. The overarching goal of regional policy in Denmark is: “that there should be a good support for growth and development in the whole of the country”.³⁷ This highlights an implicit problem focusing on the lack of country-wide economic growth and the lack of support for growth. The envisaged measures used to come to terms with these regional developmental problems in-

clude *education, research, innovation, and entrepreneurship*.

The Danish structural reform came into effect on 1 January 2007. As of this date counties (*amter*) will no longer exist, instead five new regions will be put in their place, namely, the Hovedstaden, Sjælland, Syddanmark, Midtjylland, and Nordjylland Regions. The reform sees the division of tasks and responsibilities between the state, the regions and the municipalities changed. In addition to providing health care, regional development is also in the purview of the five new regions. The basic framework however continues to be set by the central government with a plethora of initiatives and policy documents promoted on regional development.³⁸

The globalization strategy paper, *Progress, Innovation*

Figure 3.1 Regional state aid in the Nordic countries 2007-2013

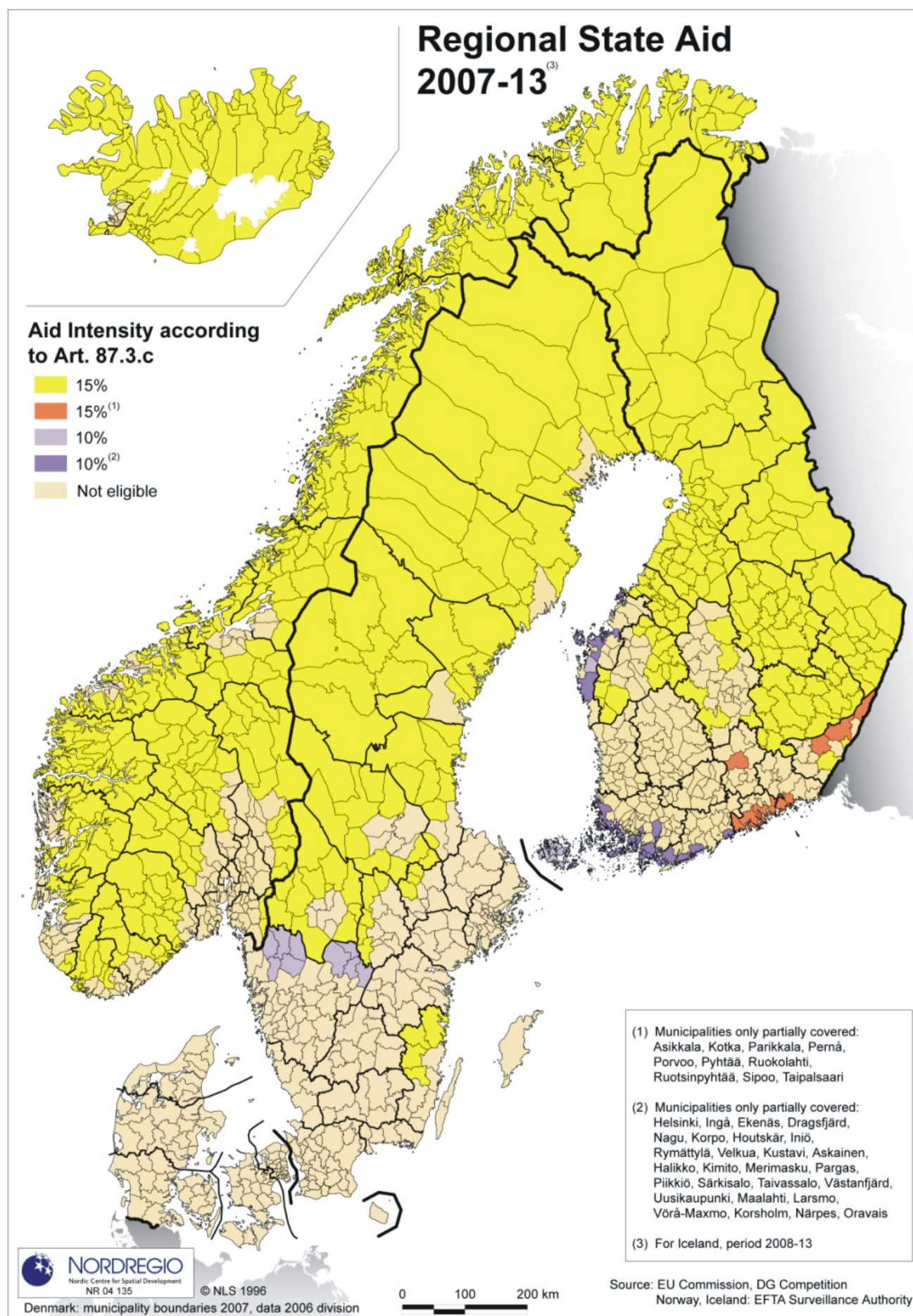
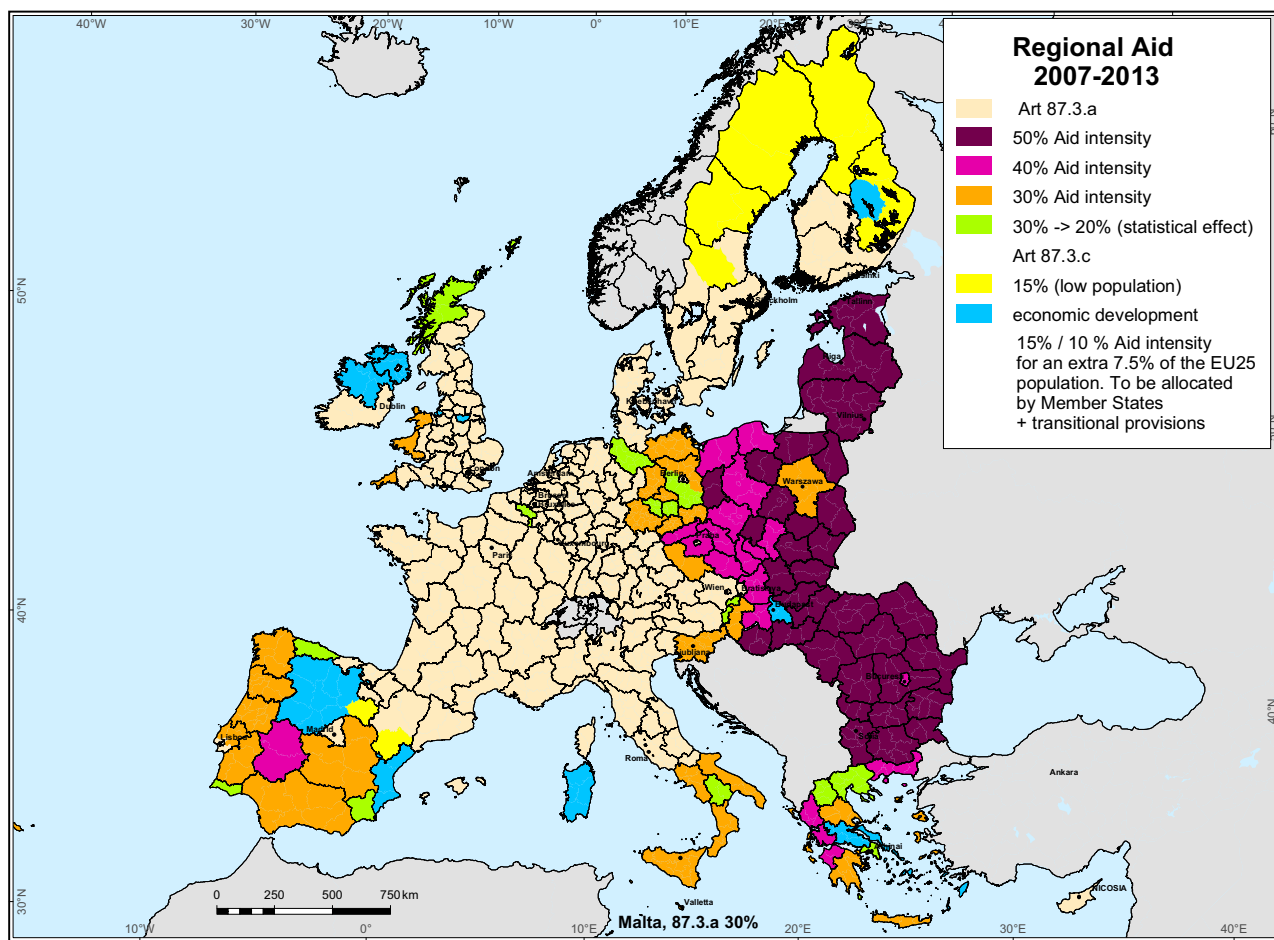


Figure 3.2 Regional state aid in EU countries 2007-2013



Based on EUROSTAT statistics of 7.4.2005 (GDP in PPS per Capita 2000-2002 Avg) / Cartography: DG COMP - G1 12/2005 / © EuroGeographics for the administrative boundaries

Table 3.5 State aid in the Nordic countries 2004

Country	Total state aid		Regional state aid	
	Volume (mill. Euro)	Per capita Index EU25=100 (Euro)	Volume (mill. Euro)	Per capita Index EU25=100 (Euro)
Denmark	1 375	188	4	4
Finland	2 293	326	85	92
Sweden	2 746	228	58	37

Source: European Commission; (Fothergill, 2004).

and Cohesion Strategy for Denmark in the Global Economy, functions as an 'umbrella document' for other strategies on regional policy in Denmark.³⁹ It is formulated by the central government, in collaboration with the *Globalisation Council*. During 2006 a whole range of new councils were put in place with many new strategies launched by the government. On the national level the government, through the Ministry of Economic and Business Affairs (*Økonomi- og Erhvervsministeriet*) which is responsible for regional policy, has in addition drawn up a *Regional Growth Strategy 2006* (May). A Governmental *Regional Policy 2006*

White Paper (*Regionalpolitisk redegørelse 2006 – regeringens redegørelse til Folketinget*, June 2006), together with a *Regional Policy 2006 – Analysis and Background White Paper* were also published, by the Ministry of the Interior and Health (*Indenrigs- og Sundhedsministeriet*). Related White Papers on *wealth and welfare* and on *competitiveness* were also prepared.⁴⁰ The *Globalisation Council* was set up by the government and aims to involve many actors across Danish society (e.g. from the universities, and the private sector) engaging them in discussion over Denmark's place in the global economy and in relation to its globalization

The implementation systems and governmental bodies working on regional policies in the Nordic countries vary. A simplified description of the regional policy structures would read as follows (see also the chapter on administrative structural reform):

Denmark

Regional policy is the responsibility of two ministries: the *Ministry of the Interior and Health* (*Indenrigs- og Sundhedsministeriet*) and the *Ministry of Economic and Business Affairs* (*Økonomi- og Erhvervsministeriet*). There is also a *selection of ministers for regional policy* (*Regionalpolitisk ministerudvalg*). At the regional level there are five self-governing regions (without tax-levying powers) responsible for regional development. The six *Regional Growth Fora* are responsible for working out both the regional development and industrial policies for the regions.

Finland

The *Ministry of the Interior* (*Sisäasiainministeriö*) is responsible for regional policy in Finland. At the regional level there are 19 Regional Councils (*Maakuntien liitot, landskapsförbund*). The Regional Councils are statutory joint-municipal authorities operating according to the principles of local self-government. The Councils operate as regional development and regional planning authorities. There are also 15 *Employment and Economic Development Centres* (*Työvoima- ja elinkeinokeskus; TE-keskus, Arbetskrafts- och näringscentraler; TE-centraler*) at the regional level. They are the assembly of regional resources of the Ministry of Trade and Industry (*Kauppa- ja teollisuusministeriö, Handels- och industriministeriet*), the Ministry of Agriculture and Forestry (*Maa- ja metsätalousministeriö, Jord- och skogsbruksministeriet*), and the Ministry of Labour (*Työministeriö, Arbetsministeriet*). The centres provide a comprehensive range of advisory and development services for businesses, entrepreneurs, and private individuals. There are also six *state provincial offices* (*läninhallitus, länsstyrelse*) which are the regional authorities for seven different ministries. There is also a regional self-government experiment in the Kainuu region.

Iceland

The *Ministries of Industry and Commerce* (*Iðnaðar- og viðskiptaráðuneytið*) are responsible for regional policy in Iceland. The *Institute for Regional Development* (*Bygðastofnun*) is tasked with contributing to nationally advantageous regional development in Iceland.

Norway

The *Ministry for Local Government and Regional Development* (*Kommunal- og regionaldepartementet*) bears the responsibility for co-ordinating overall governmental activities influencing regional development. With respect to regional policy the *Department of Regional Development* (*Regionalavdelingen*) is of particular interest. At the regional level the 19 *County Councils* (*fylkesråd*), with elected representatives, and the *County Administrations* (*fylkeskommunene*) and the 18 County Governors (*fylkesmannsembetet*) are the main actors.

Sweden

In Sweden regional policy is the responsibility of The Ministry of Industry, Employment and Communications (*Näringsdepartementet*). There are also many governmental agencies involved within the area of regional policy, e.g. The Swedish Business Development Agency (*Nutek*), The National Rural Development Agency (*Glesbygdsverket*), The Swedish Agency for Innovation Systems (*VINNOVA*) and The Swedish Institute for Growth Policy Studies (*ITPS*). At the regional level the 21 County Administrative Boards (*länsstyrelser*) or municipal co-operation bodies (*kommunalförbund för regional utveckling*) are responsible for regional development. At present there are nine municipal co-operation bodies. There are also two self-governing regions, with elected regional parliaments, and 18 County Councils (*landsting*).

strategy. *The Growth Council* will among other things offer advice to the Ministry of Economic and Business Affairs with regard to future growth policies and act as a mediator between national, EU-initiated and regional initiatives.⁴¹ A planning document – *Landsplanredegørelse 2006* – mainly concerning physical planning also exists. This document also deals to some extent with regional development e.g. thorough the highlighting of the connection between sound physical planning and global competitiveness.⁴²

In the globalization strategy the focus is set on education, research and innovation, a desire to create greater opportunities for self-employment, especially in growth sectors, and, more generally, on change and renewal. Co-operation with other countries and cultures is also seen as being important. The overarching goal, which the strategy's 350 initiatives are set out to meet, is that *Denmark should be the most competitive country in the world by 2015*. It is also noted that Denmark is currently, and intends to remain, among the most desirable countries in which to live and work.⁴³ The globalization strategy is anchored locally and regionally through two initiatives. Firstly EU-funding will focus, during the 2007-2013 period, on local and regional growth and industrial development by encouraging education, entrepreneurship and a strengthening of the innovation and research sector. Secondly partnerships will be forged between the regional growth *fora* and the state, which are to include the setting of concrete goals on regional industrial development.⁴⁴ The globalization strategy encompasses a range of initiatives that are to be performed regionally and/or locally. Some are to be co-financed by EU-funding.

In the governmental *Regional Policy 2006 White Paper* the goals are *strong competitiveness* and *strong cohesion* creating a contended society unblemished by large socio-economic differences. The realization of these goals demands broad political collaboration across sectors and ministries in order to ensure good living conditions and possibilities for entrepreneurship across the whole of Denmark. The structural reform is one attempt to ensure this sectoral co-ordination through new relations and new ways of solving issues. "*Sound economic development across the whole of the country*"⁴⁵ is influencing the possibilities for the development of the conditions of life in the respective regions. Measurements put in place to achieve this include a durable financial policy, which is in turn dependent on sound public finances. In order to achieve this a welfare reform is (to be) carried out in Denmark – which e.g. aims at increasing the labour market participation of immigrants and older people, as well as promoting faster movement through the educational system.⁴⁶

Regional competitiveness is driven by four elements: *human resources, entrepreneurship, innovation and information- and communication technology (ICT)*. The Danish government has also unveiled a *model of regional competitiveness* which explains the relationships between these elements and regional competitiveness. Regional competi-

tiveness has been further developed on the basis of the experiences produced through use of this model. A range of new indicators has been developed, which makes it possible to benchmark the Danish regions and sub-regions against each other with regard to human resources, entrepreneurship, innovation and technology. The new Regional Growth Indicators are thus able to help the regions to identify new priority areas. It is also stated that the peripheral regions (termed outlying regions rather than peripheral) have problems because they lack these drivers, particularly ICT and entrepreneurship. These regions are also marked by problems of unemployment, a lower degree of increase in incomes and population decline than the bigger cities – even though Denmark, as a whole, is currently enjoying its lowest unemployment figures for thirty years.⁴⁷

Innovation and business start-ups, two of the goals of the globalization strategy, are expected to be developed on the regional level by regional actors. The overarching problems, to be solved by regional policies, implicitly represented in the *Regional Growth Strategy* are the lack of regional growth, the lack of business development, too few self-employed, continuing low levels of qualifications and the weak structures in respect of innovation.⁴⁸ At the same time the perspective taken is positive, with the problems often not being represented as problems at all, but rather as opportunities.

The five Danish regions are to prepare *Regional Development Plans*, which should contain an overarching vision for the development of nature and the environment, industry, tourism, employment, education, culture and the development of peripheral areas in the regions. (The *Regional Industrial Strategies* provide a basis for the RDPs.) The state's role is in this respect to be attentive to regional and local initiatives and take responsibility for the co-ordination of regional policy and perform central initiatives in order to relocate government to the regions. The regions will also have their own developmental funds for use in regional industrial development, regional developmental plans, public transportation and co-ordinating measurements concerning nature and the environment.

Six new *Regional Growth Fora* (*Regionale vækstfora*) – one in each region and one on Bornholm – have been established at the regional level with the aim of providing a meeting place for the representatives of industry, knowledge and educational institutions, labour market representatives, and local and regional governmental agencies. The growth *fora* have, as one of their main tasks, responsibility for making *Regional Industrial Strategies* (*regionale erhvervsstrategier*), including action plans, in order to develop the respective regions' growth and business development. These actions plans are meant to provide the basis for the Regional Development Plans. During the upheavals of 2005-2006 five 'transitional *fora*' (in all regions except in *Region Hovedstaden*) were established. Industrial strategies should be grounded in the specific industrial structure of the respective regions and in their strengths

and demands. The focus here is put on *innovation, education, business start-ups, and the use of new technology, tourism and peripheral areas*. Financial support from the EU structural funds is directed to the regional growth *fora*, which have the right to recommend the activities to which this funding is directed, in relation to the state's overall funding decision. Regional development funding is similarly directed to the growth *fora*. In addition, as noted previously, the regions have funds for industrial development, and the formal power to decide what activities they should be directed to. The growth *fora* are however tasked with recommending what activities, in respect of regional business development, are to be financed by this funding. As such then the regions' business development activities are to be initiated by the regional growth *fora*. The regions can however turn down an application from the growth *fora*. (And in such cases the money will not be used.)

The regional growth *fora* have to make *partnership agreements* together with the *Danish Government* – which is supposed to advise the minister on Economic and Business Affairs on growth policy and the structural funds (EU) about regional business development based on the regional industrial strategies. This is supposed to ensure that the globalization strategy is regionally anchored. The partnership agreements ought to build on the regional industrial strategies and their yearly plans. They are to comprise on the one hand a multi-year commitment to common goals for the regional growth and industrial development and on the other hand a yearly commitment to the specific actions taken to fulfil these goals. The partnership agreements are expected to contain a range of initiatives that the Government and the regional growth *fora* will co-operate on in order to bring about.

Finland – continued focus on regional growth, with added attention to services

The aim of Finnish regional policy is to create *balanced regional development* (to ensure the availability of services in all parts of the country) and *increased regional and national competitiveness*. In order to attain these goals the development of knowledge, innovation, entrepreneurship, employment and the infrastructure of the welfare society are necessary. Developmental measures should however be based on the regions' own strengths.⁴⁹ The common targets of regional development in Finland are based on the *Regional Development Act* and the Government decision on national regional development targets: "Under the Act, one of the targets is to improve the potential for economic growth, the development of business and industry and the improvement of employment that are based on expertise and sustainable development and ensure the competitiveness and prosperity of regions. Another target is to reduce regional disparities in development, improve the population's living conditions and promote balanced regional development. Furthermore, the aim is to create a balanced regional structure which keeps all the regions viable."⁵⁰ The

regional development act raises questions on how to contribute to the competitiveness of the growth centres in Finland while at the same time taking care of the less developed and increasingly depopulated areas. Another central question concerns how the regions can control the costs of well-being and basic infrastructure, offer quality services and at the same time direct sufficient resources to industrial policy. The central presumption is that regional development contributes to national economic growth and that this ultimately reflects back on the regions' own economic development.⁵¹

Finnish regional development policy underwent a significant period of development in the second half of the 1990s when the *Regional Development Act* came into force (1994) and Finland became a member of the EU (1995). In many respects Finnish regional policy was both driven and complemented by developments in EU regional policy. Regional policy is programme-based while regional support is graded according to the national division of support areas.⁵²

According to the Finnish regional and structural policy strategy, during the EU structural fund period of 2007-2013 the central challenge is *globalisation and adapting to its impacts and the utilisation of its promises*. Some regions of Finland are among the most remote in the EU while its climate presents specific challenges. In addition, distances are long and the settlement pattern is widely dispersed. These issues are all mentioned as presenting special challenges for regional economic and social development and competitiveness. Another challenge is that of the ageing population, fuelled by the ever-decreasing share of young people remaining in certain areas and the impacts such factors have on population structure. In addition, out-migration from rural areas also impacts on the population structure.

The strategy for the years 2007-2013 is to strengthen national and regional competitiveness, employment and well-being. The strategy is also designed to take regional distinctions and the EU cohesion policy into account. The strategy has clear targets: to nationally and regionally *correspond successfully to tightening national and international competition; anticipate and react flexibly to changes in the global economy; and provide an attractive enterprise, 'know-how', working and living environment*. Special measures are directed to East- and North Finland, sparsely populated areas and to the areas suffering from development challenges in South- and West Finland. The strategy has three different priority areas to which the structural funds and respective national funds are directed: enterprises and innovations; know-how, employment and entrepreneurship; and competitive business environments.⁵³

The Ministry of the Interior (*Sisäasiainministeriö*) is responsible for formulating national targets for regional development, in co-operation with other ministries and the *Regional Councils* (*Maakuntien liitot*). It is also responsible for co-ordinating, monitoring and evaluating the *regional*

strategic programmes in co-operation with other ministries and the regional councils. The Regional Councils are responsible for general development in their region, working in co-operation with state authorities. They are obliged to draw up and approve the *regional strategic programmes* together with state authorities, municipalities, bodies and organizations involved in regional development (and being financed by state authorities, municipalities and other parties), and also to draw up programme proposals for the EU regional structural funds programmes.⁵⁴

The regional strategic programmes comprise *regional plans* (*maakuntassuunnitelma*), *regional land use plans* (*maakunta-ohjelma*) and *regional strategic programmes* (*maakuntakaava*).

The regional plan is a general plan for physical planning defining the objectives for long-term development in the region (20-30 years). The regional strategic programme and regional land use plan are used to implement the regional plan. The regional land-use plan is based on the Land use and Building Act (2000); it is drafted for 10-20 years in advance and is a legally binding instrument within land use planning. It is also integrative as it coordinates the process between the central and local levels of administration. It has also to be approved by the Ministry of Environment.⁵⁵

The regional strategic programme is an instrument connected to regional development activities and is based on the Regional Development Act. The regional strategic programmes are drafted by individual regional councils for a period of 4 years (i.e. for the electoral term). All the other plans and programmes regarding regional development, including the implementation of the EU Structural Fund Programmes are derived from the above-mentioned documents. Regional policy can thus be implemented in different ways in different regions on the basis of these programmes. The activities are focused according to the requirements of the particular characteristics of each region leading to specialisation and differentiation.⁵⁶ The regional strategic programmes include targets based on the region's potential and needs, and include an annual plan for projects, essential measures and financing. In the Lapland Region the strategic programme includes a section on the *Sami* culture.⁵⁷ Intensive interaction with the inhabitants, local authorities and sub-regional units is said to be an essential requirement for success.⁵⁸

Special programmes have also been drawn up by the Finnish government in order to attain the targets of regional development, e.g. *the Regional Centre Programme*, *Rural Policy Programme*, *Centre of Expertise Programme* and

Figure 3.3 *Regional Development Act (2002) and the regional development system in Finland*

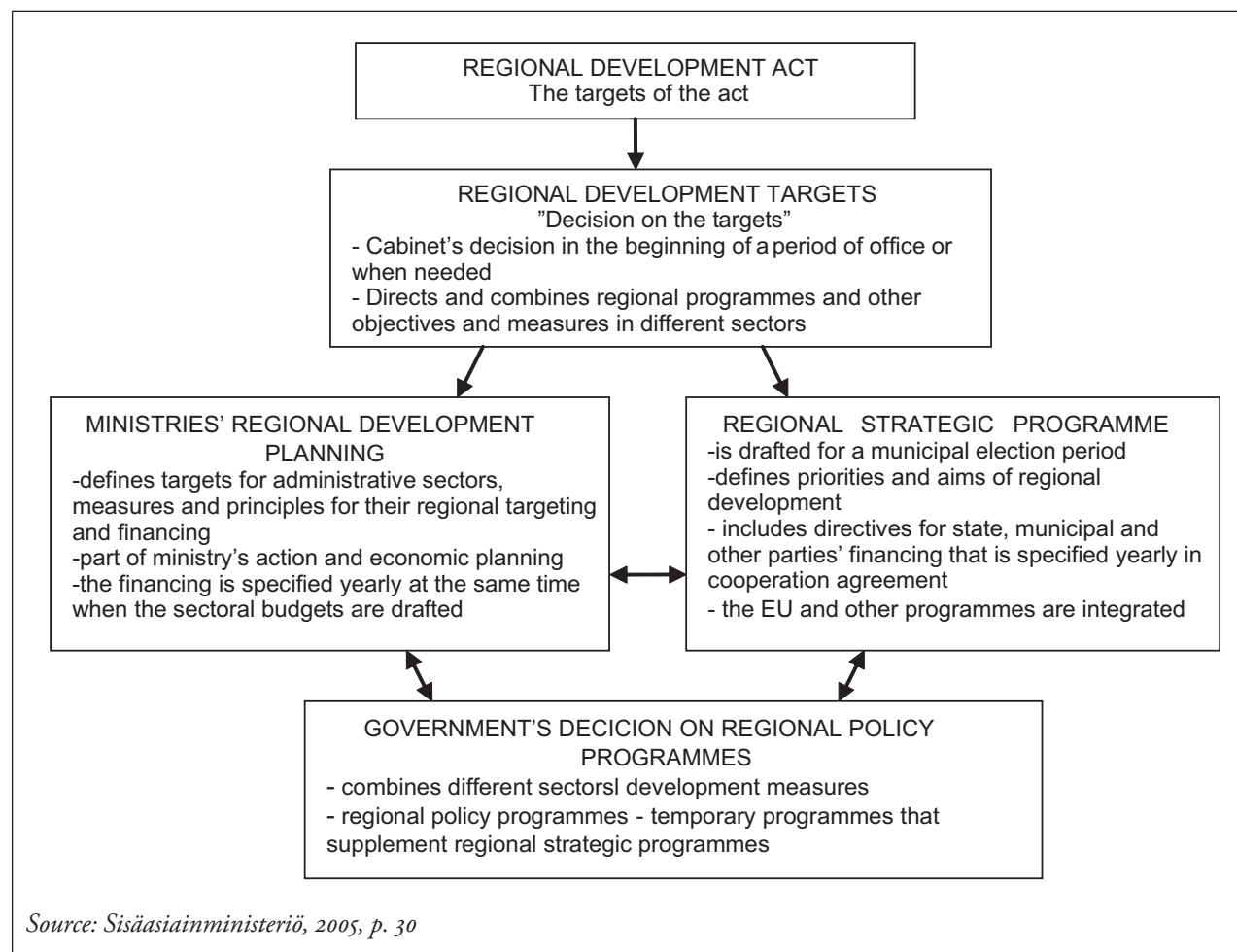
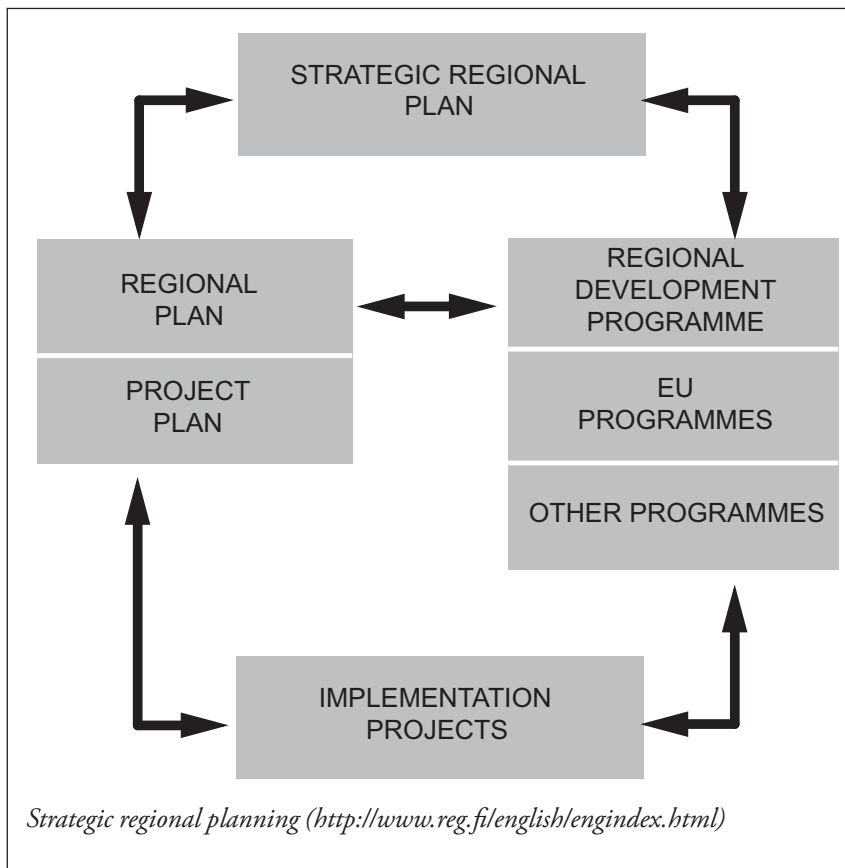


Figure 3.4 Strategic regional planning in Finland



the *Island Development Programme*.⁵⁹ Many of the Finnish policy measures follow a 'central logic' (*keskuslogiikka*) that recognises the importance of *small and medium-sized centres* as centres of regional development. The regional development policy programmes are described as very innovative, but at the same time as complicated tools to manage. This is caused first and foremost by the fact that the programmes involve multiple perspectives and that development responsibility is allocated to different actors.⁶⁰

The *Regional Centre Programme (RCP)* was launched in 2001 with its first programming period concluding at the end of 2006. It was implemented in 34 regions. The programme will be continued for 2007-2010 period. The RCP necessitates the development of a network of 35 regional centres covering every region, based on the particular strengths, expertise and specialisation of urban regions of various sizes. Regional development based on a network of regional centres is aimed to result in a more balanced regional structure in Finland and in enhanced international competitiveness. Regional centres comprise what is seen as functionally homogenous urban regions in terms of commuting, housing, service provision and demand.⁶¹ In the continuing programme post-2006 greater emphasis is placed on economic development and the development of competence in 2007 than it was in 2001-2006. Urban areas are similarly emphasized which are seen to have a double role, on the one hand as enhancers of economic growth

and as strong centres for the national innovation system, and on the other as 'engines' for the development of the regions themselves. The Helsinki region is in this regard considered as being eligible for regional policy with focus placed on competitiveness and co-operation within the capital region. The entire urban network is also to be strengthened.⁶²

According to the evaluation of the RCP (2001-2006) the results concerning regional strategies, decision making structures and cooperation networks have generally been good, with some exceptions. The stakeholders also considered the programme quite successful. The results concerning employment and migration have been better than expected, since net migration has changed from negative to positive. Positive synergies between the RCP, the *Centre of Expertise programme*, the regional strategic programme and the EU structural funds programmes have also been achieved. During the programme period, decentralisation

has increased and regional development in Finland has slowed.⁶³

The *Centre of Expertise Programme (CoE)* was launched in 1994 with the first period concluding at the end of 2006. The programme will continue into the 2007-2013 period. The programme is designed to pool local, regional and national resources to help exploit top-level expertise. The programme supports regional strengths and specialisation and furthers cooperation between the centres of expertise. There were a total of 22 centres of expertise in Finland during the 1994-2001 period representing forty-five different fields of expertise, ranging from biotechnology to cultural-content production. The centres of expertise facilitate co-operation projects between the research sector, educational institutions, business and industry. These projects are designed to boost the competitiveness of companies, strengthen and improve regional expertise, create new businesses and promote the creation of new innovation environments.⁶⁴ The CoE programme (1994-2006) has been successful in enhancing specialisation. Moreover it has successfully promoted specialisation not only in the 'hard sphere' of manufacturing and production but also e.g. in the less tangible areas of 'adventure industries', design and environmental enterprise. However, according to the midterm evaluation of the CoE's cooperation between different CoE's remained difficult while international connections were often overly dependent on personal contacts. In addition, it was subsequently identified that a sig-

nificant lack of resources were set aside for follow up, development and internal evaluations, since routine work generally consumed all resources.⁶⁵

For the 2007-2013 period the CoE programme is tasked with creating cluster-based innovations, products, services, companies and places of work grounded in leading competences; supporting specialization between the regions in order to create internationally competitive competence centres; and increasing the profile of the regional innovation regions in order to attract international companies, investments and persons to them. There are 21 centres of expertise is 21 and 13 clusters, including 63 different fields of specialisation. One particular issue stressed by the CoE programme for 2007-2013 is the need for greater collaboration between different actors within the region and also with cluster actors elsewhere.

During the 2007-2010 period there will also be a *Special Rural Programme*, under the 'umbrella' of developing the regions in Finland, with the aim of strengthening the viability of rural areas and making better use of the interaction between the urban and rural areas. A new element here is the regional part, which is a tool for regional co-operation and economic development in regions that are not covered by regional centre programme. There is also a *Programme for the Archipelago* which aims to make use of the archipelago, watercourses and the sea.⁶⁶ Since the potential for enhancing competitiveness is not equal throughout Finland the government has also decided on *special regional measures* in connection with national regional development targets. Among the most important measures are the development of the sub-region of Eastern Lapland, the development of the region of Kainuu and other special measures for areas facing acute structural difficulties.⁶⁷

Iceland – competitiveness to prevent depopulation

Icelandic regional policy has developed from the basic idea of maintaining economic vitality across the country, particularly in terms of agricultural and fisheries policy, to looking at growth areas, globalisation and strengthening the local level.⁶⁸ The Icelandic Ministries of Commerce and Industry (*Iðnaðar- og viðskiptaráðuneytið*), outline two overarching objectives: to *improve the competitiveness* of Icelandic industry, by increasing its variety and productivity, and also to *provide employment opportunities outside the Reykjavik area* and hence prevent the depopulation of rural areas. The Department of Regional Affairs and Power-Intensive Industry is to work for the implementation of a *Strategic Regional Plan* (*Bygðaaðætlun*) for a period of four years. The Parliament (*Althing*) approves this plan. The regional plan describes the goals and measures of the government on regional issues and the relationship between regional and national policy.⁶⁹

The latest regional plan was put into effect in 2006, and is thus to remain in force until the end of 2009. The goals of this

plan are to *improve living conditions outside the capital area* and to *increase the competitive capacity of the country*. Three principal objectives must be built on to meet these goals:

- Strengthening regional centres, but also maintaining population in areas affected by population decline.
- Enabling rural communities to adjust to the fast pace of societal developments and rapid changes in the industrial structure.
- Supporting employment, education and culture and promoting social equality in areas distant from the capital.

Three main principles shall serve as guidelines for governmental authorities during the Regional Development Plan's period of validity, i.e.:

- To boost education in regions beyond the Capital area
- To increase the number of government jobs in regions beyond the capital area
- To bolster the Institute of Regional Development

A whole range of measures, all in all twenty-three, are suggested to fulfil the overarching goals of the plan. Special focus is placed on education and culture, the promotion of innovation and progress in industry, improvements in transportation and communications, and the augmentation of the regional centres of *Akureyri*, *Ísafjörður* and *central East Iceland* as well as other important centres of employment and services outside the capital area. *The Institute for Regional Development* (*Byggðastofnun*) is the main implementing body of regional policy in Iceland. Some of the funding from the state to the institute is used for *regional industrial centres*. Eighty per cent of the latter is directed towards the operation and management and twenty per cent to special tasks that the regional industrial centres themselves formulate. The service areas of the eight regional industrial centres – *Vest-Island*, *Vestfjorderne*, *Nord-Island Vest*, *Eyjafljörður*, *Thingeyjar området*, *Öst-Island*, *Syd-Island*, *Reykjanes området* – more or less overlap the regional municipal co-operation areas and are in large part owned by the municipalities (*regionale kommuneforeninger*).⁷⁰

In the strategic regional plan it is also stated that *growth agreements* – involving public and private bodies – are to be prepared and implemented.⁷¹ At present four growth agreements have been signed (*Eyjafljörður* 2004-2007; *Vestfjorderne* signed in 2005; *Vest-Island* and *Syd-Island* both signed in 2006). The growth agreements are part-financed by the *Ministries of Commerce and Industry* (50 percent) with the other half being financed by various local actors, both public and private. The agreements (are supposed to) focus on the organization and maintenance of *clusters*. The practical work is performed by the regional industrial centres with support from *Impira Service Centre for Entrepreneurs* and SMEs (a part of the Technological Institute of Iceland, *IceTech*). The institute for regional development

also allocates funding to the growth agreements (of 3.5 million IKK per agreement).⁷²

Norway – the whole country at heart

Regional Policy in Norway is oriented to support for ‘weak’ regions thus retaining a more traditional stance in respect of equalisation issues. This approach sees a marked difference from the other Nordic countries where the need for a growth policy for the whole country is expressed. The main goals of Norwegian Regional Policy are to sustain the geographic pattern of settlement and the creation of value in the whole country with Regional Policy being designed to secure employment and welfare where people live. People should be able to live where they want to.⁷³ Norway is currently divided into nineteen counties (*fylker*), with one county administration (*fylkeskommune*), and one county council (*fylkesråd*) each, and 431 municipalities.

In 2004, a Norwegian *district commission* published its main findings.⁷⁴ The commission’s mandate was to produce recommendations for future regional policies based on previous studies such as the *Regional Effects commission*⁷⁵, and on developing generally unified regional policy objectives. The commission remarked that regional policies in Norway lack a coherent and unified approach, that regional growth potentials are below par, and that regional development objectives suffer from a lack of realism. The 2004 centre-right government responded in part to the challenges posed by the report in their White Paper on Regional Policy.⁷⁶ The main message set out in the White Paper was to signal less of a focus on the regional policy objective of maintaining population levels at the municipal level. Instead, the government’s more relaxed demographic objective was now set at maintaining population levels at the regional level (*landsdelsnivå*). Several of the current county administrations have been proactively engaged in merger and co-ordination exercises. The most mature development has come in *Trøndelag* (*Sør-Trøndelag* and *Nord-Trøndelag* counties), in southern Norway (*Vest-Agder* and *Aust-Agder* counties), and in south-eastern Norway where the *Buskerud*, *Vestfold* and *Telemark* counties are experimenting with some coordinating regional development policies. *Nord- and Sør-Trøndelag* have come some way by developing a common regional development plan that was officially sanctioned by the central government in 2005. These remain the only two counties to have done so thus far.

In October 2005 a new government took office following the Norwegian general elections in September. The government is made up of three political parties – the Social Democrats (*Arbeiderpartiet*), the Agrarian Party (*Senterpartiet*) and the Left-socialists (*Sosialistisk Venstreparti*) and has taken a more proactive stance with respect to regional development issues. In its regional policy White Paper *The Whole Country at Heart – On district and regional policy* (*Hjarte for heile landet – Om distrikts- og regionalpolitikken*) the current government signals a boost for regional development issues in order to reach their stra-

tegic regional policy objectives. Focussing on developing new jobs and robust business communities; equality in public and private service provision; and development of places, the government has even established a separate ministerial *task force* to coordinate these issues internally.⁷⁷ The Ministry for Local and Regional Development has developed a structure for identifying the strategic regional policy objectives (objectives depicted in Table 3.6) at the national level. The policy is to be implemented in 2007.

In December 2006 the government presented a White Paper to Parliament laying out three alternative models for central and regional administrative reform (St. meld. nr. 12 (2005-2006)). The aim of providing alternative regional solutions is to display how increased regional responsibilities in areas such as transportation, regional development, agriculture and environmental issues interact in the different regions. All models contain a proposal for transferring regional tasks and responsibilities currently residing with the regional State Governors’ offices to new regional administrative entities. In the least radical model, the current regional structure of county administrations is more or less maintained and indeed even strengthened. In the most radical model, the country is split into only a few administrative regions taking on some added transportation and infrastructure responsibilities. A model with a somewhat larger number of regions is proposed as an intermediate alternative. The government perceives the intermediate model as the least attractive alternative, underlining that combating demographic centralisation at whatever becomes the new regional level remains a major political objective. The government has called for strong democratic participation at the local and regional level over the issue of determining the new regional administrative territorial delimitations. The county councils have been asked to provide their views by December 1st 2007. A parliamentary proposal on the issue of regional delimitations is envisaged for the summer of 2008.⁷⁸

In Norway, the office of the regional state representative/county governor dates back to the 1660s. Currently, the office is a *sectoral authority* and has responsibility for environmental issues, childcare, social welfare, physical planning, civil defence, legal matters and agriculture. At the same time, the office has *co-ordination* responsibilities with respect to streamlining state policies *vis-à-vis* the municipalities. The office also holds *supervisory* authority, by ensuring that State and Government policies are put into action by the municipalities. And finally, the office is also a *legal guarantor*, responsible for ensuring the legal protection of individual citizens and commercial entities. The office of the county governor has become more significant as a supervisory body *vis-à-vis* the municipalities in the 1990s and early 2000s. This is particularly manifest in state sectoral authorities located at the regional level (public health, education). By providing the county governors’ office with new responsibilities, Norwegian government(s) of both main parties in the 2000s, have made a point of argu-

Table 3.6 Norway's strategic regional policy objectives

Main objective	Objective of second order
<i>Growth</i> Increased value added, employment and an internationally competitive commercial community through business development, innovation and business start-ups; geographically differentiated and mainly within the area eligible for regional aid.	<i>Environment/system</i> Develop local and regional business communities and innovation systems in order to improve the conditions for innovation-based growth. Initiatives should be adjusted to regional challenges. <i>Going concerns</i> To improve the innovation capacity and speed of existing firms. Initiatives should be adjusted to regional challenges. <i>Entrepreneurship</i> To improve the number of profitable business start-ups. Initiatives should be adjusted to regional challenges.
<i>Framework conditions</i> Good local and regional framework conditions for the business community and the general population, geographically differentiated and mainly within the area eligible for regional aid.	<i>Infrastructure</i> To strengthen the physical infrastructure and reduce the disadvantages of peripherality in territories with few inhabitants and small (local) markets. <i>Competence</i> To improve the foundations of competence development in the general population both in the public and the commercial spheres. Initiatives should be adjusted to regional challenges.
<i>Attractiveness</i> To develop attractive regions and centres for the business community as well as the population at large, geographically differentiated and mainly within the area eligible for regional aid.	<i>Services</i> Good access to basic local services for the population in territories with few inhabitants and small (local) markets. <i>Development of places</i> To make smaller centres and small and medium-sized towns more attractive and relevant both as a place to live and as a place in which to locate firms.

Source: St.prp. nr. 1 (2006-2007) KRD table 3.2. Unofficial translation from Norwegian.

ing that this is the result of increased decentralisation.

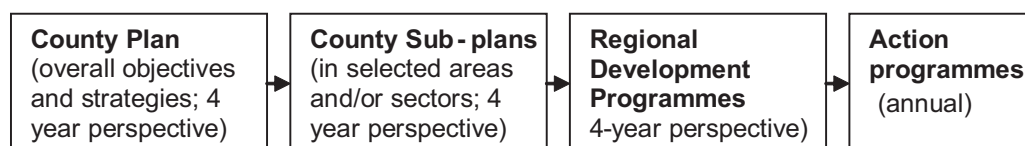
At the regional level the county administrations (*fylkeskommunene*) as well as the office of the County Governor (*fylkesmannsembetet*) are the main actors. While the county administrations have a wide range of sectoral responsibilities, the tasks of the office of the County Governors' are currently delimited to physical planning, environmental and agricultural issues. The county administrations are responsible for developing *regional development programmes* as well as *county plans*.

While county plans used to be bulky studies the current versions are more focussed and less ambitious in scope. Today they have a limited role in creating the condi-

tions for regional development. Currently, county plans consist of objectives and long-term development objectives. They provide guidelines on land use and natural resources in matters that have impacts beyond municipal boundaries. The county plan is a policy document whose main function is to coordinate state, county, and municipal interests in physical, economic, social and cultural matters. The county plan may be accompanied by sectoral or area-specific sub-plans (*delplaner*). The strategic issues covered may vary, but are typically in fields such as business development, transport and communications, and environmental policies.

Political involvement in the planning process has gradually become more focused and robust. The key to

Figure 3.5 *Planning types at the county level*



strengthening the planning instrument remains at the national level and is related to an increasing willingness by central government to provide the counties / regions with new financial means to take on more complex roles in regional partnerships. Since 1995 the county administrations have been responsible for developing annual regional development programmes (RDP). The RDP differs from the other county planning processes in that it is developed in a broad regional partnership consisting of the set of actors affected by the programme: the county governor, regional state institutions and – agencies, municipalities and the business community. A 2001 White Paper stresses the county councils' key role as a regional development agent, and has constructed their regional planning system on that assumption.⁷⁹ From 2004 the RDPs have also been developed in 4-year perspectives so as to best integrate the other types of planning documents.

In Norway it is the responsibility of the county councils themselves to define what tasks and issues to take on as a – or rather *the* – leading regional development actor. In order to stimulate regional development partnerships the Norwegian Government (*Stortinget*) has decentralised the control and distribution of regional development funding that used to be posted as cost items on the budget of the Ministry of Local Governance and Regional Development. The county administrations have been provided with the authority to distribute these funds regionally. This change has been dubbed the *responsibility reform*. In their instructions to the county administrations, the Ministry of Local Governance and Regional Development has made it explicit that the county administrations shall manage these new resources in a partnership that involves municipalities, the business community, *Innovation Norway*, state regional agencies, R&D institutions, higher education institutions and other actors. The county councils are to provide the regional partnerships with the appropriate regional development mandate. The regional partnerships will also typically include the major institutions of the labour market – the confederation of trade unions (LO) as well as the confederation of Norwegian enterprise (NHO), which is the main employers' organisation. Both confederations have a strong regional presence. The extent to which relations within the regional partnerships are contractually formalized varies between the different countries. Some county councils have chosen to establish partnership contracts with all agents involved, while others have opted for more informal co-operation agreements.

Since 2002 the Ministry of Local Government and Re-

gional Development has systematically provided the county authorities and the regional policy implementation agencies and directorates (*Innovation Norway*, the *Norwegian Research Council* and *SIVA*) as well as their regional representatives with the task of adjusting their expenditures to regional contingencies. *Innovation Norway* has offices in all counties. Fifteen of these are regional offices and seven are local. Local offices are located in the *Vest-Agder*, *Vestfold og Østfold* counties. In four counties – *Finnmark*, *Møre og Romsdal*, *Sogn og Fjordane* and *Hedmark*, *Innovation Norway* also boasts a network of both local and regional offices. *Innovation Norway*'s regional activities are mainly funded by the county administrations, who distribute annual central allocations to various regional development projects. In 2005 *Innovation Norway* assessed whether the directives given by the main regional funding authority to the *IN* regional and local offices – the county administration – comply with national regional policy priorities as well as national innovation strategies. *Innovation Norway* concluded that in general, the regional policy directives and the innovation policy directives *are* congruent. However, the political framework was perceived to be only weakly formulated and the legal framework practically non-existent particularly in respect of its ability to ensure coherence between central and regional innovation strategies.⁸⁰ The objectives displayed in Table 3.6 are an attempt to counter such shortcomings.

Since 2004 the *Norwegian Research Council* has had regional representation in eight counties. In these counties – *Troms*, *Nordland*, *Sør-Trøndelag*, *Hordaland*, *Rogaland*, *Oppland*, the *Buskerud-Telemark-Vestfold* regions and *Oslo/Akershus/Østfold* – the offices are co-located with the regional representations of *Innovation Norway*. The Norwegian Industrial Development Corporation (*SIVA*) is a network organisation with the main office located in Trondheim. The administrative responsibility for corporation was transferred from the Ministry of Local Government and Regional Development to the Ministry of Trade and Industry on January 1st 2002 as *SIVA* is increasingly taking on a brokering role within and between regional innovation *milieus*. At present, *SIVA* is a major stakeholder in regional innovation infrastructures such as science- and knowledge parks, industry incubators and regional seed capital and venture capital funds. *SIVA* also has a real estate management responsibility in the regional and local innovation- and business development estates in which they have ownership interests.

Sweden – continued focus on competitiveness

In Sweden recent debate on regional policy has increasingly come to focus on questions relating to changes in the structure of responsibilities and tasks, regional devolution, and the power over regional development and competitiveness. The goals for regional development in Sweden are clearly stated in the latest government bill as: “*well functioning and sustainable local labour market regions with a good level of service in all parts of the country*”.⁸¹ The regional developmental problems are thus in short seen as a lack of economic growth, competitiveness, sustainability, innovativeness and problems with the distribution of welfare across the whole of the country.

In respect of regional development the most important role for central government is to prevent structural problems and to create the conditions for regional growth and competitiveness while all parts of the country are expected to contribute to Sweden’s growth and sustainable development.⁸²

In the strategy, *En nationell strategi för regional konkurrenskraft, entreprenörskap och sysselsättning 2007-2013 (A National Strategy for Regional Competitiveness, Entrepreneurship and Employment)* it is stated that one point of departure for the regional developmental policy work is *sustainable development*. Ensuring sustainable development is however not however viewed as a national duty. Instead the regions are seen as having the best knowledge of the most effective efforts and priorities in this area. The document also notes that a ‘Sustainability Commission’ will be created. This strategy in part builds on the bill, *A Policy for Growth and Viability throughout Sweden (En politik för tillväxt och livskraft i hela landet, Prop. 2001/02:4)* and is the national framework document in Sweden, for the EU’s Cohesion Policy for the third programme period 2007-2013.⁸³ The priorities identified are: *innovation and renewal, provision of competence, and an enlarged supply of labour, accessibility and strategic cross-boundary collaboration*. The strategy is also presented as a platform providing for an overarching approach and for coordination between different societal sectors in the field of regional competitiveness and employment. The overarching goals are to be met through different measures and seven ways of reaching these goals are specified:

- To retain a steering-power over the state agencies activities
- Clearer regional developmental responsibilities in some policy areas and a more overarching approach
- A clearer division of responsibilities between the state and the municipalities
- Learning and programmes as instruments for development
- Regional comparisons as drivers for change
- Coordination with the EU Cohesion Policy programme
- Directed measures

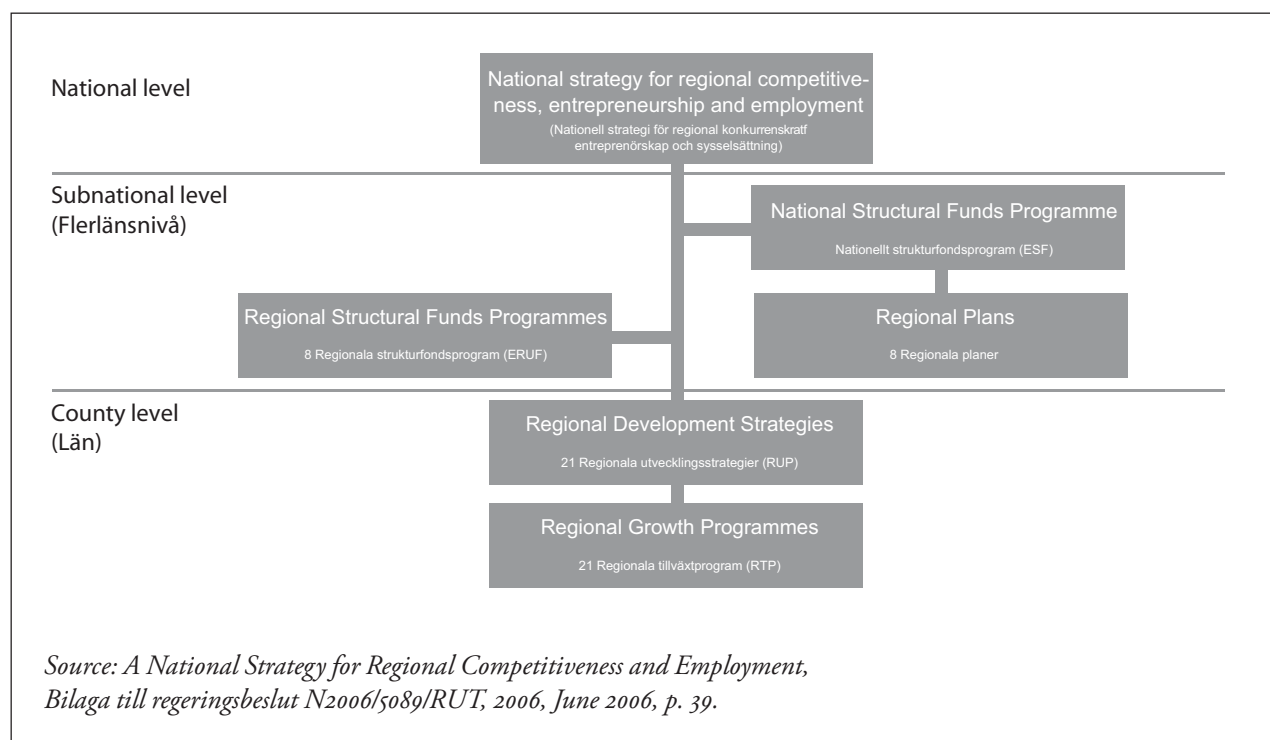
The strategy also underlines the connections between regional development policy, labour market policy and EU cohesion policy. Swedish labour market policy aims to contribute to the construction and maintenance of a well functioning labour market. It is therefore concluded that by tackling issues such as isolation from the labour market and by creating more jobs and more companies, while also making it more profitable to work – welfare in Sweden will be ensured.⁸⁴

The main Swedish regional policy tool is the *Regional Development Programme (regionala utvecklingsprogram)* (RDP), which all county administrative boards or municipal co-operation bodies are obliged to set up.⁸⁵ The RDP’s are related to other tools, such as the EU regional funds (see Figure 3.6). Currently around two thirds have produced their programmes. The aim of these programmes is to create *broad long-term and strategies for sustainable development* in the respective regions. National goals are also to be met via strategies within the RDP’s, which function as a basis for different programmes and measures in the counties and also at the collaborative level between counties. The RDP is a *continuous process* which should be performed in a broad partnership, where regional and local public actors, industry, the social economy, universities and university colleges are partners.⁸⁶

The Swedish Agency for Economic and Regional Growth (*Nutek*) has published a report on the development of methods for preparing these programmes, building on an assignment from the government to the concerned authorities. Thirteen authorities, four pilot regions – Skåne, Kalmar, Värmland and Jämtland - and seven working groups have been involved. One of the overarching conclusions is that RDP’s should be seen as *processes* as well as being *written products*. The RDP’s should function as a kind of coordinating programme, since the regional level is promoted as being particularly suitable for the coordinating role between different authorities and structures, as it is an important player when it comes to questions of infrastructure. The report also specifically deals with the problematic issue of ‘vertical coordination’. The issue here is *whether national goals for regional development should simply be passed down to the regions or whether national goals should rather be interpreted in the light of prevailing conditions in individual regions*. The answer is *both*. Central government interests should be met while specific regional conditions ought also to be reflected in the RDP. The individual RDP should highlight the direction and priorities in the work aiming at a socially, economically and environmentally sustainable development, according to the report.⁸⁷

Regional Growth Programmes (regionala tillväxtprogram) (RGP) need also to be produced and documented. Each county administrative board or municipal co-operation body has been tasked by the government with creating its strategy for regional growth in regional growth programmes (a continuation of the former *Regional Growth*

Figure 3.6 The relationship between the Swedish national strategy for regional development and EU funding from the regional fund.



Agreements initiated in the mid-1990s). The RGP's are approved by central government and are its main instrument in the new regional development policy approach that replaced traditional regional policy in 2001.⁸⁸ The RGP's are developed through regional partnerships under the responsibility of the county administrative boards, except in the counties where the municipalities and county councils have formed municipal co-operation bodies and in the self-governing regions, where the new self-governing bodies perform the RGP's. The aim of the regional growth programmes is to coordinate measures and actions taken in order to foster sustainable local labour market regions. Three strategic questions ought to be dealt with in the programmes: labour supply, entrepreneurship, self-employment and the 'entrepreneurial climate', and systems of innovations and clustering. They are also supposed to integrate a sustainable perspective in respect of economic, social and ecological sustainability.⁸⁹

The mid-term performance evaluation of the RGP's for the period 2004-2007, was presented to the government in July 2006 by *The Swedish Institute for Growth Policy Studies* (ITPS). One of the main conclusions was that the degree of growth orientation was higher in the RGP than in the RGA period, there remain however problems in 'moving from words to action'. Another finding was that only a few programmes succeeded in integrating the issues of sustainability into the growth process. Environmental integration has seen the most concrete results while gender equality is often emphasized, though such usage is usually rhetorical in nature. As such, the integration of gender equality issues in connection to growth and development is sadly

lacking. The policy recommendations outlined in the report include the need for more clearly defined directives, better analytical support, improved knowledge of effective learning processes and the question of how the business sector can be more involved.⁹⁰

Another linked strategy is *The Innovation Strategy*, which is said to be the central government's platform for work enhancing Sweden's competitiveness. The innovation strategy indicates four guidelines: *knowledge-base for innovation, an innovative industry, an innovative public sector and innovative people*. The overarching goal here is that Sweden should become the most competitive, dynamic and knowledge-based economy in Europe and thus one of the most attractive countries in the world for foreign investments from small and medium-sized knowledge-based companies. The goals are also said to be sustainable growth and welfare for all people across the whole of the country. The innovation policy rhetoric appears at first glance overly optimistic in tone. Positive indicators are effortlessly deployed in support of the programme including Sweden as the world leader in investments in knowledge (4.3% of GDP in 2001), Sweden as one of the world's most internationalized economies, with a public sector providing advanced services, and a diversified, knowledge-based industry. At the same time however new challenges to this rather cosy picture are emerging, such as the emergence of an increasingly competitive global economy necessitating the need for rapid economic renewal, the construction of a knowledge-based economy with the production of knowledge-intensive and unique products. Such changes however place increasingly stringent demands on economic,

ecological and social sustainability, while Sweden's ageing population represents a potentially intractable fiscal problem. In addition, new roles for firms as well as governmental institutions internationally, nationally and regionally will have to be devised.⁹¹

The autonomous territories – regional development in the Faroe Islands, Greenland and Åland

The three autonomous territories in the Nordic Region are insular communities with populations ranging from 27 000 (Åland) to 56 000 (Greenland). The issue of regional development here is essentially a matter of ensuring national and local well-being in the face of a social structure composed of small communities and municipalities. Both in Greenland and in Åland the idea of municipal mergers and restructuring has become an issue of some public concern.

A 2004 *Nordregio* study demonstrated that with respect to the smaller municipalities, regional development issues remain more of an obstacle than a resource when it comes to local development. The division of tasks and responsibilities between the central regional authority and the municipalities is perceived as a hindrance to local and regional development in small, partly independent territories.⁹²

The dominant regional development issue in all three territories remains how to create a more diversified industrial structure and how to improve the local business climate and make local firms more innovative. In all three autonomous territories employment growth is mostly explained by an expanding public sector.

Greenland

Over the last decade the population of Greenland has remained comparatively constant approaching 57 000 by 2006 with the population level increasing continually albeit slowly since 1993. Some ten per cent of the population are immigrants who have come to Greenland as administrators, bureaucrats, specialists or skilled personnel. Greenland has more than 70 populated settlements. In 2004, 51 percent of the total population was settled in the three towns of Nuuk, Sisimiut and Ilulissat. Nuuk is the capital of Greenland, and with almost 15 000 inhabitants it is the dominant settlement on Greenland. Peripheral areas have continued to lose inhabitants to the major towns since the 1960s. In terms of regional divisions, Greenland is divided into four regions each of which encompasses 4-5 municipalities. Half of the population is located in the middle region (which includes Nuuk municipality). Each of the other three regions (South, Disko, North/Eastern) holds from 14 percent to 19 percent of the population.

The overarching objective of the Home Rule Authority is to broaden the economic base of the island. The resource-based maritime industries (fisheries, hunting) are complemented by tourism and land-based production and mining. Increasing self-sufficiency remains a prime concern. The Home Rule Authority is providing significant funding for business support schemes and services aimed

at developing land-based activities such as new tourism destinations, 'experience' goods and new catering/ hospitality products. The most significant budgetary overhaul of the Home Rule authority has recently been to redistribute funds from the area of transportation to the area of education.⁹³

The main challenge for regional development on Greenland remains the absence of a local entrepreneurial culture and traditions for establishing new enterprise(s). New industrial enterprises are initiated either by the Danish state or by the Home Rule Authorities. Such initiatives are found in fisheries, mining and trade. Recently, co-operation endeavours have been on the increase with some Danish multinationals setting up retail outlets. The regional growth strategy of the Home Rule Authority remains:

- To continue industrial restructuring,
- To strengthen the production of local services,
- To stimulate the emergence of a local stock-holder culture,
- To improve educational opportunities,
- To improve the efficiency of public services,
- To reduce subsidies to specific industries,
- To restructure the tax system, and
- To reduce the number of municipalities from eighteen to four

The Faroe Islands

Since the economic crisis of the early 1990s, when the Faroe Islands saw a net out-migration of some 6 500 people the population level has increased from some 43 500 in 1995 to the present number of some 48 500. The distribution of this population increase has, however, been very uneven. The peripheral, outer islands (*útoyggjar*) have experienced a continuous decline in population even in the years after the turn of the millennium. The semi-peripheral areas have not experienced any recent population increase either, as practically all of the current population growth is to be found in the major towns of Tórshavn, Runavík and, to a somewhat lesser extent, in Klaksvík.⁹⁴ The urban fringes of Tórshavn are the settlements that, at present, are experiencing the strongest population growth.

The Faroese regional growth axis is to be found in the areas along the main road joining the major settlements. This pattern has been further strengthened with the 2006 opening of a six and a half kilometre long underwater tunnel that connects the northern islands of Borðoy (with Klaksvík), Kunoy and Viðoy with the main islands of Eysturoy, Streymoy (the largest, with Tórshavn) and Vágar (with the airport). With the underwater tunnel to Klaksvík and Vágar (in 2001) 85% of the Faroese population now has a road connection to the capital Tórshavn.

Recent regional developments in the Faroe Islands has thus led to some local functional specialisation, as the settlements surrounding Tórshavn, Runavík and Klaksvík

have taken on the characteristics of commuting areas. This is putting increasing strain on the production of local social services. At the same time, infrastructure investments such as sea tunnels and airport expansions have also provided for a more dynamic economy in the main part of the Faroe Islands. The regional concentration of growth to a 'network' system of urbanised areas has not precipitated similar concerns with calls for municipal restructuring and mergers that are being voiced both in Åland and in Greenland.

While the public sector as a whole produced a deficit in 2005, the municipalities broke even. This masks some significant distinctions - Tórshavn was the only municipality to produce a surplus, while most other municipalities ran deficits.⁹⁵ The Faroese outlook for the future is mainly influenced by the changing conditions faced by the natural resource industries, with increased prices for fish in particular. The 2002 crisis in the local sea-farming industry significantly weakened the 2003 GDP figures. GDP figures were however further depressed by reduced competitiveness in the fish processing industry during 2003-2004. Natural resource industries and the fish processing industry in particular are expected to rebound in 2006 as increased fish prices combine with revenue growth.

Fisheries, fish processing and sea-farming are being complemented by new bio-technology, hospitality and catering firms based on maritime activities and resources. The high hopes for industrial diversification, on the basis of small oil and natural gas discoveries on the Faroese continental shelf in the 1990s has however yielded to modest realism.

Since the banking crisis of the early 1990s the Faroese Government has taken responsibility for several new tasks so as to reduce the bloc grant received from Denmark. The annual grant currently stands at 600 million DKK and has been reduced by more than one third since 2002. The Government has traditionally subsidised the resource-based industries, a policy which however has been abandoned in the aftermath of the economic crisis in the early 1990s. At present, the focus remains on industrial restructuring and identifying local champions of industry.⁹⁶

There is currently little or practically no unemployment in the Faroes. The seasonally adjusted unemployment rate hovered below three per cent in the mid-2006, though unemployment remains comparatively higher in the Northern Islands. In these, unemployment reached 4.5 percent as of July 2006. After the 2006 opening of the Norðoya tunnel, the potential for greater integration of the urban labour markets has greatly improved.

Åland

The Åland archipelago is a group of 6 500 islands of which 60 are populated. The capital, Mariehamn is located on the main island. Åland has 16 municipalities, six of which are located in the eastern, peripheral part of the archipelago. These municipalities are only accessible by sea trans-

port. With some 27 000 inhabitants, four out of ten inhabitants live in the municipality (and only town) of Mariehamn. An additional 50 percent of the population live in one of the other nine municipalities that make up the main island. Population levels on the main island have seen relatively strong growth since the 1970s while the municipalities of the archipelago have experienced a decline.⁹⁷

The objective of Åland's regional policy is that all municipalities shall be able to maintain local communities. The government's ambition is to be able to maintain the current settlement pattern in the islands and to be able to retain a stable population on all of the inhabited islands including the municipalities of the eastern archipelago bordering mainland Finland. This latter point has proved to be the recurrent regional development challenge.

Åland's economy is dominated by the maritime transport sector, private and public services. The employment situation has, since the mid 1990s, also been very good. However there are some mismatches between unemployed and job vacancies. On the one hand there is a shortage of health and medical personnel as well as of persons working in the education sector. While on the other hand there are unemployment remains higher especially among students and in the transport and administrative sectors.⁹⁸ The Baltic Sea transport industry, dealing with both goods and individuals, is currently undergoing major restructuring which is of great significance to Åland's economy. In terms of manufacturing, Åland boasts a number of highly profitable enterprises rather than manufacturing industries *per se*. The business sector is dominated by micro enterprises with only 24 enterprises having more than 50 employees. Regional development efforts are mainly managed through investment and business support schemes while additional support is given to rural areas. For the EU's 2007-2013 programming period the Government of Åland is focussing on increasing regional competitiveness and improving the skills of the economically active population. The main initiatives are to be found with respect to improving entrepreneurship and developing a more robust regional innovation system that includes significant interaction with the private sector. A particular emphasis here is being put on developing 'business incubators' in order to promote research and development.⁹⁹ The regional competitiveness initiative is mainly set to benefit the economy of the greater-Mariehamn area. In the 2007-2013 period rural development will focus on initiatives that promote sustainable rural development.¹⁰⁰ Somewhat lesser emphasis will be put on efforts to diversify the local rural economies.

¹ Johnston, R.J., et al., 2000, *The Dictionary of Human Geography*, Oxford: Blackwell Publishers, p. 682 ff.

² The Ministry of Interior and Health Care (*Indenrigs- og Sundhedsministeriet*), 2006, *Regionalpolitisk redegørelse 2006*, p. 18.

³ E.g. in the context of Swedish budget 2007 it is noted that in practice all policy areas and hence all expenditure areas are concerned with regional development policy, p. 15, Ministry of Finance, (*Finansdepartementet*) Budgetpropositionen för 2007.

⁴ See e.g. Nutek, Press release, 20/10/06, *Nutek lyfter storstädernas betydelse för tillväxten*.

⁵ The Ministry of Industry, Employment and Communications (*Näringsdepartementet*), 2006, *En nationell strategi för regional konkurrenskraft, entreprenörskap och sysselsättning 2007-2013*.

⁶ St. Meld. Nr. 21. 2005-2006. *Hjarte for heile landet – Om distrikts- og regionalpolitikken*, my translation.

⁷ See e.g. The Ministry of Interior and Health Care, 2006, *Redegørelse*, p.19.

⁸ http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/90111.pdf, 23/11/06.

⁹ Norden, *Hållbar utveckling – En ny kurs för Norden, Reviderad utgåva med mål och insatser 2005-2008*, Politiska huvudpunkter, ANP 2004:781.

¹⁰ Lisbon Strategy for Growth and Jobs: Commission's annual progress report - frequently asked questions, <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/06/23&format=HTML&aged=0&language=EN&guiLanguage=en>, 12/09/06.

¹¹ The Lisbon Special European Council, 2000, *Towards a Europe of Innovation and Knowledge*, <http://europa.eu/scadplus/leg/en/cha/c10241.htm>, 29/08/06.

¹² According to the EU, <http://europa.eu/scadplus/leg/en/cha/c10241.htm>, 29/08/06.

¹³ *A new start for the Lisbon Strategy*, 2005, <http://europa.eu/scadplus/leg/en/cha/c11325.htm>, 12/09/06.

¹⁴ Ibid.

¹⁵ The Lisbon Special European Council, 2000, *Towards a Europe*.

¹⁶ *Time to Move Up A Gear*, The European Commission's 2006 Annual Progress Report on Growth and Jobs, January 2006.

¹⁷ The Government, 2005, *Danmarks nationale reformprogram – Bidrag til EU's vækst- og beskæftigelsestrategi (Lissabon-strategien)*.

¹⁸ Ministry of Finance (*Valtiovarainministeriö*) 2005, *The Lisbon Strategy for Growth and Jobs – The Finnish National Reform Programme 2005-2008*, Economic and Economic Policy Surveys, 3b/2005.

¹⁹ The Government, 2005, *The Swedish Reform Programme for Growth and Jobs 2005-2008*.

²⁰ The Government, 2006, *The Swedish Reform Programme for Growth and Jobs 2006-2008*.

²¹ European Commission, April 2004, *A New Partnership for Cohesion – Convergence, Competitiveness, Co-operation*, Third report on Economic and Social Cohesion.

²² *Cohesion Policy in Support of Growth and Jobs - Community Strategic Guidelines*, 2007-2013, <http://europa.eu/scadplus/leg/en/lvb/g24230>.

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Territorial cooperation - extending interaction

Cross-border issues have become increasingly important with the deepening of EU integration since the 1990s. Territorial cohesion and further economic integration have become essential prerequisites in the maintenance of effective and competitive regions in Europe, and as a result border regions have become what the OECD dubbed, 'the darlings of regional policy'.¹

Cross-border cooperation can be defined as a more or less institutionalised process of collaboration between contiguous sub-national authorities across national borders.²

Nordic regions have in this sense already experienced a long history of cross-border co-operation. In comparative European terms, intra-Nordic initiatives are strongly embedded both historically and politically. In many of these border regions, separate INTERREG programmes have been constructed as an additional formalisation of previous, more informal cross-border coordination endeavours. In many regions, the INTERREG programmes overlaps or operates in tandem with trans-national cooperation institutions of a much longer standing.

Nordic regional cooperation at a glance

Regional cooperation in the Nordic countries has a long tradition. In 1948, Denmark, Iceland, Norway and Sweden established the joint Nordic Committee for Economic Cooperation as an early attempt at intergovernmental co-operation. In 1951 this was followed by the formation of the Nordic Council, a parliamentary institution which Finland subsequently joined in 1956. The 'Treaty of Cooperation between Denmark, Finland, Iceland, Norway and Sweden' (Treaty of Helsinki) in 1962 provided a further basis for cooperation in legal, cultural, social, economic, transport and environmental issues.

In 1971 the governments of the five Nordic countries and the autonomous territories of Åland, the Faroe Islands and Greenland set up the Nordic Council of Ministers (NCM). In the same year, the Association of European Border Regions (AEBR) was set up to encourage new trans-border associations in Europe as well as providing a lobby organisation for European border regions. The Nordic Council of Ministers commenced funding Nordic cross-border cooperation initiatives, and during the late 1970s several new cross-border collaboration initiatives emerged (Table 4.1).

The guiding principle for Nordic cooperation remains the concept of *Nordic value added*: co-operation is undertaken when common actions attain a more positive effect than separate national ones, especially actions that manifest Nordic solidarity and increase Nordic competence and competitiveness.

Initially Nordic trans-national co-ordination bodies

were set up in regions that shared or sought to strengthen the functional (the Øresund committee 1964), or strategic (the North Calotte committee, 1971) integration of cross-border territories. However, with EU membership cross-border regional development has taken on a more prominent role in more sparsely populated territories with a less developed tradition of economic, social and cultural trans-national exchanges in several Nordic countries.

The shift from cultural and identity-based motivations to rather more concrete functional concerns has been gradual and many of the original identity-based aspirations of cross-border cooperation endeavours are in fact inherent and contributory factors in the more functional aspirations that have subsequently emerged.³

Empirical studies have shown that identities in border regions are typically both complex and context-bound, with individuals identifying both with their respective nation states and with cross-border nationalities or ethnic groups.⁴ This defies a simple geographical definition of identity.

Cross-border-cooperation is not an endeavour encouraging instant identity-making. The last five years have seen the publication of several major studies on how Nordic trans-regional identities are being constructed in various Norwegian, Swedish, Finnish and Danish cross-border co-operation initiatives.⁵ A common observation made in these studies has been that thus far, Nordic cross-border co-operation initiatives await thorough embedding among the general public. The focus of many initiatives, not least

in the most densely populated areas of the Nordic trans-national areas, currently appear to be trans-national 'image-

building' and the creation or promotion of new, quasi-regional brands aimed at a more general and global public.

Table 4.1. *The formal inauguration of cross border regions in the Nordic countries 1964-1980*

Year	Organisation	Membership	
		Countries	Level
1964	Øresund Committee	Denmark, Sweden	Regional
1971	North Calotte Committee	Finland, Norway, Sweden	Regional
1972	Kvarken Council	Finland, Sweden	Regional
1974	The Kjølén group ¹	Norway, Sweden	Quasi-regional
1977	Mid Nordic Committee,	Finland, Norway, Sweden	Regional
1978	Arko Co-operation	Norway, Sweden	Local
1978	Skärgården regional co-	Finland, Sweden, Åland	Regional
1980	Four Corners co-operation ²	Denmark, Sweden	Local
1980	Østfold-Bohuslän/Dalsland	Norway, Sweden	Local
1980	Nordic Atlantic co-operation (NORA)	Faroe Islands, Greenland, Iceland, Norway	Regional

¹ Currently known as the Mid-Scandia collaboration. Formally not a NCM cooperation committee.

² Expanded to include Poland and Germany in 1995.

The impact of INTERREG

Under the auspices of the Nordic Council of Ministers (NCM), the Nordic cross-border programme regions became instrumental in setting up many of the Nordic INTERREG 2 (and subsequently 3) regions.⁶ This has also meant that, for all practical purposes, Nordic INTERREG programmes have been in the making for decades.

The launching of the INTERREG initiative provoked furious competition between existing and newly founded institutions in many border regions.⁷ In addition, differences in the historical evolutions of these cross-border institutions led to the creation of a wide variety of organisational forms. The most notable difference between the pre-INTERREG initiatives, such as the Nordic cross-border cooperation committees, and the institutional set-ups established to cater for the INTERREG programmes of the 1990s, is the dominant role of local and regional actors in the older cross-border initiatives. It is worth noting here moreover that even those initiatives with a long history of co-operation are not 'natural', they are constructed and emerge only after a number of choices and priorities have been selected. As with all co-operation cross-border co-operation is potentially both integratory and dis-integratory, fragmentary and integratory, and remains dependent on the outcome of political debate and the functional motivation for co-operation, as well as cultural and linguistic ties etc. As such, cross-border initiatives can often be connected to a number of pre-existing conflicts over ways of reconstituting political space in the national or cross-border sphere.

Perkmann has classified all Scandinavian cross-border cooperation initiatives as of the same grouping: large-scale in geographical scope yet high in cooperative intensity and with a variable mix of local and regional authorities (counties) involved.⁸ The *Øresund* region is for instance the only Nordic cross-border region that shares the characteristics of a *Euroregion* – a region that spans a cross-border territory of only 50-100 kilometres east/west or north/south and holds at least 1.5 million inhabitants. At present, the population of the *Øresund* region is hovering at around the 3.5 million, with 2.4 million on the Danish side and 1.1 million on the Swedish side.

As Perkmann notes, "it makes a considerable difference whether INTERREG support was accommodated into existing local cross-border cooperation structures or whether the launch of INTERREG actually triggered cross-border cooperation initiatives that had not been existing beforehand".⁹ In the Nordic countries, for instance, the municipal level has historically enjoyed a considerable degree of autonomy, while their policy *repertoire* has long included inter-municipal co-operation.¹⁰ Since the mid 1990s however the 'jewels in the crown' of this policy repertoire have been increasingly coveted by emerging regional administrations.¹¹

The entry of Sweden and Finland into the EU in 1995 had a significant effect on Nordic cross-border cooperation. As previously with Denmark, Finland and Sweden gained access to INTERREG programmes, which represented a new and important source of funding. As even the

western Nordic countries populating the Atlantic rim expressed keen interest in participating with twinning funds, the total economic resources available for Nordic cross-border cooperation was therefore multiplied several times over.

The INTERREG companionship(s) introduced new formal requirements in cross-border cooperation, such as operating in programmes and with sets of programme measures, as well as assessing programme outcomes in terms of results and impacts within a pre-set framework and methodology. The Nordic cross-border cooperation committees were well prepared to put the INTERREG programme structure into practice as a financing instrument. Several of the existing organisations, such as *Skärgården* (the archipelago between Sweden and Finland, including Åland), *Kvarken* (the Baltic cross-border area formed by the *Ostrobothnian* counties in Finland as well as *Västerbotten* and *Örnsköldsvik* in Sweden), the *North Calotte council* and the *Øresund council* took responsibility for developing the new INTERREG programmes and subsequently also for implementing them.

The INTERREG programmes however saw an onerous rise in the level of bureaucratisation and numerous new administrative requirements which had hitherto been absent in the context of previous Nordic cross-border cooperation. The EU directives regulating the operations of community initiatives made it somewhat difficult to re-introduce particular issues that had previously characterised Nordic cross-border cooperation. Additionally, the introduction of such new administrative requirements has forced some actors that used to figure more prominently in Nordic cross-border cooperative ventures in the 1980s and early 1990s, such as those in the voluntary sector and small enterprises, to increasingly withdraw from INTERREG-based cross-border activities. In spite of this thoroughgoing reconstruction of Nordic cross-border cooperation the significant boost to funding and the novel administrative set-up have given a new vitality to Nordic cross-border cooperation initiatives.

In a European context the Nordic initiatives are thus strongly embedded both historically and politically. In many of these border regions, separate INTERREG programmes have been constructed as an additional formalisation of previously more informal cross-border coordination

endeavours. In many regions, the INTERREG programme overlaps or even operates in tandem with trans-national cooperation institutions of a much longer standing (Table 4.2).

Institutional integration is on the rise. From 2007, the administration of the North Calotte cooperation committee will be integrated with the administration of the North Objective 3 programme (previously: INTERREG programme). Should we make an attempt to classify the current Nordic cross-border cooperation programmes by their contribution to cross-border cooperation in terms of focussing on functional integration, institution-building or creating regional identity, we see that most co-operation attempts are at present targeted at functional integration and institution-building. Figure 4.1 illustrates the relative importance of the three dimensions in cross-border cooperation programmes currently financed by the Nordic Council of Ministers.

The European *Spatial Planning Observation Network* (ESPON) in connection with *Interact*, a programme initiated by the European Commission designed to set up information and communication networks between INTERREG programmes, has classified the project portfolio of 61 INTERREG 3A programmes all over Europe by their thematic content in a database (ESPON-Interact 2006). Projects were coded by primary and optional secondary (and in some cases, tertiary) themes. The following themes were selected:

- Transport
- Information and communication technology (ICT)
- Energy
- Environment/Quality of life
- Hazards
- Cultural and cross-border social interaction (CBC)
- Growth, employment and competitiveness (GEC)
- Knowledge sharing/innovation/research (R&D)
- Education/training
- Remote areas and rural development

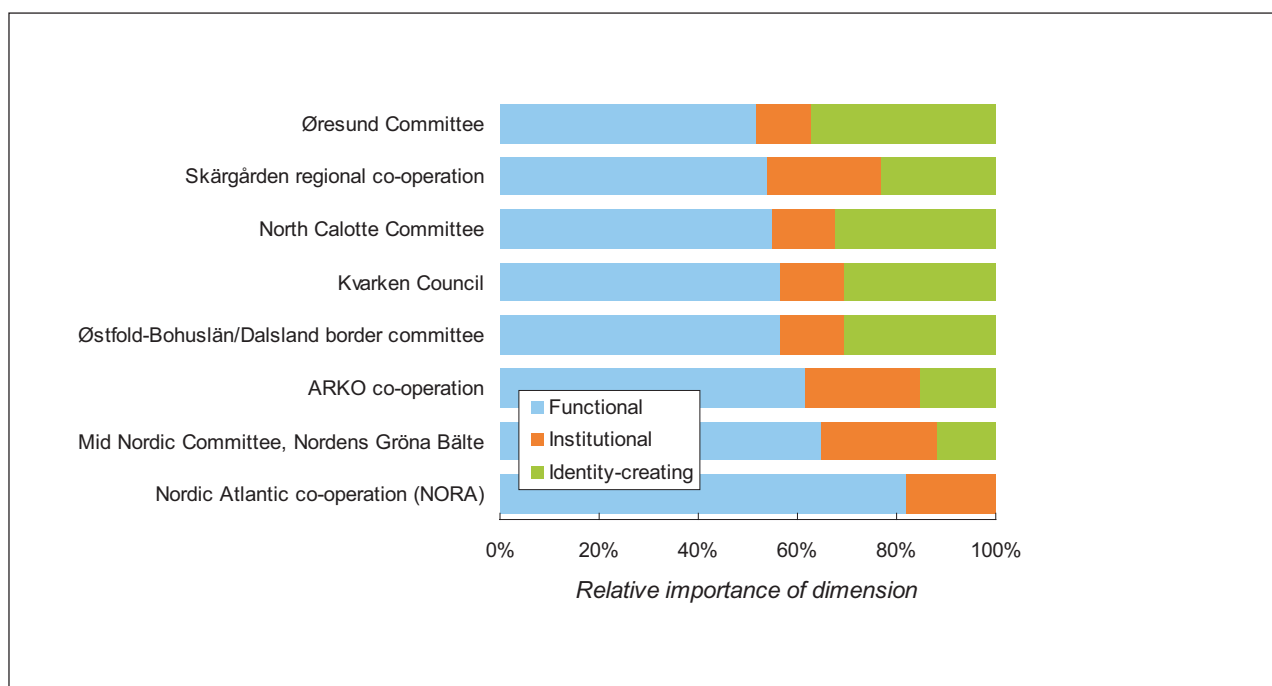
Lisbon agenda issues are covered primarily by projects focussing on growth, employment and competitiveness (GEC). A preliminary assessment suggests however that projects dealing with 'hard' infrastructure issues (i.e. transport, ICT, energy, the environment/quality of life) are addressed less frequently than 'soft' infrastructure issues such as cultural and cross-border interaction, knowledge sharing, R&D, education and training.

A comparison of thematic priorities in the INTERREG 3A projects covering or bordering the Nordic territories¹³

Table 4.2. *The relationships between Nordic Interreg programmes (2000-2006) NCM funded cooperation*

Territories	Separate organisations	Integrated administrations
Geographical overlap	North Calotte, Skärgården	Øresund
No geographical overlap	Arko, NORA, Mid Nordic, Kvarken Østfold-Bohuslän/Dalsland	

Figure 4.1 Dimensions in Nordic cross-border cooperation programmes 2006¹²



moreover suggests that trans-national cooperation priorities for the period 2000-2006 were the same in the Nordic countries as in the rest of Europe – not only in *Norden* proper but also in cooperation programmes in territories bordering *Norden* proper. In the five ‘Nordic’ programmes the issues of CBC, GEC and R&D account for the thematic content of the project concerned in 58.5% of all INTERREG 3A projects. Similarly, in the rest of INTERREG 3A-Europe the situation is almost the identical with ‘soft infrastructure’ development, such as that developed in the CBC, GEC and R&D themes, represented in 56.1% of all projects.

Hard infrastructure projects such as transport, energy and environment/quality of life issues are however somewhat more common in the rest of Europe than in the Nordic countries. This is mainly due to the fact that economic disparities are comparatively minor across Nordic national borders and that cross-border cooperation over issues such as roads, bridges and other infrastructure investments that might provide a boost to local economies generally remain low on the list of regional priorities.

We could attempt to differentiate between relatively

mature (Nordic) cross-border collaborations and recently established cross-border collaborations, such as those now emerging in the most recent EU member states. A simple analysis here illustrates however that no real correlation exists between the *maturity* of the cross-border cooperation organisation and the *thematic content* of the corresponding INTERREG cooperation endeavour (Figure 4.2).¹⁴ In the graphic produced below the size of the individual bullets corresponds to the size of the project portfolio (e.g. to the number of projects) in each INTERREG programme.

As can readily be seen it is not the case that the older or more established programmes necessarily develop a broader or more thematically diverse approach to cross border cooperation than those developed in the context of the more recent collaborations initiated in the greater Baltic-Sea area. As such, we expect the bubbles featured in the display to rise towards the upper right hand corner of the graphic. Instead it is rather that the greater the size of the project portfolio, the greater the diversity of cross-border themes that become available. In this context then the larger bubbles sink to the bottom of the display, while the smaller bubbles (those illustrating INTERREG 3A programmes containing fewer projects) rise to the top.

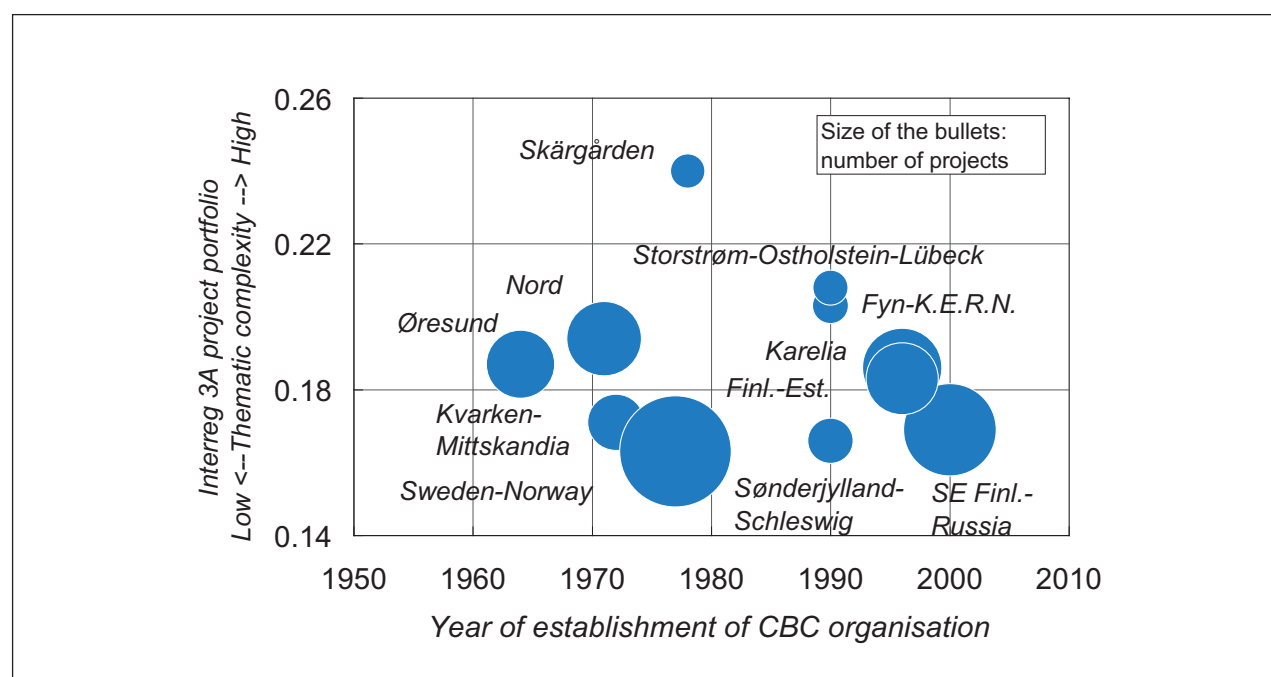
Territorial cooperation 2007-2013

Cross-border and trans-national cooperation in the Nordic countries will be strongly influenced by EU territorial cooperation policies for the 2007-2013 period. The new Objective 3 programmes for territorial cooperation comes in three forms aimed at cross-border cooperation, trans-

national cooperation and interregional cooperation.

Cross-border cooperation (previously INTERREG 3A) is aimed at regions of the European Community (NUTS 3 level regions, e.g. *regional councils, län, fylker, amter*) situated along internal or external borders or even

Figure 4.2 The thematic concentration of II INTERREG 3A programmes 2000-2006 involving Nordic countries¹⁵



along maritime borders separated by a maximum of 150 kilometres of water.

For the purpose of trans-national cooperation (previously INTERREG 3B), trans-national areas may incorporate sub-national regions or even whole nations. Inter-regional cooperation (previously INTERREG 3C) may span the entire territory of the EU. In terms of the financial allocation of funds for territorial cooperation in the Baltic Sea states, the single allocation to Poland will be equal to the total allocation to the three Nordic EU countries and the three smaller Baltic republics combined (Table 4.3).

The Nordic countries participate in nine objective 3 programmes. Cross-border programmes that involve regions in the Nordic countries are depicted in Figure 4.3.

The *North* programme has been modified from the previous period. The *Kolarctic* sub-programme is no longer included as a regular cross-border programme as it is set to

come under the *European Neighbourhood and Partnership Instrument (ENPI)*, a new co-operation instrument set up to operate in the framework of the existing bilateral agreements between the Community and its non-applicant neighbours. The *North* programme has identi-

fied three themes: *business development*; *research, development and training*; and *cross-border identities and functional integration*. From 2007, the *North's Sápmi* sub-programme will incorporate *Åarjelsaemien Dajve*. This south Sápmi sub-programme has been transferred from the INTERREG 3A Sweden-Norway programme.

The *Botnia-Atlantica* programme has been expanded considerably from the preceding INTERREG 3A *Kvarken-MittSkandia* programme area, and now incorporates six NUTS 3 regions in Norway, Sweden and Finland in addition to *Nordanstig* municipality in Sweden. The programme has identified two main themes: *growth through cooperation*, and *cooperation structures*.

The *Sweden-Norway* programme will be constituted by the remaining sub-programmes that made up the INTERREG 3A programme area – moving from north to south, the '*Nordic Green Belt*', '*Inner Scandinavia*' and '*Limitless Cooperation*' sub-programmes. The overarching themes of the programme are *economic growth* and *creating attractive living conditions*.

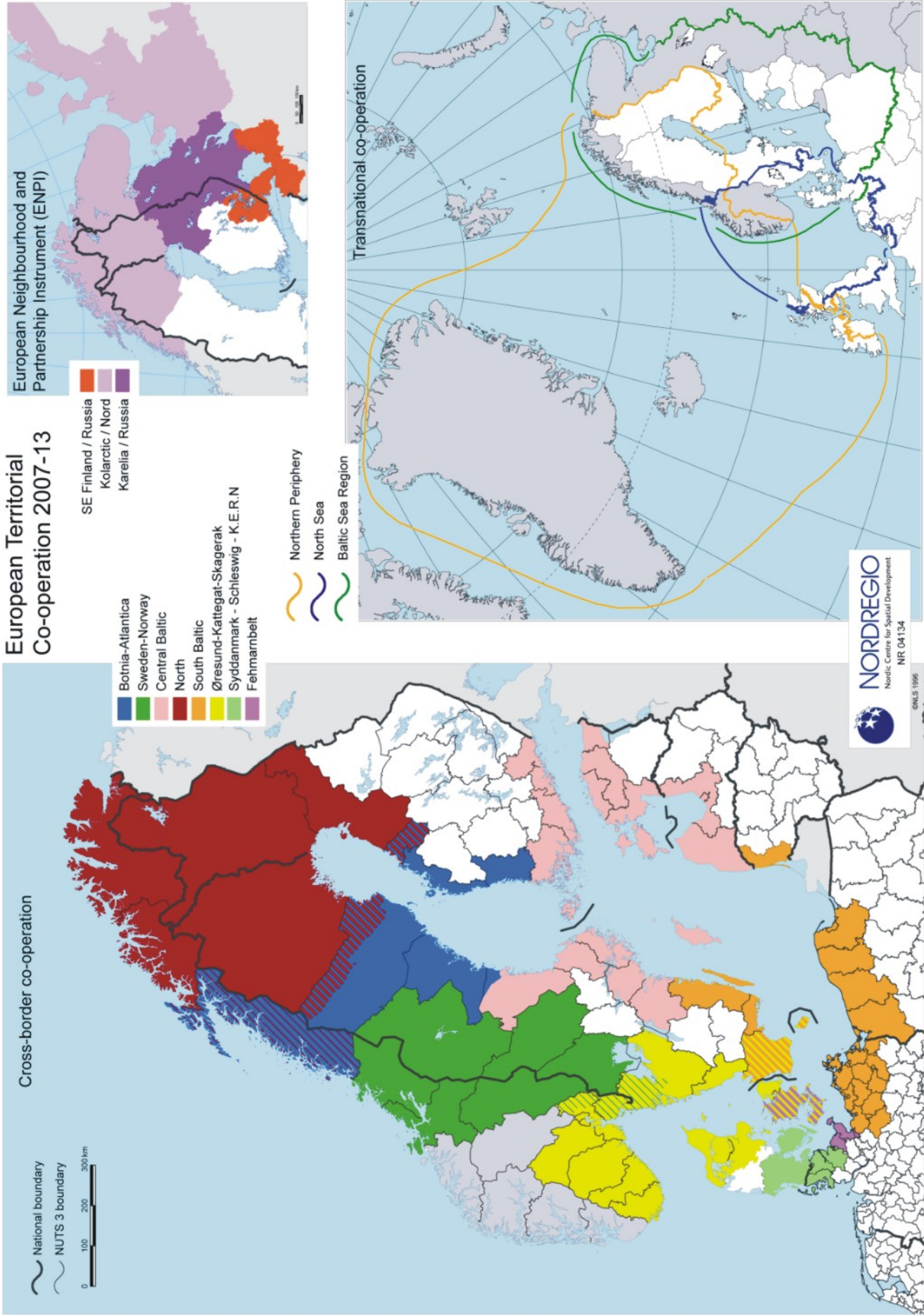
The *Central Baltic* programme area is an amalgamation of the INTERREG 3A *Skärgården* and INTERREG 3A *Southern Finland-Estonia* programme areas that is set to also include new Swedish and Latvian regions – in total 18 NUTS 3 regions in Sweden, Finland, Estonia, Latvia and the Åland islands. The programme will be divided into three sub-programmes, *Central Baltic*, *Southern Finland – Estonia*, and the *Archipelago and Islands*. The *Southern Finland-Estonia* sub-programme includes areas in these two countries only, while the two other sub-programmes incorporate the whole programme area. The priorities of the programme are *a secure and healthier environment*, *competitive and innovative regions*, and *good living conditions*.

Table 4.3. Indicative financial allocation for territorial cooperation 2007-2013 for selected EU countries

Country	Allocation (mill. Euro) ¹
Denmark	103
Finland	120
Sweden	265
Estonia	52
Latvia	90
Lithuania	109
Poland	731

¹ 2006 prices

Figure 4.3 Nordic territorial cooperation areas 2007-2013



The *Øresund-Kattegat-Skagerrak* programme area represents a significant territorial expansion of the preceding INTERREG 3A *Øresund* programme and is also organised into two sub-programmes. The combined cross-border co-operation area now includes *northern Jutland, Halland* and *Western Gothaland* in Sweden as well as all the Norwegian counties along the south-eastern Norwegian coastline. The themes of cooperation across maritime borders are to be *the promotion of economic growth; regional integration; and the promotion of everyday integration*.

The *South Baltic* programme is a recent addition to the cross-border cooperation portfolio in the Baltic areas and has a geographical spread covering Lithuanian, Swedish, Danish, German and Polish territories. The themes will be *supporting entrepreneurship and the knowledge-based economy, and the promotion of sustainable development, improving the quality of cooperation and enhancing social and cultural integration*.

Transnational cooperation programmes that involve the whole or parts of Nordic countries include the *Baltic Sea, Northern Sea* and *Northern Periphery* programmes (Figure 4.3).

The *Baltic Sea* programme will have the same programme area as in the 2000-2006 period, thus including transnational cooperation with both Belarus and Russia. Four cooperation themes are envisaged: *fostering innovations across the Baltic Sea Region (BSR), external and internal accessibility of the BSR, management of the Baltic Sea as a common resource, and promoting attractive and competitive cities and regions*.

The *Northern Sea* programme area is largely similar to the 2000-2006 programme area. The four main themes of the transnational cooperation are, *building on the North Sea Regions' (NSR) capacity for innovation, the sustainable management of the environment of the NSR, improving the accessibility of places in the NSR, and promoting sustainable and competitive communities*.

The *Northern Periphery* programme area has been expanded westwards with the inclusion of the Republic of Ireland and Northern Ireland. It also includes bordering non-member states (the Faroe Islands, Iceland and Greenland in their entirety as well as ten Norwegian counties), and has identified two thematic priorities: *promoting innovation and competitiveness in remote and peripheral areas, and sustainable development of natural and community resources*.

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⁴ D. Kaplan (2000), Conflict and compromise among borderland identities in northern Italy, *Tijdschrift voor Economische en Sociale Geografie* vol. 91.1; 44-60. Z. Bray (2002), Boundaries and identities in Bidasoa-Txingudi, on the French-Spanish frontier, PhD dissertation European University Institute, Florence. U.H. Meinhof, H. Armbruster and C. Rollo (2003), Border discourse: changing identities, changing nations, changing stories in European border communities. Fifth Framework Final Report to the European Commission, project no SERD 1999 00023 (February).

⁵ R. Ek (2003), *Øresundsregion – bli till! De geografiska visionernas diskursiva rytmer. (Øresund region – come forth! The discursive rhythm of spatial visions)* PhD dissertation, Institutionen för kulturgeografi och ekonomisk geografi, Lunds universitet. G.-J. Hospers (2006), Borders, bridges and branding: the transformation of the Øresund region into an imagined space, *European Planning Studies* vol. 14.8; 1015-1033. H. K. Lysgård (2001), Produksjon av rom og identitet i transnasjonale regioner – Et eksempel fra det politiske samarbeidet i Midt-Norden. (*Production of space and identity in transnational regions – An example from the political co-operation in the Mid-Nordic region*) PhD dissertation, Department of Geography, NTNU. B.F. Støber (2003) *Space, mass media and the 'Øresund region'*. PhD thesis Department of Geography, Copenhagen University.

⁶ S. Skålnes and B. Moen (2004) Nordisk grenseregionalt samarbeid. Gamle utfordringer og nye muligheter (*Nordic trans-national co-operation. Old challenges and new opportunities*), ANP 2005:735 NIBR/NCM Oslo/Copenhagen (September), and S. Skålnes and B. Moen (2005) Noreg i Europa – om norsk deltaking i INTERREG-program. Kva nytte har Noreg av å delta i Interreg 3-programma A, B og C? (*Norway in Europe – on Norway's participation in INTERREG programmes. What is the added value for Norway of participating in the INTERREG 3A, B and C programmes?*) NIBR Discussion Paper 2005:107. NIBR, Oslo.

⁷ J. Blatter and N. Clement (2000), Cross-Border Cooperation in Europe: Historical Development, Institutionalization, and Contrasts with North America, *Journal of Borderlands Studies* vol. 15.1; 15-53.

⁸ Perkmann 2003.

⁹ M. Perkmann (1999) Building Governance Institutions Across European Borders, *Regional Studies* vol. 33.7; 657-667, p. 662.

¹⁰ M.-L. V. Bergmann-Winberg (1998) Inventing regions in Scandinavia: transfrontier cooperation in the Nordic countries, p. 199-216 in Brunn and Schmitt-Egner eds. *Grenzüberschreitende Zusammenarbeit in Europa: Theorie-Empirie-Praxis*. Baden-Baden: Nomos.

¹¹ O.G. Råd et al. (2006) Norske regioner som internasjonale aktører (*Norwegian regions as international actors*), Report to the Norwegian Association of Local and Regional Authorities (KS), Oslo (March).

¹² Classification based on information obtained from the cooperation programme secretariats July-August 2006 / S. Skålnes et al. (forthcoming) Functional, institutional or identity-creating? The conditioning of cross-border development programmes in the Nordic countries.

¹³ Nordic INTERREG 3A programmes are Skärgården, Kvarken-Mittskandia, Sweden-Norway, Øresund and North. Interreg 3A programmes transgressing Nordic territories are Fyn-K.E.R.N, Sønderjylland-Schleswig, Storstrøm-Ostholstein-Lübeck, Euregio Karelia, Southeast Finland-Russia, Finland-Estonia.

¹ OECD (2005) Building Competitive regions – Strategies and Governance. OECD, Paris (June), p. 110.

² M. Perkmann (2003) Cross-border regions in Europe: significance and drivers of regional cross-border co-operation. *European Urban and Regional Studies* vol. 10 no. 2; 153-171, p.156.

³ Lähtenmäki-Smith, K. (2002) Regional policy and inter-regional

¹⁴ The thematic specialisation of the various INTERREG 3A programme portfolios has been calculated in the Hirschman-Herfindahls Index (HHI), which provides a measure of the thematic concentration or focus in the project portfolio of a particular INTERREG 3A programme. The HHI value of a particular INTERREG programme can range from 0.1 to 3, and is displayed on the vertical axis in Figure 4.2. A low value indicate that the projects include in the cross-border cooperation programme is distributed on many, equally large themes (at least when measured by the number of different projects covering each theme). The more dominant a single theme is in the total project portfolio, the higher the HHI value becomes.

The HHI value is calculated as the sum of the squares of the relative proportion of the different themes covered by the projects in a particular INTERREG programme. For instance, if the projects of the INTERREG programme cover all ten themes of the ESPON-Interact database and in completely equal numbers of projects, each of the themes will be covered by 10 per cent of the total project portfolio of the INTERREG programme. This yields a cross-border cooperation characterised by great thematic diversity:

$$HHI = 0.12 + 0.12 + 0.12 + 0.12 + 0.12 + 0.12 + 0.12 + 0.12 + 0.12 + 0.12 = 0.$$

If the project portfolio of an INTERREG programme is covering only three of the ESPON-Interact database themes, and these themes are included by 50 percent, 25 percent and 25 percent of the projects respectively, we get:

$$HHI = 0.52 + 0.252 + 0.252 = 0.375$$

And, if all ten themes are represented but by different degrees in the project portfolio – two themes represented by 25 percent of all projects while each of the eight remaining themes are represented in 6 ¼ percent of all projects – we get:

$$HHI = 0.252 + 0.252 + 0.06252 + 0.06252 + 0.06252 + 0.06252 + 0.06252 + 0.06252 + 0.06252 + 0.06252 = 0.15625$$

We see that although all ten ESPON-Interact database themes are present in the project portfolio in the first as well as in the last example, the thematic concentration is bigger in the latter example ($0.15625 > 0.1$). This is due to the fact that 50 percent of the projects are covered by two themes.

This latter distribution, with INTERREG 3A programmes having a strong focus on 2-3 themes while the remaining 6-7 ESPON-Interact database themes are only weakly represented, is what characterises almost all INTERREG 3A programmes.

¹⁵ Modified from ESPON-INTERACT (2006) Thematic study on cross-border cooperation. Report prepared by KTH (Royal Institute of Technology), Karelian Institute, Polish Academy of Sciences and Hungarian Academy of Sciences Stockholm/Joensuu/Warsaw/ Budapest. Draft version (October)

Technical Notes

The statistical material used in this volume was obtained, primarily, from the National or regional Statistical Institutes of each of the five Nordic countries and the three autonomous territories. These are as follows: Statistics Denmark (*Danmarks Statistik*), Statistics Faroe Islands (*Hagstova Føroya*), Statistics Greenland (*Kalaallit Nunaanni Naatsorsueqgissaartarfik*), Statistics Finland (*Tilastokeskus*), Statistics Iceland (*Hagstofa Íslands*), Statistics Norway (*Statistisk Sentralbyrå*) and Statistics Sweden (*Statistiska Centralbyrån*). Material from other National Statistical Institutes throughout Europe as well as data from *Eurostat* (the Statistical Office of the European Communities), the OECD and the national labour market authorities has also been widely used.

Population

Data on population is as of January 1st for Denmark, Norway, and Greenland and, as of 31st December for Finland, Sweden, Iceland, and the Faroes for the respective year. For the calculation of time series in the cases of now merged or divided municipalities the method as described below under the header 'miscellaneous' has been applied. The same principles apply for all population figures used for the map on population change in European regions in Figure 1.18. Net migration refers to the combined domestic and international net figures.

Gross Domestic Product

We used two GDP concepts. Firstly '*real GDP*' has been utilized to follow the development of GDP over time. Here the production of all final goods and services within a country or region is valued at given base year prices. This allows for comparison over time, since the effects of inflation have been removed by maintaining constant prices. Secondly, '*GDP in PPS*' (PPS = Purchasing Power Standards) has been employed to make international comparisons of the national/regional production values and to discern their variations. Here the differences in price levels between countries are taken into account. The correction is done by calculating the price of a basket of goods and services representative of overall economic activity in all countries being compared. The resulting price index (deflator or Purchasing Power Parity) is used to adjust the nominal GDP so that it is comparable.

Most of the GDP figures, especially those of the PPS type, on the national and regional level (NUTS 3) come from *Eurostat*. Regional GDP figures for Norway are *Nordregio* constructions, where GDP generated from offshore indus-

tries is distributed proportionally among mainland countries. GDP *per capita* in the Faroe Islands and in Greenland is (falsely) based on purchasing power on the Danish mainland.

Labour market

In principle there are two main sources for information on employment and unemployment, namely Labour Force Surveys (LFSs) or register-based statistics. Labour Force Surveys are monthly surveys that in the Nordic countries are conducted by the national statistical institutes. International rules (ILO) exist in respect of how such surveys should be conducted. In principle, if the sample is large enough (which is the case for the Nordic countries), these figures are comparable between countries. The samples are also extended at least once a year in order that regional estimations can be made, although here significant margins of error do exist, particularly in regions with small populations. This is, for example, the case for Åland where we have noted in the text when comparability was limited. Figures obtained from the LFSs refer to the place of residence of a person. Labour Force Surveys do not provide figures for the local level, e.g. for municipalities or cities.

The other method for measuring employment and unemployment is based on register data. All of the Nordic countries have a system of register-based labour market data. Regarding employment, the available data is usually some two years old, stemming from the long processing time required. Hence the latest data available in the production of this report was for 2005. Register data on unemployment is however available monthly (from the national labour market authorities) and usually with only a short time lag. Register-based data is – as opposed to LFSs – in the Nordic countries (except for Iceland) available on the municipal level. The drawback with register-based data is however that it is not comparable between countries.

Unless otherwise noted, data on employment and employment change refers to register-based data, the exceptions being Iceland, where LFS data has been used, and the Faroe Islands, where employment is defined as labour force minus unemployed persons. For Greenland, no corresponding indicator is available. The definition of what is to be counted as an employed person has in recent years been changed in three Nordic countries. The main reason for this was the adaptation of register-based statistics to fit LFS standards. In Norway the first change in definition, in 2000, extended employment to also include self employed persons and short-term employees. Accordingly employ

ment increased by some 7-8%. With the 2003 change in definition minor additional adjustments were made in respect of public sector employment (*kommunal, fylkeskommunal and statlig forvaltning*). Denmark also introduced a new definition in 2003 primarily classifying more persons with only a loose connection to the labour market as non-active. Hence the number of employed persons decreased by approximately 1%. In Sweden a new source for the identification of entrepreneurs and a minor adjustment regarding employees was applied in 2004. Accordingly employment increased by 1.8% mainly due to the inclusion of additional persons in the age category of 65 years or over into the register. In order to overcome these time series breaks we have estimated all register employment figures back in time by using the 'margin of error' arising from the introduction of the new definition as an adjustment factor.

Apart from these, all unemployment estimations for the Nordic regions/municipalities are constructions based on an adjustment of the regional/municipal register-based figures (both labour force and number of unemployed) such that they sum up to the April LFS non-seasonally adjusted figures for each year reported by *Eurostat* on the regional level. This means that the unemployment rates reported in this book vary from the register-based ones.

In Norway and Sweden we initially constructed a "registered" labour force by summing up registered unemployed persons and employed persons living in the municipality/region. In Denmark figures on the labour force of those from 16-66 years are from November (RAS). Labour force figures from Finland are from the end of the year 2004 since the 2005 data set is still under production. Data on registered unemployed persons refers to: Denmark, Finland, Norway & Sweden: April. For Iceland LFS data on unemployed persons has been used exclusively. When harmonising the register figures with LFS levels, we have used *Eurostat's* annual average data on employed and unemployed persons of each year. Unemployment estimates for Greenland (for the first quarter) are based on unemployed persons as a share of all Greenland-born persons between 15-59 years of age living in urban settlements. In the Faroes persons either registered as available for work in the general insurance system, or those receiving allowances from the social security system, are used. The workforce of the Faroese fish processing industry, which has its own special insurance scheme providing supplementary compensation, is not included in these figures. Thus the figures for the Faroe Islands are slightly underestimated. All material on labour market measures stems from national registers and was provided from either the National Statistical Institutes (Denmark and Norway) or labour market authorities (Finland: *Työministeriö*), Sweden: *Arbetsmarknadsstyrelse*, Iceland: *Vinnumálan Stofnun*). The reference month for the register data is April. Additionally the *Eurostat* Labour Market Policy Database has also been used. In this publication we have focused only on labour market measures targeting unemployed persons (Figure

1.15). These measures include in Denmark: *Støttet beskæftigelse*; Finland: *Palkkaperusteiset toimenpiteet*; Iceland: *Vinnumarkaðsaðgerðir*; Norway: *Ordinære arbeidsmarkedstiltak*; Sweden: *Konjunkturberoende åtgärder*.

Commuting

The statistical source on commuting (travel to work) used in this report is the same as that for statistics on employment or unemployment, namely the national, register-based labour market statistics as described in the labour market section. Comparable figures for Iceland are not available. Since the figures provided on commuting are municipality-based, a fundamental geographic problem often termed the *Modifiable Areas Unit Problem (MAUP)* has a considerable impact here. In our context this means that variations in the size of municipalities causes persons travelling to work over the same distance to be classified as 'commuters' only in those cases where they cross a municipal boundary. The smaller the municipality the more likely it is that the crossing of such a boundary during travel will take place.

Based on addresses the register initially provides an employed person's place of residence and secondly their place of work. This information is then aggregated to fit municipalities. Hence a commuter in our case is a person that resides and works in different municipalities according to the register. A commuter is counted as an *out-commuter* at their place of residence and as an *in-commuter* at their place of work. All other employed persons not crossing a municipal boundary on their trip between home and work were labelled *intra-municipal commuters*. Conclusions on frequency (i.e. daily, weekly) or travelled distances can not be drawn from the original material. For the latter problem we compensated for the shortage by estimating distances 'as the crow flies' between centre points of municipalities (Figure 1.17). Such distances are not however corrected for the real geographic location of the employed person's place of residence or work, the location of the biggest city or the physical distance to be travelled. While this fact generates a certain portion of uncertainty, we assume that changes in the number of commuters are closer to reality.

Figure 5.1 depicts the variation in geographic extension of Nordic municipalities. In general Nordic municipalities are rather large and are as such less suitable, as statistical units, to capture short distance movements like commuting. Nevertheless, significant variations remain both between and within the Nordic countries. The 2006 median size of a municipality in Denmark was 143 km² while it is somewhat above 400 km² in Finland, Iceland and Norway and 669 km² in Sweden. With Denmark's new 2007 territorial administrative structure the median size of a municipality will increase considerably to 361 km², getting closer to those of the other Nordic countries. However, available statistics are based on Denmark's 2006 division. Variations in size within all Nordic countries are also huge,

ranging from around 10 km² to above 10 000 km², with increasing size towards the northern parts of the respective country's territory. Denmark however remains an exception here. Municipalities around the capitals, or other large urban centres, tend to be smaller or at least tend to be around the median size (Finland). Since changes in the municipal structure have been minor over the last decade, it follows that commuting patterns across municipal boundaries over time does not lack comparability. A map containing the 2007 administrative structure of the Nordic countries including municipalities is provided as a supplement to this publication.

Figure 5.2 depicts the real situation for both extremes among the Nordic countries, namely Denmark and Sweden. The pattern remains the same when separating men and women. There is a clear correlation between the geographic extension of a municipality and the share of employed persons counted as intra-municipal commuters, e. g. those who reside and work in the same municipality. While in small municipalities around 20-30 percent of the persons are recorded as intra-municipal commuters, the largest municipalities in Sweden however practically exclude commuting over municipal boundaries. However, as best seen in Denmark, the shares can vary somewhat depending on the geographic location of the respective municipality and hence its proximity to employment possibilities outside its boundaries. This also explains the significant differences in the category of 'commuting persons' as a percentage of all employed persons across the Nordic countries. Here Denmark has 48 percent while the figure is around 30 percent in Norway, Finland and Sweden.

As far as possible we have taken regard to the statistical shortcuts by concentrating on the overall commuting pattern, i.e. in-commuting to the main labour market centres or in other words those municipalities with a commuting surplus. In Figure 1.16 parallel definitions for the main commuting flows in each country have been used to adjust for the differences in size and the number of municipalities. In Denmark and Sweden, where the flows are larger, the thresholds for the main flows are also set higher.

In general commuter flows towards the main labour market centres are shown as having more than 400 (Denmark and Sweden) or 200 (Finland and Norway) persons. In addition significant minor flows of down to 200 (Denmark and Sweden) and 150 (Finland and Norway) persons have also been included. Minor flows are significant if they solely comprise at least 5 percent of a municipality's total number of out-commuters. By using this method we have covered around half of all commuters in Figure 1.11 (cf. Table 5.1). The main drawback with the method applied in the map is that only one way commuter flows are included. For example the number of commuters from Gothenburg to Stockholm is 2 296 and 1 031 in the opposite direction. On the map however only the largest commuter flow is shown. In Table 1.2 commuter shares in the

Figure 5.1 Variation in the geographic extension of Nordic municipalities 2006/2007

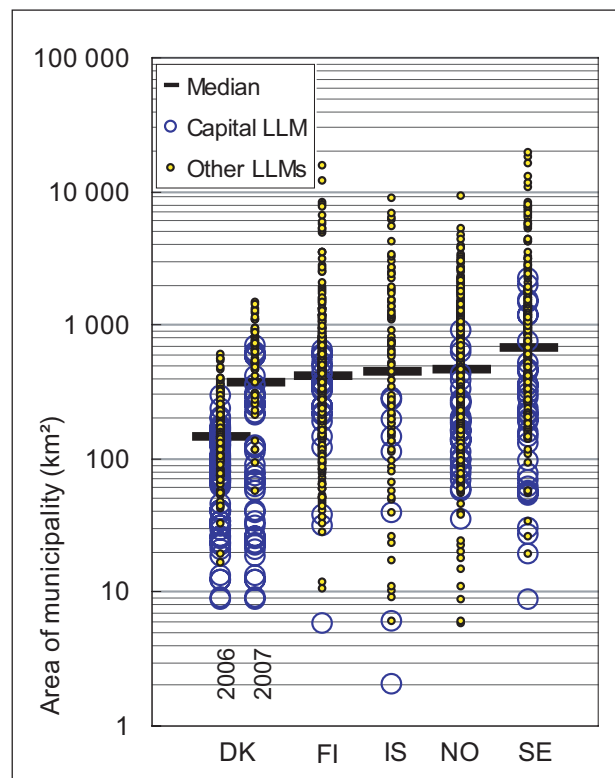
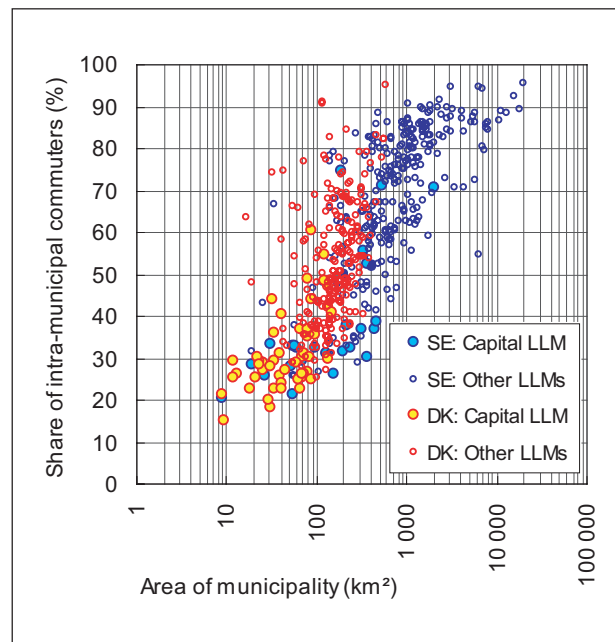


Figure 5.2 Municipalities' geographic extension and level of commuting 2004



different categories have been calculated as a share of day-employment. Changes in commuting refer to gross flows. Denmark's data is based on the 2006 territorial administrative structure (excluding Bornholm). Here the municipal merging in 2003 forming *Bornholms Regionskommune* does not allow for tracking commuters over time. Norway's gender-related data is only available from the Na-

Table 5.1 Main commuter flows

Country	Main commuting flows (number)	Main commuters	
		Total (number)	Share (%)
Denmark	630	581 117	48
Finland	310	372 319	52
Norway	380	411 354	57
Sweden	424	694 582	55

tional census in 2001. In Sweden the flow (direction) is not shown if less than 5 persons commute between two municipalities. In these cases the persons commuting in these very small flows have been marked as 'others', and have not been included in Table 1.2. For this reason then the total number of commuters is not always 100%.

Spatial typologies

In this publication we have used the so-called 'Nordic urban typology' as a spatial analytical tool to distinguish regional development trends between different urban types of labour markets in a Nordic comparable manner.

In order for any international typology to be purposeful, it should be able to capture the essentials and/or the main characteristics of the countries taken as a group, without at the same time losing too much of its applicability in any individual country or part thereof. This inevitably involves making compromises in each country in order to identify the smallest common denominator that they share across borders. The result is more often than not similar to what would be acquired had the typology been constructed purely on a national basis.

The approach builds on the former Hanell-Persson typology'. For the purposes of this work the classification is however delimited only to Local Labour Markets (LLMs) that have more than 25 000 inhabitants, thus omitting such LLMs that do not to a larger extent display typical urban characteristics. This suggestion is amended with new delimitations for Danish commuter catchment areas as well as facilitating the inclusion of Iceland (Reykjavik).

The typology is developed by using combinations of structural factors describing each LLM in Denmark, Finland, Norway and Sweden, as well as the inclusion of Greater Reykjavik in Iceland. The main factors are:

- The size of the LLM in population numbers reflecting the range of variation in four Nordic countries. This leads to a classification of Metropolises, Regional centres and Medium-sized towns.
- The location of universities as sources of knowledge production and for enhancing human resources and the primary characteristic function of the region in terms of the range of services provided. This leads to the categories Nordic regional centres with university and Other Nordic regional centres.
- Various aspects of accessibility and communications,

as well as cooperation options within polycentric surroundings are reflected in the sub-division of labour markets according to location in polycentric and in non-polycentric surroundings. This is applied throughout the typology.

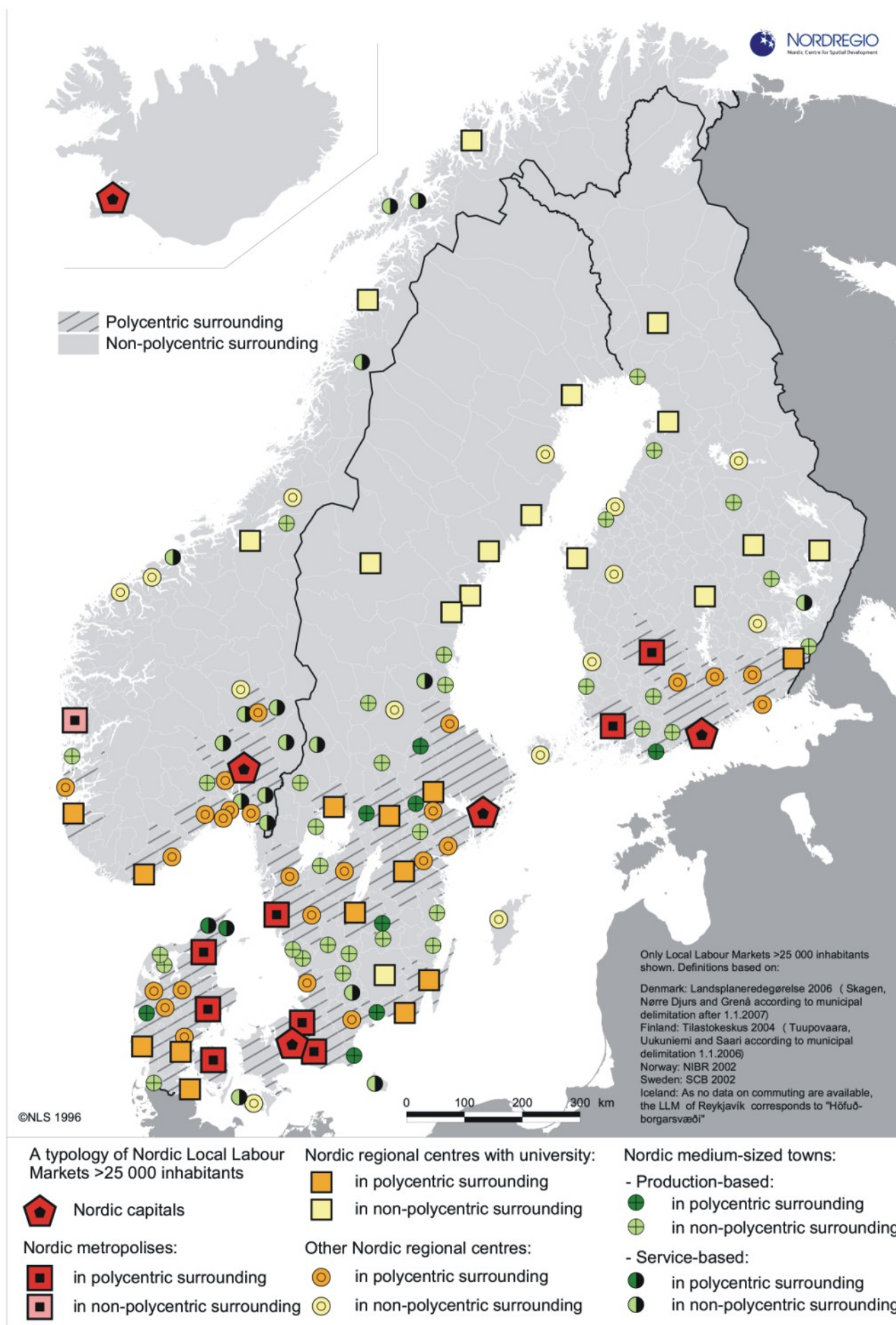
We have chosen four dimensions to steer the categorisation. Firstly, the settlement structure of the LLM, measured

in terms of the population of the LLM, its population density and the number and density of localities within it and the distance to neighbouring LLMs. Secondly, certain aspects of the functionality of a LLM are considered, namely its surrounding urban pattern, measured as the number and density of localities in the LLM and its neighbours, providing us with an indication of whether the LLM is situated in a polycentric surrounding or not. The methodology applied is hierarchically exclusive, meaning that once a region has fulfilled the required higher hierarchy criteria, it will not be included in lower levels of the hierarchy even if its characteristics would more markedly fit the lower level.²

All in all, this sees 141 cities in the five Nordic countries included and then divided into five major urban groups (Figure 5.3), namely (1) Nordic capital regions; (2) other Nordic metropolises; (3) Nordic regional centres with a university; (4) other Nordic regional centres and (5) Nordic medium-sized towns. The final group is divided into two: those where the labour market is production-based and those where it is dominated by the service sector (public and private).

As a basis for the delimitation of the statistical units for city centres or core cities of local labour markets of the Nordic capital cities and metropolises (not shown on the map) we have used the delimitation of built-up urban area (Denmark: *byområde*; Finland: *taajama*; Norway: *tettsted*; Sweden: *tätort*). We then matched each selected built-up area with the surrounding municipality (for which an abundance of socio-economic data exists). If the adjoining municipality's population in the built-up urban area exceeds 50% of the municipality's population we have, as a rule, also included this. Accordingly Copenhagen (*København*) constitutes a continuous built-up area stretching over 15 municipalities. These are København, Frederiksberg, Ballerup, Brøndby, Gentofte, Gladsaxe, Glostrup, Herlev, Albertslund, Hvidovre, Lyngby-Taarbæk, Rødovre, Søllerød, Tårnby and Vallensbæk. We have used the sum of these as a proxy for depicting Copenhagen city. The Helsinki built-up urban area stretches over 10 municipalities. Of these we have included only Helsinki, Espoo, Vantaa, Järvenpää, Kauniainen, Kerava and Tuusula in order for their joint population to be as close as possible to the corresponding one in the built-up area. Consequently the delimitations of Tampere and Turku include the following municipalities: Tampere (Lempäälä, Nokia, Pirkkala,

Figure 5.3 The Nordic urban typology



Tampere and Ylöjärvi municipalities); Turku (Kaarina, Naantali, Piikkiö, Raisio and Turku). The built-up area of Oslo stretches over a number of municipalities. Of these we have included eight in our delimitation (Oppegård, Bærum, Asker, Rælingen, Lørenskog, Skedsmo, Nittedal and Oslo). In the case of Stockholm this means that we have included the following thirteen municipalities: Stockholm, Solna, Sundbyberg, Danderyd, Sollentuna, Järfälla, Huddinge, Tyresö, Upplands-Bro, Värmdö, Ekerö, Vaxholm and Strängnäs. In Gothenburg (*Göteborg*) we have included the two municipalities of Göteborg and Partille.

Miscellaneous

All administrative divisions used in this volume are 'as of' 1.1.2007. In the case of the now merged municipalities we have simply added them together for the previous years. In the case of municipalities that have been divided we have used the ratio of the two from the first year after the split (separate ratio for each 'item'), and adjusted this backwards for the previous years. In this way then Denmark's new municipalities and regions are also included. Since many of the Danish statistics are currently only available for the old units and the new divisions partly divide municipali-

ties in certain areas we had to make some exceptions here. In case of an available key to distribute the 'old' statistics according to the new municipal division we have done so. However, in Figure 1.15 for example labour market measures are shown for the 2006 divisions with an overlay of the 2007 municipal boundaries. Furthermore commuting data (Figure 1.16) follows the 2006 municipal structure. For those new Danish municipalities in the large summary Table A.1 which also comprise parts of an old municipality, some of the figures (e.g. labour market) are the sum of all old municipalities which were entirely part of the new municipality.

¹ Hanell & Persson (2003): Performance of Local Employment Systems in Nordic Countries. Paper presented at the 43rd European Congress of the Regional Science Association, Jyväskylä, Finland August 27-30, 2003

² For detailed criteria and thresholds for typologisation see Nordic Working Group on Cities and Regions: The role of urban areas in regional development – a European and Nordic perspective. Proceedings of the Working Group, p.97f, *Nordregio* WP 2006:4

Summary tables

Table A.1 Demographic and economic indicators for Nordic regions and municipalities 2005

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population structure 2005			Population change 2002-2005			Labour market 2005			
	Number 2006	density (inh./km ²)	(km ²)	(inh./km ²)	Age composition			Total change Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Number of persons employed	Empl. change, 2001- 2005	Empl. rate 2001- 2005
					0-14	15-64	65+							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286
DENMARK - DANMARK														
Whole country	5 427 459	43 098	126	19	66	15	51	28	23	14 408	2.7	1.2	1.4	2 703 656
<i>Region Hovedstaden</i>														
165 Albertslund	1 633 565	2 561	638	18	68	15	48	26	22	2 196	1.3	-0.8	2.2	901 948
201 Allerød	27 853	23	1 209	20	69	11	45	29	16	-327	-1.5	-17.1	5.7	20 311
151 Ballerup	23 498	67	348	23	64	13	57	36	21	104	4.4	-1.0	5.5	13 195
400 Bornholm	46 654	34	1 369	20	64	17	31	26	31	75	1.6	-0.2	1.8	37 815
153 Brøndby	43 245	588	74	17	64	19	57	26	31	-212	-4.8	0.3	-5.2	18 882
165 Brøndby	34 247	21	1 658	19	65	17	54	29	25	-83	-2.4	-4.0	1.6	23 147
153 Dragør	13 154	18	725	20	62	18	61	32	29	17	1.3	1.0	0.3	3 024
240 Egedal	39 948	73	545	23	66	11	51	35	16	440	11.3	4.7	6.6	11 173
210 Fredensborg	39 131	112	349	21	65	14	53	32	21	-63	-1.6	-3.7	2.1	13 394
147 Frederiksberg	91 855	9	10 474	14	70	16	43	20	23	122	1.3	-1.7	3.1	39 705
250 Frederikssund*	43 764	126	348	20	65	15	54	31	23	470	11.0	8.3	2.7	13 382
260 Frederiksværk-Hundested	30 513	255	119	18	65	17	53	28	25	138	4.6	5.3	-0.7	9 785
190 Furesø	37 370	57	659	22	62	16	60	35	25	35	0.9	-0.8	1.7	14 570
157 Gentofte	68 623	26	2 687	20	63	17	59	32	27	88	1.3	1.7	-0.4	36 500
159 Gladsaxe	61 735	25	2 469	19	64	16	55	30	25	-62	-1.0	-1.0	0.0	34 549
161 Glostrup	20 699	13	1 555	17	65	18	54	27	27	68	3.3	2.5	0.8	21 533
270 Gribskov	40 360	280	144	19	65	16	54	29	24	163	4.0	4.6	-0.5	13 473
217 Helsingør	61 340	121	506	19	64	16	56	30	26	200	3.3	2.9	0.4	22 603
163 Herlev	27 023	12	2 244	19	64	17	56	30	27	-115	-4.2	-3.7	-0.6	16 769
219 Hillerød*	45 554	122	375	22	64	14	56	34	22	409	9.2	6.1	3.1	26 655
167 Hvidovre	49 762	22	2 271	19	65	16	53	29	24	36	0.7	0.0	0.7	26 010
169 Høje-Taastrup	46 257	78	590	20	68	12	48	30	18	73	1.6	-2.4	4.0	31 010
223 Hørsholm	24 317	214	113	19	61	20	65	32	33	59	2.4	4.0	-1.5	10 816
183 Ishøj	20 820	26	803	21	70	9	44	30	14	-46	-2.2	-7.7	5.5	8 204
101 København	501 158	88	5 679	15	74	11	35	20	15	77	0.2	-4.7	4.8	325 978
173 Lyngby-Taarbæk	51 908	39	1 335	18	62	20	60	29	32	197	3.8	6.5	-2.7	32 173
230 Rudersdal	54 241	31	1 729	20	61	19	65	34	31	296	5.5	5.7	-0.2	28 023
175 Rødovre	36 506	12	3 012	18	64	18	57	28	29	-32	-0.9	0.6	-1.5	16 732
185 Tåmby	39 708	65	611	18	65	17	54	28	26	55	1.4	4.1	-2.7	25 334
187 Vallensbæk	12 230	9	1 337	20	67	13	49	29	20	13	1.1	-3.1	4.2	3 889

Region Midtjylland		1 219 741	13 053	93	20	66	14	51	30	22	6 018	5,0	2,0	3,0	594 793	-0,2	77,3	4,9
710	Favrskov*	44 315	541	82	23	65	13	55	35	20	431	10,0	5,3	4,7	16 061	1,0	81,3	3,9
766	Hedensted*	44 191	552	80	22	63	15	58	34	24	409	9,5	6,7	2,7	14 702	0,4	81,4	3,6
657	Heming	83 330	1 324	63	20	66	14	52	31	21	296	3,6	0,3	3,3	45 012	-0,9	79,3	3,9
661	Holstebro	56 462	800	71	20	65	15	53	30	23	64	1,1	-0,7	1,9	30 644	-0,3	79,7	3,6
615	Horsens*	77 860	515	151	19	67	14	50	29	21	773	10,2	8,4	1,7	34 764	-0,6	76,0	5,3
756	Ikast-Brande	39 528	736	54	20	65	14	54	31	22	152	3,9	1,1	2,7	19 300	-0,9	78,0	5,2
665	Lemvig	22 483	508	44	20	63	17	59	32	27	-237	-10,3	-9,4	-0,9	10 291	-3,4	80,0	4,3
707	Norddjurs*	38 517	721	53	18	64	18	56	28	28	-16	-0,4	1,9	-2,4	14 223	-2,1	73,3	6,5
727	Odder	21 332	225	95	20	64	16	56	32	25	236	11,3	9,3	2,0	7 533	-1,4	79,2	4,3
730	Randers*	92 373	731	126	19	65	16	53	29	24	174	1,9	1,7	0,2	37 926	0,2	75,1	5,8
760	Ringkøbing-Skjern	57 774	1 489	39	21	63	16	58	33	25	-33	-0,6	-2,8	2,3	31 675	-0,3	82,5	3,4
741	Samsø	4 124	114	36	16	60	24	68	27	41	-36	-8,5	0,5	-9,0	1 823	-2,8	71,9	10,1
740	Silkeborg	85 376	865	99	21	65	14	53	32	22	897	10,7	7,2	3,6	39 991	-0,1	78,6	4,5
746	Skanderborg*	54 681	462	118	23	65	12	53	35	18	655	12,3	6,2	6,0	22 478	1,1	81,8	3,8
779	Skive	48 264	691	70	19	64	17	56	30	26	-156	-3,2	-3,5	0,3	25 897	-1,6	78,8	4,5
671	Struer	22 695	251	90	20	65	16	55	30	25	-82	-3,6	-5,2	1,6	10 484	-2,1	78,1	4,9
706	Syddjurs	40 430	696	58	20	64	17	57	31	26	271	6,8	6,6	0,2	15 397	-0,1	77,3	5,7
791	Viborg*	90 518	1 419	64	20	65	15	54	31	23	539	6,0	3,8	2,2	48 554	0,1	79,5	3,6
751	Århus	295 513	469	630	18	70	12	42	25	17	1 682	5,7	-0,2	5,9	170 222	0,2	73,7	5,5
Region Nordjylland		576 802	8 020	72	18	65	16	53	28	25	-491	-0,8	-0,8	0,0	335 620	-0,6	76,2	6,0
810	Brønderslev-Dronninglund	35 313	633	56	19	63	17	57	30	27	-20	-0,6	-0,4	-0,1	13 724	-0,8	75,7	6,6
813	Frederikshavn	63 084	649	97	17	65	18	54	27	27	-480	-7,5	-4,9	-2,5	30 385	-0,9	74,3	7,6
860	Hjørring	67 480	930	73	19	64	17	57	30	26	-213	-3,1	-2,8	-0,3	31 215	-1,1	75,9	7,2
849	Jamnerbugt	38 704	873	44	20	64	16	56	31	25	-44	-1,1	-1,7	0,6	15 616	-2,7	77,0	7,2
825	Læsø	2 091	114	18	15	60	25	66	25	42	-46	-20,9	-13,3	-7,6	999	-1,0	75,7	12,8
846	Mariagerford*	42 224	736	57	20	64	16	56	30	25	52	1,2	1,8	-0,5	17 446	-0,2	76,0	5,3
773	Morsø	22 333	368	61	18	63	19	59	29	30	-86	-3,8	-0,3	-3,5	10 482	-0,7	74,9	5,2
840	Rebild*	28 335	625	45	21	64	15	56	33	23	82	2,9	0,9	2,0	8 837	-0,2	80,6	5,2
787	Thisted	45 910	1 102	42	19	64	17	56	30	26	-225	-4,9	-3,7	-1,2	23 972	-0,3	78,9	3,8
820	Vesthimmerland*	37 797	776	49	20	63	17	59	31	28	-124	-3,3	-2,4	-0,9	15 879	-0,3	78,1	4,9
851	Aalborg	193 529	1 144	169	17	68	15	47	25	22	612	3,2	1,6	1,6	99 965	-0,5	72,7	7,3
Region Sjælland		811 511	7 273	112	19	65	16	53	29	24	4 295	5,4	5,8	-0,4	333 066	0,0	76,4	4,6
320	Faxe	34 661	604	57	19	66	15	52	29	23	231	6,8	7,5	-0,7	12 601	-0,4	77,8	4,3
253	Greve	47 968	249	193	21	67	12	50	32	18	-97	-2,0	-5,9	3,9	16 789	0,2	81,1	4,0
376	Guldborgsund	63 451	903	70	16	64	20	56	25	31	-97	-1,5	3,9	-5,4	26 798	0,1	71,5	5,6
316	Holbæk	67 621	579	117	20	66	14	51	30	21	673	10,2	8,9	1,3	27 251	0,3	77,1	4,3
326	Kalundborg	48 944	295	166	19	64	17	55	29	26	324	6,7	8,0	-1,3	20 960	1,8	75,2	5,4
259	Køge	55 718	60	926	21	66	13	52	31	20	631	11,6	9,0	2,6	24 914	0,4	79,5	3,8
350	Lejre	26 132	405	65	21	66	13	52	32	20	205	7,9	4,9	3,0	7 028	1,0	84,3	3,1
360	Lolland	48 967	892	55	16	63	21	58	25	33	-434	-8,7	-1,2	-7,5	18 686	-2,2	65,4	7,3
370	Næstved	79 284	684	116	18	66	15	51	28	23	755	9,7	10,2	-0,5	32 489	-0,3	76,2	4,1
306	Odsherred	32 890	355	93	17	64	20	57	26	31	140	4,3	8,8	-4,5	12 691	0,1	72,1	5,0
329	Ringsted	31 094	567	55	20	66	14	52	31	21	270	8,9	6,5	2,4	15 317	-1,1	78,7	4,7
265	Roskilde	80 455	212	380	20	66	14	51	30	22	724	9,2	7,0	2,1	41 315	0,7	80,3	3,0
330	Slagelse	76 519	250	306	19	65	16	53	29	25	325	4,3	4,6	-0,3	34 169	-0,8	73,8	6,1
269	Solrød	20 877	40	522	22	67	11	50	33	17	166	8,1	2,3	5,8	5 564	-0,4	84,3	3,6
340	Sorø	28 686	240	119	20	65	15	54	31	24	235	8,3	9,2	-0,8	11 022	0,4	77,3	5,0
336	Stevns	21 834	310	70	18	65	17	53	28	25	91	4,2	5,4	-1,2	7 019	0,7	80,9	4,2
390	Vordingborg	46 410	621	75	18	64	19	57	28	30	154	3,3	6,3	-2,9	18 453	0,0	73,0	5,5

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population density			Population structure 2005			Population change 2002-2005			Labour market 2005				
	Number 2006		(km ²)	(inh./km ²)	Age composition			Total change Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate	Commuter balance			
					0-14	15-64	65+					Number of persons employed	Empl. rate 2001- 2005					
	(1)	(2)	(2)	(2)	(1)	(1)	(1)	(%)	(%)	(%)	(4)	(4)	(5)	(6)	(7)	(8)		
EU27	492 852 385	4 231 551		116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694		16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
<i>Region Syddanmark</i>	1 185 840	12 191		97	19	65	16	54	29	25	2 370	2.0	1.3	0.7	538 230	-0.5	75.8	5.0
420 Assens	41 369	512		81	20	63	16	58	32	26	39	0.9	2.1	-1.1	16 540	-0.7	76.3	5.2
530 Billund	26 133	537		49	21	64	16	57	32	24	26	1.0	-0.7	1.7	16 841	-0.5	81.7	3.8
Bogense	28 876	452		64	20	64	16	56	31	26	110	3.9	4.4	-0.6	10 542	-1.0	76.8	5.5
Esbjerg*	114 340	791		145	19	66	14	50	29	22	-105	-0.9	-2.5	1.5	59 858	-0.3	75.5	4.6
Faaborg-Midtfyn	51 144	637		80	19	63	18	58	30	28	94	1.8	3.1	-1.3	21 785	-0.6	76.6	4.8
Fanø	3 143	56		56	16	65	19	53	25	28	-21	-6.5	0.2	-6.6	1 155	-0.5	78.7	5.4
Fredericia	49 252	134		366	19	66	16	53	29	24	199	4.1	3.5	0.6	27 310	0.0	76.1	5.8
Haderslev*	56 247	813		69	19	64	17	56	29	26	-77	-1.2	-0.8	-0.3	24 385	-1.4	76.4	5.5
Kerteminde	23 239	206		113	20	63	17	58	31	27	55	2.4	3.2	-0.8	11 916	-0.3	76.2	5.3
Kolding*	86 552	612		142	20	66	14	51	30	22	490	5.7	3.0	2.7	43 730	0.3	78.2	3.9
Langeland	14 120	291		48	15	61	24	63	24	40	-78	-5.5	3.2	-8.7	5 539	-2.5	69.5	10.2
Middelfart	36 417	300		121	20	64	17	57	31	26	265	7.4	7.5	-0.1	16 391	-0.7	78.0	4.3
Nyborg	31 208	276		113	19	64	18	57	29	28	176	5.7	6.8	-1.1	12 034	-1.0	73.5	5.7
Odense	186 595	304		613	18	68	14	47	26	21	699	3.8	1.5	2.3	97 811	-0.3	72.0	5.7
Svendborg	58 506	417		140	18	65	17	53	27	26	142	2.4	3.7	-1.3	24 159	0.2	71.6	5.8
Sønderborg	76 598	497		154	19	63	18	58	30	28	245	3.2	1.8	1.4	36 800	-0.7	76.9	4.0
Tønder*	40 661	1 252		32	19	64	17	57	30	27	-367	-10.2	-8.3	-2.0	16 004	-1.8	77.0	5.0
Varde*	50 089	1 208		41	20	63	16	58	32	26	-58	-1.2	-1.9	0.7	21 407	0.6	82.4	3.3
Vejen	41 551	814		51	21	63	16	59	33	26	117	2.8	1.0	1.8	19 626	-1.1	79.8	3.6
Vejle*	102 931	1 066		97	20	65	15	54	31	23	512	5.0	2.5	2.5	47 962	-0.3	79.6	4.7
Ærø	6 873	90		76	14	59	27	68	24	45	-77	-10.9	-0.9	-10.1	2 698	-1.9	72.4	6.1
Aabenraa	59 974	942		64	19	65	16	54	29	25	-16	-0.3	-1.0	0.8	29 925	-0.5	75.2	5.9

THE FAROE ISLANDS - FØROYAR - FÆRØERNE

Whole country

48 219	1 396	35	23	64	13	57	36	21	315	6.5	0.1	6.5	26 254	2.1	85.4	3.8
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GREENLAND - KALAALLIT NUNAAT - GRØNLAND

Whole country

56 901	410 449	<0.5	25	69	6	44	36	8	216	3.8	-4.8	8.6	25 036	0.7	64.7	9.3
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FINLAND - SUOMI

Whole country

Uudenmaan maakunta -

Landskapet Nyland

	5 255 580	304 112	17	17	67	16	50	26	24	15 170	2.9	1.3	1.6	2 262 359	0.4	67.9	8.4
835 Ekenäs – Tammsaari	1 359 150	6 371	213	18	70	12	43	25	17	1 573	3.5	2.9	0.5	699 180	0.0	73.5	6.2
49 Espoo – Esbo	14 566	727	20	16	63	21	59	26	33	3	0.2	3.4	-3.2	5 970	-0.8	72.0	5.7
78 Hanko – Hangö	231 704	312	743	20	70	10	43	29	14	3 690	16.4	6.8	9.6	106 719	0.3	75.0	5.0
91 Helsinki – Helsingfors	9 827	117	84	16	67	18	50	23	26	-45	-4.5	-2.8	-1.7	4 824	0.1	72.4	7.2
106 Hyvinkää – Hyinge	560 905	186	3 010	14	72	14	39	20	19	310	0.6	-1.4	2.0	368 263	-0.7	71.5	7.2
149 Ingå – Inkoo	43 848	323	136	18	67	15	49	27	22	278	6.4	3.2	3.2	17 029	0.3	72.4	7.3
186 Järvenpää – Traskända	5 310	350	15	19	65	17	55	29	26	84	16.4	14.8	1.6	1 260	-1.5	73.9	5.1
220 Karis – Karjaa	37 505	38	998	20	70	10	42	28	14	284	7.7	0.6	7.1	12 019	-0.2	74.7	5.4
223 Karlajohja – Karlslojo	8 956	197	46	18	64	18	56	27	28	12	1.4	3.4	-2.0	3 212	-0.1	70.7	6.4
224 Karkkila – Högfors	1 474	121	12	20	60	20	66	33	34	11	7.3	11.0	-3.7	489	2.3	71.9	5.4
235 Kauniainen – Grankulla	8 807	242	36	17	65	18	53	26	27	17	1.9	2.4	-0.5	3 415	3.7	73.7	5.5
245 Kerava – Kervo	8 457	6	1 436	21	63	16	59	33	26	-19	-2.2	-5.7	3.6	2 727	-1.3	71.8	3.3
257 Kirkkonummi – Kyrkslätt	31 544	31	1 030	18	71	11	41	26	15	267	8.6	3.9	4.7	10 395	1.5	76.4	4.3
444 Lohja – Lojo	33 581	366	92	24	68	9	48	35	13	824	25.9	15.8	10.1	10 342	2.0	76.7	5.4
505 Mäntsälä	36 585	277	132	19	67	14	50	29	21	261	7.2	4.3	3.0	14 905	-0.3	74.4	5.7
540 Nummi-Pusula	18 226	581	31	23	64	13	56	36	20	332	18.9	13.1	5.8	5 075	1.8	75.3	4.6
543 Nurmijärvi	6 002	468	13	19	62	19	60	30	30	25	4.1	7.4	-3.2	1 608	0.2	71.6	6.3
606 Porija – Pojo	37 391	362	103	25	66	10	52	38	15	840	23.5	15.2	8.3	10 659	2.3	77.8	3.8
611 Pornainen – Borgnäs	4 874	225	22	18	63	19	59	28	31	-38	-7.5	-6.3	-1.3	1 958	1.4	73.7	6.5
737 Sammatti	4 760	147	32	28	63	9	58	44	15	143	32.1	22.2	9.9	882	2.9	76.9	3.4
755 Siuntio – Sjundeå	1 300	72	18	18	65	17	53	28	25	11	9.0	11.0	-2.0	337	2.7	73.6	5.3
858 Tuusula – Tusby	5 422	241	22	23	67	11	50	34	16	128	24.8	19.1	5.7	1 320	-7.5	76.6	4.1
92 Vantaa – Vanda	34 890	220	159	23	67	10	49	35	14	498	14.7	7.1	7.5	12 168	1.7	76.0	4.3
927 Vihti – Vichlis	187 281	241	779	19	71	10	41	27	14	1 854	10.1	1.9	8.2	95 964	1.7	75.0	6.3
	25 935	522	50	22	68	11	48	32	16	433	17.2	11.3	6.0	7 660	0.7	75.9	5.4

Itä-Uudenmaan maakunta -

Landskapet Östra Nyland

	92 933	2 761	34	19	66	15	52	30	23	683	7.4	6.0	1.5	33 861	0.5	73.7	5.1
18 Askola	4 555	212	21	21	66	13	52	32	20	35	7.7	4.6	3.2	1 267	-1.1	74.8	4.4
407 Lapinjärvi – Lapträsk	2 937	330	9	16	62	22	61	26	36	-15	-4.9	1.4	-6.3	999	1.1	68.2	6.1
424 Lijndal	1 465	114	13	17	64	19	57	27	30	1	0.9	3.2	-2.4	475	-1.6	70.2	5.2
434 Lovisa – Lovisa	7 381	44	166	15	64	21	56	23	33	-27	-3.7	1.6	-5.3	3 614	-1.1	69.4	7.3
504 Myrskylä – Mörskom	2 033	200	10	18	62	20	61	29	33	15	7.2	10.2	-3.0	552	0.4	69.8	7.0
585 Pernä – Pernaja	3 925	420	9	19	64	18	57	30	28	36	9.4	11.0	-1.6	847	1.6	73.2	5.0
638 Porvoo – Borgå	46 982	655	72	19	67	14	49	29	20	397	8.6	5.6	3.0	19 415	0.4	73.3	5.3
616 Pukilla	2 024	145	14	21	63	16	59	33	26	22	11.1	9.9	1.3	607	1.3	73.9	4.9
701 Ruotsinpyhtää – Strömfors	2 912	277	11	15	65	19	54	24	30	-13	-4.4	1.9	-6.3	809	-1.8	72.4	5.6
753 Sipoo – Sibbo	18 719	364	51	23	64	13	56	36	20	240	13.1	8.8	4.3	5 276	2.6	78.1	3.2

Varsinais-Suomen maakunta -

Landskapet Egentliga Finland

	455 584	10 666	43	17	66	17	50	25	26	1 573	3.5	2.9	0.5	195 348	0.1	68.7	6.9
6 Alastaro	2 977	257	12	15	61	24	65	25	40	-26	-8.5	-3.0	-5.5	866	-1.5	69.4	6.0
17 Askainen – Villnäs	940	63	15	16	65	19	53	24	29	11	11.3	16.7	-5.4	217	2.4	71.4	5.4
19 Aura	3 699	95	39	21	65	13	53	32	20	80	22.5	16.4	6.1	1 192	1.9	74.8	5.2
40 Dragsfjärd	3 365	273	12	14	60	26	67	23	44	-26	-7.6	2.9	-10.4	1 310	-0.3	68.3	5.1
73 Halikko	9 593	358	27	19	66	14	51	29	22	97	10.3	6.4	3.9	2 693	0.4	72.4	4.9
101 Houtskär – Houtskari	670	120	6	15	60	25	66	25	41	2	2.3	9.8	-7.5	175	-0.2	62.7	7.9
150 Iniö	253	65	4	9	67	24	50	14	36	3	12.1	17.1	-5.0	78	8.1	70.4	1.9

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population density		Population structure 2005				Population change 2002-2005			Labour market 2005				Unempl. rate	Commuter balance
	Number 2006	(1)	(km ²)	(2)	(inh./km ²)	Age composition		Total	Age dep. Ratio (3)	Total change Persons, annual average	Relative, annual average	Net migration, annual average	Employment		Unempl. rate	Commuter balance			
						0-14	15-64						65+	Number of persons employed			Empl. change, 2001- 2005		
EU27		492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7	
Nordic Countries		24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6	
202	Kaarina – St Karins	21 943	60	368	21	66	13	51	31	20	326	15.4	8.8	6.5	6 960	1.7	73.4	4.4	-29.6
252	Kirkkala	1 834	240	8	16	62	23	62	26	37	-15	-7.9	-2.9	-5.0	517	-1.9	70.6	5.6	-25.5
243	Kimito – Kemiö	3 293	319	10	16	61	23	63	26	37	-12	-3.5	3.1	-6.6	1 135	0.4	69.0	4.6	-13.7
259	Kisko	1 876	252	7	16	59	25	70	27	43	-14	-7.2	1.4	-8.7	462	-0.3	66.7	6.3	-32.2
279	Korpo – Korppoo	883	177	5	13	64	23	57	21	36	-22	-23.6	-15.5	-8.1	259	-2.8	69.5	7.7	-26.4
284	Koski Tl.	2 528	191	13	15	60	25	66	25	41	-5	-2.1	3.1	-5.2	930	1.0	72.2	4.8	-11.1
304	Kustavi – Gustavs	930	166	6	12	62	26	60	19	41	-12	-12.8	2.1	-14.9	374	-3.7	68.5	7.3	-5.2
308	Kuusjoki	1 755	123	14	18	62	20	62	29	33	-26	-14.3	-14.1	-0.1	560	-4.1	67.7	6.8	-21.4
400	Laitila	8 569	532	16	17	65	19	55	26	29	-56	-6.5	-5.0	-1.4	3 784	-1.1	69.0	6.8	3.6
419	Lemu	1 635	48	34	24	65	11	53	37	16	35	22.1	13.4	8.6	363	6.0	75.2	4.3	-50.9
423	Lieto – Lundo	15 103	199	76	22	65	13	54	34	19	180	12.2	7.4	4.8	4 540	0.3	74.9	4.4	-33.0
430	Loimaa	13 098	481	27	16	63	22	60	26	34	-32	-2.4	-0.6	-1.8	5 781	0.8	68.9	6.2	5.7
480	Marttila	2 064	195	11	15	64	21	57	24	34	-7	-3.2	3.8	-7.1	634	2.8	72.3	5.3	-30.1
481	Masku	6 031	93	65	23	66	11	51	34	17	124	21.4	14.8	6.6	1 844	1.7	76.5	3.2	-36.6
482	Mellilä	1 225	110	11	17	61	21	63	28	35	-8	-6.6	1.8	-8.5	360	-2.2	65.9	6.9	-21.3
485	Merimasku	1 544	51	30	22	66	11	51	34	17	26	17.1	15.2	1.8	317	2.5	77.6	3.3	-56.2
501	Muurila	1 461	80	18	19	64	17	57	30	27	7	4.5	5.9	-1.4	405	-4.2	74.2	4.3	-31.6
503	Mynämäki	8 058	520	16	19	63	18	59	31	29	38	4.7	5.3	-0.7	2 193	-0.4	71.7	5.1	-32.3
529	Naantali – Nädendal	13 960	52	269	19	67	15	50	28	22	150	10.9	8.3	2.6	4 639	0.6	71.4	5.7	-24.9
533	Nagu – Nauvo	1 429	247	6	15	65	20	53	23	30	0	0.0	6.6	-6.6	572	-1.5	68.2	4.6	-3.0
538	Nousiainen – Nousis	4 518	199	23	22	64	14	55	34	21	78	17.8	12.6	5.2	1 069	1.2	74.1	4.1	-44.2
561	Oripää	1 335	118	11	19	60	21	65	31	35	5	3.9	3.7	0.2	484	-2.7	73.1	6.1	-17.0
577	Paimio – Pemar	9 876	239	41	19	67	15	50	28	22	23	2.3	0.9	1.4	3 794	-2.3	73.7	2.7	-17.0
573	Pargas – Parainen	12 063	273	44	18	64	18	57	29	28	26	2.1	3.2	-1.0	4 340	0.0	72.0	5.2	-17.4
586	Pernio – Bjärnä	5 999	398	15	15	63	22	58	24	34	-35	-5.7	-2.7	-3.0	2 097	0.6	71.2	5.5	-19.5
587	Pertteli	3 903	154	25	21	65	14	54	32	22	51	13.5	8.4	5.1	1 090	-0.3	74.1	5.0	-31.8
602	Piikkiö – Pikis	7 024	91	77	21	66	14	53	31	21	90	13.3	10.3	3.0	1 972	-1.9	72.4	5.1	-33.9
631	Pyhäranta	2 218	143	15	18	65	18	55	27	28	-12	-5.4	-5.1	-0.3	570	0.5	68.0	7.3	-33.7
636	Pöytä	6 232	408	15	20	62	18	61	32	30	21	3.3	3.0	0.3	2 130	-1.2	71.0	5.4	-15.3
680	Raisio – Reso	23 799	49	489	19	67	15	50	28	22	152	6.5	3.7	2.7	9 149	1.6	71.7	5.7	-13.8
704	Rusko	3 781	50	75	25	64	11	56	39	17	69	18.8	12.6	6.2	1 109	1.3	77.0	4.4	-37.1
705	Rymättylä – Rimito	2 039	148	14	19	64	17	57	30	27	21	10.7	13.5	-2.8	634	0.1	73.6	5.5	-27.9
734	Salo	25 201	143	176	16	66	18	52	25	27	146	5.9	5.1	0.8	16 841	0.4	71.2	6.2	40.4
738	Saunvo – Sagu	2 931	252	12	18	64	18	57	29	28	22	7.4	10.1	-2.7	795	1.1	71.1	2.7	-34.2
761	Somero	9 606	668	14	16	60	24	67	27	40	-20	-2.0	0.5	-2.5	3 167	-0.5	69.2	5.9	-16.2
776	Suomusjärvi	1 309	159	8	16	62	22	62	26	36	-5	-4.0	6.3	-10.2	421	0.3	71.7	6.8	-25.8
784	Särkisalo – Finby	741	82	9	14	57	28	74	25	49	-5	-6.5	6.5	-12.9	227	-0.9	74.2	7.2	-20.5
833	Taivassalo – Tövsala	1 742	140	12	14	60	26	66	23	43	-10	-5.5	0.4	-6.0	568	-0.1	70.8	5.5	-14.8
838	Tarvasjoki	1 960	102	19	21	61	18	63	35	29	9	4.6	2.7	1.9	567	2.2	73.6	3.2	-30.4
853	Turku – Åbo	174 868	246	712	14	70	17	44	19	24	311	1.8	1.5	0.3	92 601	0.2	64.7	9.2	19.9

895	Uusikaupunki – Nystad	16 198	503	32	16	67	17	50	24	26	-163	-9.9	-9.8	-0.1	6 322	-4.9	64.8	10.9	-1.8
906	Vahto	1 873	77	24	23	65	12	54	35	19	15	7.8	2.7	5.1	472	2.2	74.7	5.0	-41.4
918	Vehmaa	2 464	189	13	17	62	21	61	27	34	-12	-4.7	1.4	-6.2	813	0.1	68.5	6.5	-20.4
920	Velkua	245	32	8	16	65	19	53	24	29	-1	-3.1	-2.1	-1.0	78	-12.2	70.5	4.5	-21.9
923	Västana fjärd	804	96	8	16	59	25	70	27	43	-4	-4.9	2.5	-7.4	253	-0.4	72.5	2.4	-26.7
979	Yläne	2 139	342	6	16	60	24	67	27	40	-5	-2.4	3.3	-5.7	625	0.2	68.1	6.5	-23.2

Satakunnan maakunta -

<i>Landskapet Satakunda</i>																			
50	Eura	229 966	7 956	29	16	65	19	54	25	29	-672	-2.9	-1.9	-1.0	92 161	0.2	66.4	9.0	
51	Eurajoki – Eurääminne	9 449	429	22	18	62	20	60	29	32	4	0.5	0.8	-0.4	4 308	-0.7	70.3	5.1	10.7
79	Harjavalta	5 834	345	17	18	65	17	54	28	26	7	1.3	-0.2	1.5	2 080	4.1	68.5	7.5	-17.1
99	Honkaajoki	7 673	123	62	15	64	20	55	23	32	-23	-3.0	-3.8	0.8	3 753	-2.3	66.9	8.8	16.7
102	Huttinen	2 011	331	6	15	64	21	56	23	33	-34	-16.5	-9.5	-7.0	865	1.6	69.0	6.9	-2.1
181	Jämijärvi	9 064	390	23	15	64	21	56	24	32	-27	-3.0	-0.3	-2.7	3 856	0.6	68.6	6.8	2.6
214	Kankaanpää	2 183	214	10	18	60	23	68	30	38	-26	-11.6	-8.2	-3.3	642	2.2	67.6	8.6	-22.1
214	Kankaanpää	12 618	690	18	16	66	17	51	25	26	-95	-7.4	-6.8	-0.6	5 375	1.0	66.1	9.8	4.3
230	Karvia	2 825	502	6	15	61	24	63	24	40	-38	-12.9	-7.0	-5.8	981	-0.3	67.1	11.4	-9.0
254	Kilkoinen	1 291	138	9	17	58	26	73	29	44	-13	-9.7	-1.9	-7.8	315	-2.3	65.6	9.2	-24.8
262	Kiukainen	3 358	150	22	17	62	22	62	27	35	-25	-7.4	-4.1	-3.3	1 081	-0.9	68.7	7.8	-18.1
271	Kokemäki – Kumo	8 365	481	17	15	63	22	58	23	35	-62	-7.3	-2.7	-4.6	3 038	-0.8	66.8	7.7	-5.8
319	Köyliö – Kijulo	2 948	246	12	17	62	21	60	27	33	-6	-1.9	2.5	-4.4	767	-3.2	68.8	4.6	-36.2
406	Lappi	3 267	205	16	18	63	19	60	29	31	-1	-0.3	1.0	-1.3	917	4.2	70.3	7.2	-29.5
413	Lavia	2 195	321	7	12	62	26	62	20	42	-34	-15.2	-6.5	-8.7	645	-2.3	62.7	10.5	-13.2
442	Luvia	3 325	169	20	18	65	17	53	28	26	9	2.7	0.8	1.9	802	-1.2	67.4	8.5	-35.1
484	Merikarvia – Sastmola	3 582	446	8	15	59	26	70	25	45	-47	-12.8	-5.8	-6.9	1 148	-1.9	63.2	10.7	-7.0
531	Nakkila	5 832	183	32	17	64	19	56	27	29	-45	-7.6	-6.9	-0.7	1 810	-2.9	65.2	9.7	-15.6
537	Noormarkku – Normark	6 116	317	19	19	64	17	57	30	27	-10	-1.7	-3.3	1.7	1 436	1.0	66.3	8.4	-35.5
608	Pomarkku – Päämark	2 528	301	8	16	61	24	65	26	39	-30	-11.7	-7.3	-4.3	663	-3.6	63.8	11.6	-19.7
609	Pori – Björneborg	76 144	517	147	15	66	19	52	24	29	57	0.8	1.3	-0.6	34 349	1.4	64.3	10.5	10.1
684	Rauma – Raumo	37 114	291	128	15	67	18	49	23	26	-113	-3.0	-2.8	-0.2	16 044	-1.2	67.0	9.0	3.5
747	Sikainen	1 800	463	4	14	60	26	66	24	42	-21	-11.2	-4.6	-6.6	577	0.0	65.8	9.1	-12.9
783	Säkylä	4 937	161	31	16	65	19	54	24	30	-21	-4.2	-3.4	-0.8	2 389	-0.5	73.7	4.4	10.2
886	Ulvila – Ulvsby	13 803	401	34	19	65	16	54	29	25	-60	-4.3	-7.2	2.9	3 754	-1.5	68.2	7.9	-31.5
913	Vampula	1 704	142	12	17	58	24	72	30	42	-20	-11.3	-3.9	-7.4	566	0.7	68.8	6.8	-18.3

Kanta-Hämeen maakunta -

<i>Landskapet Egentliga Tavastland</i>																			
61	Forså	168 381	5 199	32	17	65	18	54	27	28	718	4.3	4.7	-0.4	66 639	1.0	69.7	8.5	
82	Hattula	17 918	248	72	15	66	20	52	22	30	-100	-5.5	-3.3	-2.2	9 844	0.4	69.1	10.0	22.7
83	Hauho	9 332	382	24	19	66	15	52	29	22	45	4.8	2.4	2.4	2 630	0.3	71.3	7.1	-31.0
86	Hausjärvi	3 947	355	11	16	60	24	67	27	40	-2	-0.4	7.0	-7.4	1 067	-0.3	67.6	8.7	-24.2
103	Humpplå	8 419	355	24	20	64	15	56	32	24	62	7.4	5.7	1.7	2 230	1.2	72.0	7.4	-36.2
109	Hämeenlinna – Tavastehus	2 600	148	18	17	63	20	58	27	31	-5	-2.0	0.4	-2.4	729	-5.1	70.3	8.2	-26.4
165	Janakkala	47 335	167	284	16	66	18	52	25	27	243	5.2	5.0	0.2	22 821	1.7	68.4	9.0	11.7
169	Janakkala	15 871	547	29	19	64	17	57	30	27	119	7.6	8.6	-1.0	5 186	1.0	70.5	8.1	-19.8
189	Jokioinen – Jockis	5 754	180	32	20	63	17	59	32	27	22	3.9	1.0	2.9	1 955	-0.6	73.7	7.2	-18.0
210	Kalvola	3 461	301	12	17	62	21	60	27	33	8	2.3	4.1	-1.8	1 038	0.9	69.6	7.3	-27.1
401	Lammi	5 612	537	10	16	60	23	66	27	39	0	0.0	3.9	-3.9	2 179	0.7	70.7	7.1	-3.7
433	Loppi	7 964	598	13	20	63	17	60	32	28	97	12.5	12.9	-0.5	2 121	1.5	70.7	7.0	-33.2
692	Renko	2 352	279	8	18	63	18	58	28	29	9	3.9	5.3	-1.4	693	-1.2	69.0	7.2	-24.8
694	Riihimäki	27 069	121	224	17	67	16	50	26	24	200	7.5	6.6	0.9	11 127	1.5	69.2	9.2	-5.0
834	Tammela	6 505	640	10	19	61	20	63	31	32	20	3.1	4.9	-1.8	1 772	-0.8	73.1	7.0	-30.9
855	Tuulos	1 564	158	10	17	61	21	63	28	35	3	1.9	5.8	-3.9	407	3.2	67.1	9.9	-33.6
981	Ypäjä	2 678	183	15	16	64	20	57	26	31	-8	-2.8	1.8	-4.6	840	1.7	70.2	8.5	-25.4

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area Population		Population structure 2005				Population change 2002-2005				Labour market 2005				
	Number 2006	density (inh./km ²)	Age composition			Age dep. Ratio (3)			Total change Persons, Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate	Commuter balance		
			0-14	15-64	65+	Total	Young	Old				Number of persons employed	Empl. change, 2001- 2005			Empl. rate 2005	
	(1)	(2)	(%)	(1)	(1)	(1)	(1)	(1)	(1)	(%)	(%)	(4)	(5)	(6)	(7)	(8)	
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
<i>Pirkanmaan maakunta - Landskapet Birkeland</i>	<i>468 986</i>	<i>12 448</i>	<i>38</i>	<i>17</i>	<i>67</i>	<i>16</i>	<i>50</i>	<i>25</i>	<i>24</i>	<i>3 647</i>	<i>7.9</i>	<i>6.3</i>	<i>1.6</i>	<i>198 529</i>	<i>1.0</i>	<i>67.6</i>	<i>8.9</i>
20 Akaa	13 789	102	135	18	64	17	55	29	26	94	6.9	7.1	-0.2	4 267	-1.3	67.2	10.5
108 Hämeenkyrö – Tavastkyro	10 186	464	22	19	64	18	57	29	28	68	6.8	6.0	0.8	3 229	-4.5	65.7	8.4
143 Ikaalinen – Ikaalis	7 547	750	10	15	64	21	57	23	34	-41	-5.4	-1.0	-4.4	2 965	-0.4	66.2	-2.5
177 Juupajoki	2 224	258	9	17	62	21	61	28	33	-21	-9.1	-5.3	-3.8	825	-0.4	65.3	10.3
211 Kangasala	26 807	491	55	20	66	14	52	31	21	500	19.4	14.4	5.0	8 217	1.7	71.4	5.9
250 Kihniö	2 353	357	7	15	63	23	60	24	36	-10	-4.2	-2.2	-2.0	740	-2.6	61.7	11.3
289 Kuhmalampi	1 120	168	7	16	60	24	66	26	40	0	0.2	7.6	-7.4	270	1.6	67.8	7.1
303 Kuru	2 761	718	4	16	62	22	62	26	36	-4	-1.4	2.5	-4.0	815	-0.5	61.0	9.2
310 Kylmäkoski	2 633	191	14	18	66	17	53	27	25	5	1.7	1.4	0.3	869	0.2	68.9	9.3
418 Lempäälä	18 248	270	68	22	65	12	53	34	19	369	21.1	14.5	6.6	5 094	2.4	71.8	6.6
493 Mouhijärvi	3 014	254	12	19	63	18	58	30	28	26	8.7	10.8	-2.1	874	5.1	68.0	7.6
506 Mänttä	6 525	64	102	14	64	21	56	22	33	-85	-12.7	-9.8	-2.9	2 734	-1.0	63.1	11.6
536 Nokia	29 147	288	101	19	66	14	51	29	22	462	16.4	12.6	3.8	10 828	1.1	70.4	8.4
562 Orivesi*	9 531	802	12	16	62	21	61	27	35	-2	-0.2	4.0	-4.3	2 671	-1.1	59.7	11.2
581 Parkano	7 340	852	9	15	64	21	55	24	32	-107	-14.2	-10.9	-3.3	3 037	-1.0	64.5	9.2
604 Pirkkala – Birkala	14 875	81	183	22	67	11	50	33	17	398	28.1	19.7	8.4	4 199	4.9	72.0	6.8
619 Punkalaidun	3 450	361	10	14	59	27	71	24	47	-53	-14.8	-4.2	-10.5	1 123	-0.3	65.9	7.2
635 Pälkäne	6 861	566	12	18	61	22	65	29	36	58	8.6	12.8	-4.2	2 373	1.7	68.2	5.3
702 Ruovesi	5 398	776	7	15	59	26	70	26	44	-49	-8.8	-2.2	-6.7	2 029	0.7	67.2	7.2
837 Tampere – Tammerfors	204 337	523	390	15	70	15	42	21	22	1 646	8.2	5.6	2.6	109 271	1.5	66.5	9.7
887 Urjala	5 565	475	12	15	62	24	62	24	38	-11	-2.0	5.6	-7.6	1 969	-0.6	66.9	10.2
908 Valkeakoski	20 408	272	75	16	65	19	53	24	29	-4	-0.2	1.2	-1.5	8 742	-0.7	66.9	9.9
912 Vammala	16 587	804	21	17	62	21	62	28	34	-42	-2.5	0.0	-2.5	6 590	0.1	66.5	7.8
922 Vesilähti	3 831	301	13	24	60	16	67	40	27	88	24.0	20.5	3.6	764	3.0	71.7	7.4
933 Viipputa	5 457	470	12	15	62	23	62	24	38	-71	-12.6	-7.6	-5.0	2 085	-2.2	66.6	11.1
936 Virrat – Virtdois	7 851	1 162	7	14	62	24	61	22	39	-77	-9.6	-3.9	-5.7	2 611	-1.1	62.8	7.8
980 Ylöjärvi	25 115	398	63	23	66	11	51	34	17	538	22.5	14.9	7.6	7 708	2.7	71.7	6.7
988 Äetsä	4 955	234	21	17	62	21	62	27	35	-16	-3.1	-3.5	0.4	1 456	-2.6	66.3	9.3
<i>Päijät-Hämeen maakunta - Landskapet Päijänne-Tavastland</i>	<i>198 975</i>	<i>5 127</i>	<i>39</i>	<i>16</i>	<i>66</i>	<i>18</i>	<i>51</i>	<i>25</i>	<i>27</i>	<i>330</i>	<i>1.7</i>	<i>1.8</i>	<i>-0.2</i>	<i>80 821</i>	<i>0.2</i>	<i>66.9</i>	<i>8.8</i>
15 Artjärvi – Arsjö	1 540	177	9	15	60	26	68	25	43	-8	-5.3	3.2	-8.5	448	-2.1	69.0	6.8
16 Asikkala	8 560	564	15	16	63	21	58	25	33	-28	-3.2	0.2	-3.4	2 665	0.0	68.1	8.8
81 Hartola	3 671	543	7	15	61	24	64	24	40	-38	-10.0	-2.9	-7.2	1 361	-0.6	63.9	8.1
111 Heinola	20 729	677	31	15	65	20	54	23	31	-55	-2.6	0.1	-2.7	8 349	-0.1	67.2	9.3
98 Hollola	21 199	463	46	20	66	13	51	31	20	185	8.9	3.6	5.3	6 990	-0.3	70.6	6.3
283 Hämeenkoski	2 191	188	12	16	62	21	61	26	34	5	2.4	6.4	-4.0	53	-3.5	65.7	7.0

316	Kärkölä	4 974	257	19	18	66	17	52	27	25	1	0.2	3.1	-2.9	2 173	-0.1	68.8	7.6	2.8
398	Lahti – Lahtis	98 413	135	729	15	68	17	48	23	25	217	2.2	1.8	0.4	45 049	0.6	65.8	9.8	7.3
532	Nastola	14 790	324	46	19	68	13	47	28	19	48	3.3	0.1	3.1	5 812	-0.4	68.0	7.8	-9.0
560	Orimattila	14 614	608	24	19	64	17	56	29	27	102	7.1	7.3	-0.2	4 833	0.2	69.1	6.9	-17.8
576	Padasjoki	3 639	523	7	15	60	26	68	24	43	-51	-13.7	-5.0	-8.6	1 110	-3.9	63.3	9.5	-11.5
781	Sysmä	4 655	667	7	15	58	28	74	25	49	-49	-10.3	0.0	-10.3	1 500	0.4	64.2	8.2	-8.8

Kymenlaakson maakunta -

Landskapet Kymmenedalen

754	Anjalankoski	185 196	5 112	36	16	65	19	53	24	29	-378	-2.0	0.5	-2.5	80 821	0.2	65.1	8.7	
44	Elimäki - Elimä	16 930	727	23	17	64	19	56	26	30	-136	-7.9	-4.1	-3.9	6 349	-1.7	65.7	7.9	-5.8
75	Hamina – Fredrikshamn	8 346	387	22	18	63	18	58	29	29	-55	-6.5	-6.2	-0.3	2 376	-2.5	68.8	6.9	-27.5
142	Iitti	21 967	609	36	16	65	20	54	24	30	63	2.9	4.4	-1.5	8 535	1.6	66.7	8.0	-7.6
163	Jaala	7 265	588	12	16	63	21	58	25	34	-38	-5.1	-0.8	-4.3	2 437	-1.7	66.0	8.1	-14.5
285	Kotka	1 928	433	4	14	62	24	62	23	39	-2	-0.8	6.1	-6.9	450	-0.9	64.0	7.9	-32.2
286	Kouvola	54 838	271	203	15	66	19	51	23	28	23	0.4	3.2	-2.8	23 422	1.0	63.5	10.0	5.2
306	Kuusankoski	286	44	710	14	68	19	48	20	28	-90	-2.9	-0.3	-2.6	15 643	1.0	64.3	9.5	15.1
489	Miehikkälä	20 247	114	178	16	65	19	55	25	29	-89	-4.4	-2.4	-1.9	7 935	-0.1	65.0	8.3	-2.4
624	Pyhtää – Pyttis	2 433	422	6	14	59	27	70	25	46	-29	-11.7	-3.4	-8.3	654	-4.5	62.5	6.9	-23.4
909	Valkeala	5 138	290	18	17	64	18	56	27	29	-17	-3.2	0.6	-3.8	1 090	1.4	68.0	6.7	-43.1
935	Virolahti	11 419	856	13	20	65	16	54	30	24	45	4.0	2.1	2.0	4 026	2.3	68.2	6.6	-15.1
		3 641	372	10	14	63	23	59	23	37	-47	-12.6	-5.9	-6.6	1 502	-0.1	65.2	7.3	1.9

Etelä-Karjalan maakunta -

Landskapet Södra Karelen

153	Imatra	135 604	5 613	24	15	65	19	53	23	30	-354	-2.6	0.1	-2.6	52 890	-0.1	64.4	9.6	
173	Jouteno	29 529	155	191	15	65	21	54	23	32	-221	-7.4	-3.4	-4.0	12 489	-0.4	63.4	11.4	8.9
405	Lappeenranta – Villmanstrand	10 849	311	35	16	66	18	52	24	27	-25	-2.3	-0.6	-1.7	3 839	-0.6	66.1	11.0	-9.9
416	Lemi	59 073	761	78	16	68	17	47	23	25	170	2.9	2.5	0.4	26 751	0.5	64.2	9.1	7.9
441	Luumäki	3 107	218	14	18	63	19	58	28	29	-10	-3.3	-0.6	-2.6	672	-1.9	68.4	7.1	-41.4
580	Parikkala	5 297	750	7	15	60	25	65	25	41	-19	-3.5	2.8	-6.3	1 707	-1.4	66.3	9.4	-11.2
689	Rautjärvi	6 227	593	11	12	61	27	65	20	45	-89	-14.0	-2.7	-11.2	1 918	-1.3	61.5	10.3	-11.4
700	Ruokolahti	4 273	352	12	14	61	25	64	23	41	-72	-16.2	-8.4	-7.8	1 359	-1.5	61.9	9.3	-10.4
739	Savitaipale	5 897	925	6	14	62	24	61	23	38	-60	-10.0	-4.2	-5.7	1 228	-0.6	65.9	8.2	-40.7
775	Suomenniemi	4 126	540	8	14	59	27	70	23	46	-49	-11.6	-0.8	-10.8	1 324	0.2	65.3	7.8	-10.0
831	Taipalsaari	818	284	3	13	57	30	77	24	53	-10	-12.2	0.3	-12.5	221	-2.2	62.9	9.3	-15.5
978	Ylämaa	4 895	345	14	20	65	15	53	30	23	48	10.0	8.6	1.5	962	0.1	68.7	6.4	-48.0
		1 513	380	4	11	63	26	59	18	41	-15	-9.5	-2.1	-7.4	440	-1.8	68.0	7.7	-24.7

Etelä-Savon maakunta -

Landskapet Södra Savolax

46	Enonkoski	160 507	14 000	11	15	64	21	56	23	33	-991	-6.1	-2.4	-3.6	59 643	-0.1	64.0	10.1	
90	Heinävesi	1 713	321	5	14	60	26	66	24	43	-26	-14.9	-5.7	-9.2	408	-4.3	59.0	16.3	-16.2
97	Hirvensalmi	4 311	1 030	4	14	60	26	67	23	44	-54	-12.1	-5.5	-6.6	1 600	1.0	62.7	8.8	2.8
171	Joroinen – Jorois	2 579	467	6	14	59	27	69	24	46	-17	-6.6	5.6	-12.2	742	-0.6	63.8	9.2	-14.0
178	Juva	5 619	577	10	16	64	19	56	25	30	-51	-8.9	-4.5	-4.4	1 654	-1.7	65.5	9.0	-21.6
213	Kangasniemi	7 369	1 164	6	15	62	23	62	24	38	-46	-6.2	-0.1	-6.1	2 594	-1.1	66.9	8.8	-6.4
246	Kerimäki	6 251	1 070	6	14	60	26	66	24	43	-83	-12.9	-4.0	-8.9	1 950	0.7	60.8	10.4	-8.6
507	Mäntyharju	5 922	561	11	16	62	21	61	26	34	-34	-5.6	-1.3	-4.3	1 619	1.0	65.2	10.0	-23.2
588	Pertunmaa	48 806	982	29	16	67	17	50	24	26	-59	-1.2	-1.0	-0.2	20 645	0.3	65.9	9.8	2.7
593	Pieksämäki	6 862	375	7	14	62	24	63	23	40	-64	-9.1	-1.6	-7.5	2 334	-2.4	65.0	8.0	-6.1
618	Punkaharju	2 102	1 570	6	13	60	26	65	22	43	-26	-11.8	-2.0	-9.9	691	-0.8	62.9	6.2	-9.4
623	Puumala	20 966	474	13	15	64	22	56	23	34	-198	-9.3	-5.5	-3.8	7 528	-0.2	61.8	9.9	-2.1
681	Rantasalmi	4 073	795	9	14	62	24	61	23	38	-38	-9.3	-2.5	-6.5	1 757	0.5	67.2	9.8	9.2
		2 807	563	4	12	61	27	65	20	45	-52	-17.9	-8.3	-9.6	861	-0.5	61.5	8.2	-11.7
		4 371		8	15	61	24	65	25	40	-42	-9.4	-1.6	-7.9	1 352	-0.4	63.2	10.5	-13.1

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population structure 2005			Population change 2002-2005			Labour market 2005				
	Number 2006	density	Age composition			Total change Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate	Commuter balance		
			0-14	15-64	65+					Number of persons employed	Empl. change, 2001- 2005			Empl. rate 15-64	
	(1)	(2)	(1)	(2)	(1)	(1)	(1)	(1)	(4)	(%)	(%)	(5)	(6)	(7)	(8)
		(km ²)	(inh./km ²)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
EU27	492 852 385	4 231 551	116	16	67	17	17	24	25	2 100 377	3.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	16	52	27	97 000	3.9	11 634 286	0.1	73.2	6.6
696 Ristina	5 104	566	9	16	62	21	60	26	34	-11	-2.2	1 960	-0.2	66.1	10.0
740 Savonlinna – Nyslott	27 239	814	33	14	65	20	53	22	31	-106	-3.9	10 673	0.2	62.2	11.9
741 Savonranta	1 217	384	3	11	63	26	60	18	41	-22	-17.6	334	-0.9	54.0	14.8
768 Sulkava	3 196	585	5	14	59	27	69	24	46	-56	-16.8	941	-2.7	61.7	11.5
Pohjois-Savon maakunta - Landskapet Norra Savolax	250 064	16 772	15	16	65	18	53	25	28	-695	-2.8	96 393	0.7	62.6	10.0
140 Iisalmi – Idensalmi	22 482	763	29	16	66	18	51	24	27	-104	-4.6	9 122	0.0	62.8	11.8
174 Juankoski	5 583	465	12	15	64	21	56	23	33	-58	-10.2	2 072	-1.3	61.4	11.0
204 Kaavi	3 596	674	5	16	60	23	66	27	39	-28	-7.5	1 073	0.6	56.0	12.5
227 Karttula	3 523	473	7	20	63	17	60	32	28	19	5.3	822	0.8	64.4	9.3
239 Keitele	2 760	482	6	14	64	23	57	22	36	-47	-16.5	1 189	-0.9	62.2	11.1
263 Kiuruvesi	9 745	1 328	7	17	60	23	66	28	37	-113	-11.3	3 058	-0.7	60.4	10.5
297 Kuopio	90 726	1 124	81	16	69	15	45	24	21	310	3.4	41 472	1.7	63.6	9.5
402 Lapinlahti	7 513	614	12	17	64	19	57	27	30	-63	-8.3	2 462	1.0	61.7	8.7
420 Leppävirta	10 967	1 136	10	16	63	21	60	26	34	-25	-2.2	3 295	0.7	61.4	9.7
476 Maaninka	3 781	467	8	17	61	21	64	29	35	-21	-5.6	984	0.4	63.2	9.3
534 Nilsia	6 595	712	9	15	63	22	58	23	35	-38	-5.8	2 104	0.3	61.1	7.3
595 Pielavesi	5 482	1 153	5	15	59	26	70	26	44	-83	-14.7	1 587	-1.0	58.6	11.2
686 Rautalampi	3 678	539	7	15	60	26	67	24	43	-35	-9.2	1 069	-1.3	59.5	11.9
687 Rautavaara	2 090	1 151	2	11	60	29	66	18	47	-54	-24.4	543	-2.8	51.0	14.1
749 Siilinjärvi	20 271	401	51	22	66	12	51	33	18	129	6.4	6 237	1.3	67.7	7.4
762 Sonkajärvi	4 951	1 466	3	15	63	22	58	23	35	-52	-10.2	1 497	-0.1	59.1	12.4
778 Suonenjoki	7 766	714	11	15	62	23	63	25	38	-57	-7.2	2 598	0.6	60.6	10.3
844 Tervo	1 835	348	5	13	61	26	64	21	42	-29	-15.1	463	-0.4	59.3	10.9
857 Tuusniemi	2 998	543	6	13	63	25	60	20	39	-43	-14.1	749	-4.4	55.0	12.5
915 Varkaus	23 946	386	62	16	65	19	53	24	29	-198	-8.1	10 524	-0.4	62.4	11.3
916 Varpaisjärvi	3 068	483	6	15	61	24	64	25	39	-32	-10.2	1 019	-0.3	60.9	11.2
921 Vesanto	2 583	423	6	13	59	27	68	22	46	-43	-15.9	761	-0.1	58.8	12.0
925 Vieremä	4 125	925	4	17	62	20	60	28	33	-42	-10.1	1 693	1.4	63.2	8.6
Pohjois-Karjalan maakunta - Landskapet Norra Karelen	168 322	17 763	9	16	66	18	52	24	28	-618	-3.7	61 604	0.6	57.9	13.1
45 Eno	6 764	938	7	15	64	21	56	23	33	-46	-6.6	1 905	-2.7	52.0	16.3
146 Ilomantsi – Ilomants	6 422	2 763	2	13	61	26	64	21	43	-132	-19.8	1 885	-3.0	51.4	18.9
167 Joensuu	57 858	1 171	49	15	70	15	43	22	21	221	3.8	26 732	2.0	58.8	12.4
176 Juuka - Juga	6 034	1 502	4	15	62	23	61	24	37	-114	-18.1	2 060	-1.6	55.1	15.7
248 Kesälahti	2 667	388	7	15	61	24	65	25	40	-41	-14.7	875	0.0	57.1	14.7
260 Kitee	9 795	866	11	15	65	20	54	23	31	-131	-13.1	3 945	-1.5	59.6	13.3

276	Kontiolahti	12 768	800	16	23	66	11	51	35	16	244	20.1	13.5	6.6	4 371	4.7	66.4	8.5	-17.9
422	Liekka	13 722	3 420	4	13	63	24	59	21	38	-316	-22.0	-13.8	-8.2	4 311	-2.7	53.1	17.2	-3.4
426	Liperi	11 750	727	16	20	64	16	56	31	25	79	6.9	7.1	-0.2	3 470	1.3	62.6	9.2	-21.2
541	Nurmes	9 151	1 601	6	15	62	23	61	24	37	-124	-13.3	-8.0	-5.2	2 928	-1.3	54.3	15.3	0.5
309	Outokumpu	7 758	446	17	14	65	21	53	22	32	-70	-8.8	-3.6	-5.3	2 661	-0.6	55.4	13.5	-0.7
607	Pöytäjärvi	5 008	804	6	16	63	21	58	25	33	-85	-16.4	-8.1	-8.3	1 383	-0.6	55.9	13.5	-16.7
632	Pyhäsalmi	7 670	273	28	24	65	11	55	37	18	93	12.4	6.9	5.5	1 763	1.7	62.8	9.6	-34.1
707	Rääkkylä	2 838	427	7	14	60	25	65	23	42	-58	-19.6	-9.9	-9.7	771	-1.7	54.6	14.6	-14.9
848	Tohmajärvi	5 446	838	7	15	63	21	58	24	33	-88	-15.6	-7.7	-8.0	1 713	-0.2	55.3	15.6	-8.8
911	Valtimo	2 671	800	3	12	63	24	57	20	38	-64	-22.7	-13.4	-9.2	831	0.5	51.8	15.2	-9.9

*Keski-Suomen maakunta -
Landskapet Mellersta Finland*

77	Hankasalmi	267 902	16 708	16	17	66	17	51	26	25	785	2.9	1.5	1.3	105 939	1.0	61.6	11.8	-14.3
172	Joutsa	5 588	572	10	15	62	23	62	25	37	-31	-5.5	0.1	-5.6	1 629	0.9	58.7	12.3	-4.9
179	Jyväskylä	4 058	489	8	13	62	25	63	21	41	-33	-8.1	-0.7	-7.4	1 427	-0.9	61.1	10.9	23.9
180	Jyväskylän maalaiskunta	84 434	106	798	15	72	13	39	21	19	1 005	12.2	7.4	4.8	45 829	2.2	60.2	12.3	-33.9
182	Jämsä*	34 774	451	77	21	67	12	49	32	17	448	13.2	6.0	7.3	9 411	2.5	66.8	10.4	4.4
183	Jämsänkoski	16 235	1 168	14	16	63	20	58	26	32	-88	-5.4	-2.7	-2.7	6 573	0.3	60.7	10.6	-6.6
216	Kannonkoski	7 490	402	19	17	64	19	57	27	30	-47	-6.2	-4.3	-1.9	2 688	-1.1	61.2	12.6	-4.6
226	Karstula	1 627	445	4	15	57	28	77	27	49	-16	-9.7	-1.5	-8.2	512	2.3	59.9	13.7	1.4
249	Keuruu	4 801	887	5	16	62	22	61	25	36	-59	-12.1	-9.1	-3.0	1 775	-1.0	60.8	11.5	-2.5
256	Kinnula	11 180	1 259	9	15	63	22	59	24	34	-130	-11.4	-7.8	-3.6	4 197	-0.3	62.4	11.2	-6.6
265	Kivijärvi	1 933	460	4	17	64	19	57	27	30	-36	-18.0	-14.1	-3.9	566	-0.4	50.9	14.5	-10.9
275	Konnevesi	1 424	484	3	18	58	25	73	30	43	-36	-24.3	-15.8	-8.6	364	-5.2	50.3	11.4	-20.4
277	Korpilahti	3 099	513	6	16	61	24	65	26	39	-30	-9.5	-4.2	-5.4	828	-2.0	60.1	12.9	-27.8
291	Kuhmoinen	615	662	8	18	61	21	63	29	34	-5	-1.0	2.3	-3.3	1 261	1.4	62.5	9.7	-9.4
312	Kylljärvi	2 805	662	4	11	58	31	72	19	53	-36	-12.4	-2.0	-10.4	826	-2.0	60.0	14.3	-24.2
410	Laukaa	1 646	448	4	15	62	22	61	25	36	-33	-19.3	-15.1	-4.2	598	-1.8	58.2	9.9	-3.3
415	Leivonmäki	17 193	649	27	22	64	14	56	34	22	139	8.2	5.1	3.1	5023	1.0	64.9	10.5	-15.3
435	Luhanka	1 155	379	3	13	59	28	68	22	47	-11	-9.6	1.7	-11.3	340	-0.1	56.6	13.5	-16.0
495	Multa	881	215	4	11	55	34	81	20	61	-9	-10.3	1.4	-11.6	224	-1.3	58.4	12.7	-27.6
500	Muurame	2 020	733	3	16	56	29	80	28	51	-22	-10.8	-4.5	-6.3	559	3.0	58.3	14.3	-26.6
592	Pelätjävesi	8 672	144	60	24	66	10	52	36	16	103	12.2	5.3	6.9	2 644	0.1	68.5	8.4	-26.6
601	Pihlipudas	3 703	457	8	18	62	20	61	29	32	-15	-3.9	0.3	-4.2	932	-0.7	60.6	12.6	-6.0
633	Pykönmäki	4 917	1 075	5	18	60	22	66	29	37	-59	-11.8	-9.2	-2.5	1 587	-1.8	59.3	13.0	-21.5
729	Saarijärvi	1 007	367	3	14	58	28	73	24	49	-29	-27.3	-16.9	-10.3	239	-0.1	53.9	13.9	-5.4
850	Toivakka	10 041	885	11	16	62	21	60	26	34	-81	-8.0	-5.3	-2.6	3 537	0.7	60.7	12.2	-21.0
892	Uurainen	2 353	362	7	16	63	21	58	25	33	-4	-1.6	4.0	-5.6	677	0.2	61.7	13.2	-25.7
931	Vitasaari	3 137	348	9	21	62	17	61	34	27	8	2.6	1.5	1.0	792	-0.1	61.8	13.5	-3.9
992	Äänekoski	7 458	1 249	6	15	61	24	65	25	40	-85	-11.1	-7.4	-3.7	2 545	-0.6	60.1	11.8	4.9
		20 345	885	23	18	65	17	54	27	27	-51	-2.5	-3.4	0.9	8 047	-2.1	59.5	14.2	

*Etelä-Pohjanmaan maakunta -
Landskapet Södra Österbotten*

4	Alahärmä	193 812	13 445	14	18	64	19	57	28	29	-183	-0.9	-0.9	-0.1	76 750	0.8	67.2	6.5	-2.6
5	Aleajärvi	4 817	351	14	18	62	20	61	29	32	-28	-5.8	-3.9	-1.9	1 942	-2.2	70.0	3.3	-0.4
10	Alavus	8 980	737	12	20	62	19	62	32	30	-68	-7.5	-8.2	0.7	3 138	-0.5	63.8	7.4	-9.3
52	Evijärvi	9 631	791	12	18	62	20	62	29	33	-61	-6.2	-5.3	-0.9	3 295	-1.1	64.3	6.6	-13.7
145	Ilmajoki	2 916	354	8	17	62	21	62	28	34	-28	-9.3	-5.8	-3.5	1 038	0.2	66.0	5.3	-24.5
151	Isajoki – Storå	11 496	577	20	19	63	18	58	30	28	-4	-0.3	-0.3	0.0	3 385	0.5	68.8	5.9	-8.3
164	Jalasjärvi	2 552	642	4	16	58	26	73	28	45	-26	-10.0	1.2	-11.3	839	0.4	66.3	7.1	-7.8
175	Jurva	8 631	819	11	17	62	21	61	27	34	-52	-5.9	-2.2	-3.7	3 216	2.0	65.8	6.7	-16.9
218	Karijoki – Bötom	4 486	444	10	14	64	22	56	22	34	-60	-13.0	-8.3	-4.7	1 411	-2.0	64.1	6.9	-16.8
		1 673	186	9	15	59	26	69	25	44	-16	-9.4	1.5	-10.9	518	-0.6	69.8	7.5	

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population structure 2005				Population change 2002-2005			Labour market 2005					
	Number 2006	density	Age composition			Age dep. Ratio (3)		Total change Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment			Unempl. rate	Commuter balance	
			0-14	15-64	65+	Total	Young					Old	Number of persons employed	Empl. change, 2001- 2005			Empl. 15-64
(1)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(%)	(%)	(%)	(%)	(5)	(6)	(7)	(8)		
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
232	Kauhajoki	14 465	11	18	65	17	54	27	27	-64	-4.3	-3.1	-1.3	5 676	1.6	64.5	8.1
233	Kauhava	8 026	16	18	63	19	59	28	31	-55	-6.8	-7.6	0.8	3 115	-1.1	67.4	4.4
281	Kortesjärvi	2 384	7	18	61	22	65	29	36	-35	-14.1	-9.0	-5.1	908	2.2	68.3	5.2
300	Kuortane	4 185	9	15	61	24	63	25	39	-56	-13.1	-8.0	-5.1	1 437	-1.2	67.2	4.2
301	Kurikka	10 533	23	18	64	18	57	28	29	-27	-2.6	-1.4	-1.2	3 956	1.3	67.3	7.0
403	Lappajärvi	3 670	9	14	61	24	63	23	40	-69	-18.2	-10.9	-7.2	1 373	-1.1	63.6	7.3
408	Lapua – Lappo	14 081	19	18	62	19	61	30	31	31	2.2	1.5	0.7	4 729	0.3	67.0	6.0
414	Lehtimäki	1 930	7	15	61	23	63	25	38	-41	-20.1	-14.8	-5.3	603	-2.4	62.0	6.3
544	Nurmo	11 968	34	23	67	10	50	34	15	209	18.1	8.1	10.0	4 109	-2.1	73.1	4.6
743	Seinäjoki	36 409	60	17	68	15	47	25	22	443	12.5	8.1	4.4	20 232	2.8	68.4	7.4
759	Soini	2 614	5	18	59	23	69	30	38	-31	-11.4	-6.9	-4.5	851	-0.9	61.3	8.4
846	Teuva – Östemark	6 220	11	15	60	24	65	25	40	-73	-11.5	-7.0	-4.6	2 007	-1.2	67.0	6.7
863	Töysä	3 237	298	11	20	61	19	64	33	12	3.8	1.9	1.9	1 583	3.4	67.2	7.2
934	Vimpeli	3 414	287	12	18	61	21	64	29	-15	-4.4	-3.4	-0.9	1 159	-0.7	65.0	7.9
971	Ylihärmä	3 021	152	20	18	59	22	69	31	-17	-5.7	-3.9	-1.8	1 867	3.4	73.4	3.6
975	Ylistaro	5 588	482	12	18	62	20	61	29	-5	-0.9	1.1	-2.0	1 598	0.3	67.8	5.8
989	Ähtäri – Elseri	6 885	805	9	16	63	21	59	25	-63	-9.0	-6.3	-2.6	2 765	1.8	65.5	7.4
Landskapet Österbotten - Pohjanmaan maakunta																	
152	Isokyrö – Storkyro	5 044	14	17	61	21	63	28	34	-15	-3.0	-1.6	-1.3	1 520	0.6	67.2	6.9
598	Jakobstad – Pietarsaari	19 521	88	221	18	63	19	58	28	-2	-0.1	-0.9	0.8	10 621	0.5	69.5	6.7
231	Kaskinen – Kaskö	1 482	10	141	13	69	18	44	19	-18	-11.4	-5.2	-6.2	929	0.7	68.6	5.7
499	Korsholm – Mustasaari	17 369	847	21	19	65	16	55	30	153	9.0	4.6	4.4	4 639	0.7	74.4	4.2
280	Korsnäs	2 208	236	9	15	61	24	65	25	-7	-2.9	5.2	-8.1	864	-0.4	76.6	2.6
287	Kristinestad – Kristinankaupunki	7 662	682	11	14	63	23	60	23	-88	-11.2	-5.5	-5.7	3 115	-1.4	68.9	6.1
288	Kronoby – Kruunupy	6 800	712	10	19	62	19	63	31	-3	-0.4	-0.6	0.1	2 798	1.2	71.7	4.1
399	Laihia – Laihela	7 564	504	15	18	66	17	52	27	30	4.0	1.9	2.1	2 094	1.3	69.0	6.7
440	Larsmo – Luoto	4 393	142	31	31	57	11	75	55	66	15.5	2.1	13.5	900	5.1	74.2	2.9
475	Maalahti – Malax	5 542	521	11	15	62	23	62	24	-16	-2.8	1.1	-3.9	1 821	0.2	72.9	4.6
893	Nykarleby – Uusikaarlepyy	7 375	732	10	17	63	20	59	27	-23	-3.1	-0.7	-2.4	3 315	0.7	74.5	3.4
545	Närpes – Närpiö	9 463	977	10	14	61	24	63	23	-43	-4.5	0.5	-4.9	4 289	1.8	76.4	2.9
559	Oravais – Oravainen	2 193	204	11	17	61	22	64	27	-18	-7.9	-2.1	-5.8	959	3.1	71.8	3.2
599	Pedersöre – Pedersören kunta	10 566	795	13	25	61	14	63	41	76	7.3	-0.6	7.9	3 625	0.8	74.9	3.4
905	Vaasa – Vasa	57 241	189	303	16	67	16	48	24	71	1.2	-1.7	3.0	32 395	0.1	66.3	8.6
942	Vähäkyrö – Lillkyro	4 648	176	26	20	63	17	58	32	-15	-3.2	-5.4	2.2	1 210	-0.4	70.6	6.5
945	Vörå-Maxmo – Vöyri-Maksamaa	4 556	577	8	17	61	22	64	28	-22	-4.7	-0.5	-4.1	1 805	2.1	73.7	3.5

*Keski-Pohjanmaan maakunta -
Landskapet Mellersta Österbotten*

	70 696	5 273	13	19	64	16	55	30	25	-38	-0.5	-3.7	3.0	28 032	0.5	68.3	8.4	-7.5
74 Halsua	1 441	413	3	17	60	23	67	29	38	-24	-16.0	-13.5	-2.5	481	-1.2	68.4	8.5	-18.9
95 Himanka	3 084	255	12	18	63	20	59	28	31	-23	-7.3	-7.5	0.2	1 015	-0.5	70.7	8.2	0.7
217 Kannus	5 937	468	13	21	63	16	59	33	26	-31	-5.1	-8.7	3.6	2 392	-3.0	71.1	6.2	-6.4
236 Kautainen – Kautsby	4 348	354	12	18	65	17	54	28	26	-23	-5.1	-6.0	0.9	1 841	1.8	74.0	5.7	6.6
272 Kokkola – Karleby	36 267	322	113	19	66	15	51	28	23	177	4.9	0.3	4.7	15 961	1.4	66.9	9.6	-31.7
315 Kälviä – Kälviä	4 483	671	7	21	65	15	54	32	23	-17	-11.0	-4.9	1.2	1 246	0.8	69.6	8.6	5.3
421 Lestijärvi	955	481	2	17	62	21	62	28	34	-11	-11.0	-5.6	-5.4	390	2.5	65.8	6.8	-27.4
429 Lohtaja – Lohtea	2 882	289	10	20	62	18	61	32	29	-5	-1.6	-4.1	2.6	777	-2.1	69.8	7.6	-5.5
584 Perho	3 044	748	4	24	60	16	67	40	27	-16	-5.1	-10.3	5.2	931	-1.9	64.1	7.8	-4.7
849 Toholampi	3 667	608	6	20	62	18	60	31	29	-21	-5.7	-7.7	2.0	1 345	-0.5	69.1	5.3	-16.7
885 Ullava	995	162	6	20	61	19	63	33	31	-13	-12.6	-11.7	-1.0	343	1.0	69.9	5.8	-10.3
924 Veteli – Veteli	3 593	502	7	16	63	21	58	25	33	-40	-11.0	-9.5	-1.5	1 310	-0.4	68.5	6.9	

*Pohjois-Pohjanmaan maakunta -
Landskapet Norra Österbotten*

	378 006	35 233	11	21	66	13	52	32	20	2 494	6.7	0.2	6.4	149 250	1.1	64.5	10.3	-15.6
9 Alavieska	2 854	251	11	22	59	19	69	37	32	-12	-4.1	-7.1	3.0	896	1.3	66.1	8.3	6.7
69 Haapajärvi	7 882	765	10	22	62	16	62	36	27	-76	-9.5	-10.9	1.5	3 240	2.7	63.6	8.8	-2.3
71 Haapavesi	7 680	1 050	7	22	62	16	60	35	26	-54	-6.9	-10.7	3.8	2 833	1.7	62.1	8.9	10.4
72 Halluoto – Karlö	964	197	5	13	63	24	58	20	38	-3	-3.3	4.6	-8.0	260	-1.9	63.2	10.4	-25.1
84 Haukipudas	17 409	439	40	26	64	10	56	41	15	326	19.5	8.2	11.3	4 473	3.1	66.9	10.0	-30.9
139 Ii	8 868	1 550	6	23	61	16	63	38	26	104	12.1	8.3	3.8	2 139	1.7	61.2	13.7	-25.0
208 Kalajoki	9 198	667	14	20	64	16	57	31	26	25	2.7	-0.1	2.8	3 587	0.7	67.7	8.8	-3.4
244 Kempele	14 475	110	131	26	66	8	52	40	12	404	29.6	14.4	15.2	5 027	1.6	71.4	7.9	-18.9
247 Kestliä	1 664	601	3	18	59	24	70	30	40	-32	-18.5	-13.3	-5.3	559	-1.5	62.6	6.4	-6.2
255 Kliminki	12 108	327	37	29	64	7	56	45	11	329	28.7	13.9	14.8	2 278	5.4	70.4	7.8	-51.4
305 Kuusamo	17 113	4 979	3	19	65	17	55	29	26	-133	-7.7	-9.2	1.5	6 289	1.1	60.7	12.1	-1.6
317 Kärsämäki	3 025	695	4	20	61	19	64	33	31	-34	-10.9	-11.1	0.2	1 048	-0.8	61.4	9.3	-4.0
425 Liminka – Limingo	7 484	635	12	33	58	9	73	58	15	395	59.7	41.7	18.0	1 695	4.6	70.6	8.1	-32.3
436 Lumijoki	1 856	211	9	29	57	15	77	51	26	40	22.3	12.3	10.0	413	5.2	66.1	9.9	-31.8
483 Merijärvi	1 273	231	6	24	58	18	73	42	31	-17	-13.0	-17.0	4.0	299	0.2	62.6	8.8	-29.1
494 Muhos	8 240	784	11	24	62	14	62	39	23	107	13.3	8.5	4.8	2 524	0.8	65.8	8.1	-16.8
535 Nivala	10 889	529	21	23	61	16	64	37	27	-36	-3.3	-9.2	5.9	3 667	0.0	65.2	8.6	-8.9
563 Oulainen	8 101	587	14	21	62	17	61	33	28	-22	-2.6	-4.4	1.7	3 309	-0.2	67.4	8.3	5.9
564 Oulu – Uleåborg	128 962	369	349	17	71	12	41	24	17	1 415	11.2	3.0	8.2	67 727	1.5	65.0	10.4	18.4
567 Oulunsalo	9 319	83	113	30	64	7	56	46	10	228	25.6	6.3	19.2	2 136	0.9	69.6	7.4	-43.3
603 Pippola	1 337	456	3	18	63	19	58	28	31	-12	-8.4	-6.0	-2.4	419	0.8	61.6	10.6	-14.5
615 Pudasjärvi	9 380	5 638	2	19	61	20	63	30	32	-134	-13.9	-12.6	-1.3	2 871	-1.5	56.5	15.9	-4.9
617 Pulkila	1 632	381	4	15	64	21	56	23	33	-38	-22.3	-16.3	-6.0	681	-1.3	65.7	10.5	7.5
625 Pyhäjoki	3 478	541	6	19	62	19	61	30	31	-20	-5.6	-4.6	-1.0	814	-1.6	62.4	10.5	-30.6
626 Pyhäjärvi	6 271	1 312	5	15	62	23	61	25	36	-83	-13.0	-6.5	-6.5	1 946	-1.9	56.3	14.5	-4.2
630 Pyhäntä	1 834	811	2	24	62	14	61	39	23	-14	-7.4	-11.4	3.9	792	1.6	62.7	7.7	18.7
678 Raate – Brahestad	22 408	528	42	19	69	12	46	28	18	-156	-6.9	-12.6	5.8	10 308	-0.9	61.4	13.1	11.9
682 Rantsila	2 055	732	3	19	58	23	72	33	39	-18	-8.6	-6.8	-1.8	685	-1.9	63.2	9.0	-0.1
691 Reisjärvi	3 106	474	7	21	61	18	65	34	30	-38	-11.8	-13.4	1.6	1 029	0.0	65.3	5.8	-12.8
746 Sievi	5 192	785	7	27	59	14	71	47	24	11	2.0	-8.7	10.8	2 351	2.5	64.6	6.9	15.8
748 Siltajoki	5 808	1 046	6	22	62	16	61	35	25	-48	-8.1	-9.7	1.6	1 737	0.1	60.9	11.7	-16.0
832 Taivalkoski	4 728	2 440	2	20	63	17	58	31	27	-77	-15.9	-14.5	-1.3	1 339	-2.1	53.2	17.7	-6.0
859 Tyrvävä	5 732	492	12	30	59	11	70	51	19	155	28.5	18.1	10.4	1 282	2.5	66.8	8.2	-33.3
889 Uutajärvi	3 223	1 672	2	19	61	20	65	32	33	-18	-5.5	-4.6	-0.9	994	-1.6	58.0	11.9	-6.1
926 Vihanti	3 338	488	7	18	61	21	65	30	34	-44	-12.9	-9.6	-3.4	868	-1.6	61.1	12.1	-20.9
972 Yli-Ii	2 279	769	3	24	57	19	76	43	33	-16	-6.9	-9.3	2.4	562	1.3	60.6	9.7	-21.7
973 Ylikiminki	3 359	1 041	3	23	63	14	58	36	23	16	4.7	2.3	2.3	814	2.9	59.5	15.9	-25.5
977 Ylivieska	13 482	569	24	20	66	14	52	31	22	64	4.8	-0.7	5.5	5 359	0.7	65.6	8.7	-2.8

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population density			Population structure 2005			Population change 2002-2005			Labour market 2005				Commuter balance
	Number 2006		(1)	Age composition			Total	Age dep. Ratio (3)		Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate		
				0-14	15-64	65+		Young	Old					Number of persons employed	Empl. change, 2001- 2005		Empl. rate 15-64	
	(1)	(2)	(2)	(%)	(1)	(1)	(1)	(1)	(1)	(1)	(%)	(%)	(4)	(4)	(5)	(6)	(7)	(8)
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7	
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6	
<i>Kainuun maakunta - Landskapet Kajanaland</i>																		
105	85 303	21 506	4	16	65	19	54	25	30	-793	-9.2	-7.2	-2.1	29 607	0.2	55.6	16.6	
105	3 096	1 421	2	14	62	24	62	23	39	-69	-21.5	-12.2	-9.3	789	-1.5	45.0	21.0	-7.2
205	38 217	1 836	21	17	67	16	50	26	24	-132	-3.4	-6.0	2.5	15 289	0.8	58.8	14.5	2.6
290	10 271	4 809	2	14	65	21	55	22	33	-170	-16.0	-10.2	-5.8	3 171	-1.1	51.0	21.2	-4.0
578	4 183	919	5	16	63	21	57	25	33	-41	-9.7	-4.7	-5.1	1 236	1.1	53.0	17.3	-9.7
620	3 408	2 462	1	14	62	24	60	23	38	-76	-21.3	-11.7	-9.6	958	-4.0	50.5	19.6	-7.1
697	1 626	836	2	12	60	29	67	19	48	-31	-18.2	-4.7	-13.5	463	0.8	53.9	16.2	-11.8
765	10 713	2 650	4	17	64	19	57	27	30	-46	-4.3	-2.4	-1.8	3 585	0.1	57.8	13.7	-9.4
777	10 071	5 269	2	14	64	23	57	22	36	-168	-16.2	-10.1	-6.1	2 987	0.4	52.0	21.5	-5.9
785	3 718	1 302	3	16	60	23	66	27	39	-65	-17.0	-10.9	-6.1	1 129	0.1	53.9	16.0	-4.6
<i>Lapin maakunta - Landskapet Lappland</i>																		
47	185 800	92 856	2	17	66	17	51	25	26	-872	-4.7	-4.7	0.0	69 330	0.7	60.7	14.0	
47	2 000	7 978	<0.5	14	69	17	45	21	24	-26	-12.6	-7.1	-5.5	643	0.6	55.4	20.7	-7.9
148	7 043	15 185	<0.5	16	69	15	45	22	22	-58	-8.0	-6.5	-1.5	2 819	1.2	61.4	16.3	-2.0
240	22 831	94	244	15	67	19	50	22	28	-148	-6.4	-4.8	-1.6	10 188	-0.7	58.4	13.4	20.4
320	9 293	3 504	3	13	63	24	58	20	38	-213	-21.9	-15.0	-6.9	2 846	-5.5	55.2	16.4	-3.4
241	8 926	625	14	20	66	14	51	30	21	16	1.8	-1.5	3.3	2 539	5.1	63.8	10.9	-25.8
261	5 840	8 097	1	16	65	19	53	25	29	3	0.5	2.4	-1.9	2 388	2.2	66.8	12.1	-3.5
273	3 828	2 559	1	14	67	19	50	21	29	-20	-5.2	-1.5	-3.7	1 404	3.3	60.8	15.5	-3.0
498	2 418	1 904	1	16	66	17	50	24	26	-14	-5.6	-4.3	-1.3	973	-0.1	62.6	13.6	2.3
583	1 113	1 837	1	11	65	24	54	17	36	-25	-21.1	-13.2	-7.9	420	3.2	56.4	20.8	4.3
854	4 477	1 739	3	14	62	24	61	23	38	-45	-9.9	-4.8	-5.1	1 392	-1.6	56.4	14.9	-0.5
614	4 247	3 040	1	14	65	21	54	21	33	-70	-16.0	-11.1	-4.8	1 351	-0.6	54.9	16.7	-4.7
683	4 715	3 454	1	22	61	17	64	36	28	-54	-11.0	-12.0	1.0	1 370	-0.1	56.9	18.0	-7.4
698	57 835	7 583	8	18	68	14	47	26	21	216	3.8	0.4	3.4	23 149	1.6	62.6	13.0	0.5
732	4 571	5 730	1	12	62	26	61	19	42	-101	-21.1	-13.6	-7.4	1 317	-0.1	50.8	22.3	-3.5
742	1 303	6 439	<0.5	13	66	22	52	19	33	-32	-23.5	-19.1	-4.4	387	-3.3	54.3	24.9	-8.5
751	3 621	1 446	3	17	64	19	56	27	30	-44	-11.8	-10.2	-1.6	736	-1.8	60.5	13.1	-34.3
758	9 216	11 698	1	16	66	18	51	25	27	-118	-12.5	-10.6	-1.9	3 272	1.5	58.6	17.1	-0.7
845	3 679	1 562	2	18	59	23	71	31	40	-46	-12.3	-10.7	-1.6	1 072	-1.2	57.0	15.7	-7.1
851	22 297	1 186	19	19	67	14	50	29	22	-41	-1.8	-5.5	3.7	8 969	1.8	64.5	11.7	-7.6
890	1 363	5 169	<0.5	13	70	18	44	18	25	-10	-7.2	-6.9	-0.4	500	-1.1	63.0	15.4	-0.7
976	5 184	2 029	3	15	61	25	65	25	41	-56	-10.5	-4.8	-5.7	1 595	-0.4	58.3	13.7	-5.9

**Landskapet Åland -
Åhvenanmaan maakunta**

	26 766	1 555	17	17	66	17	52	26	25	190	7.2	6.6	0.5	15 064	-0.5	76.8	3.3	
35 Brändö	519	108	5	15	61	23	63	25	38	4	7.3	13.2	-5.9	146	-6.8	70.5	3.7	-26.2
43 Eckerö	925	108	9	17	64	20	57	26	31	20	22.0	20.0	2.0	241	0.0	77.7	3.0	-40.7
60 Finström	2 441	123	20	19	64	17	56	30	26	34	14.5	12.0	2.4	792	-11.6	78.8	2.5	-23.0
62 Föglö	596	137	4	16	62	23	62	25	37	1	2.1	4.2	-2.1	200	0.8	75.8	4.6	-31.7
65 Geta	444	84	5	14	62	24	62	23	39	-9	-18.9	-10.3	-8.7	106	1.3	74.9	3.2	-46.8
76 Hammarland	1 384	138	10	19	65	17	55	29	26	3	1.8	-1.1	2.9	326	-0.1	79.5	2.5	-53.0
170 Jomala	3 614	143	25	21	66	12	51	32	18	64	18.4	14.9	3.5	1 325	2.0	80.0	1.8	-29.3
295 Kumlinge	355	99	4	12	60	29	67	19	48	-13	-33.9	-19.6	-14.4	92	-7.7	75.0	5.0	-40.6
318 Kökar	303	64	5	20	60	20	67	33	34	3	10.1	13.4	-3.4	81	-0.4	65.6	6.8	-28.2
417 Lemland	1 695	113	15	22	65	13	54	35	20	22	12.9	7.5	5.4	243	-0.7	76.9	2.4	-66.8
438 Lumparland	387	36	11	18	66	16	52	27	24	2	4.0	0.0	4.0	91	1.5	77.3	0.9	-54.0
478 Mariehamn – Maarianhamina	10 780	12	914	15	68	17	46	22	24	44	4.1	4.0	0.1	10 616	0.4	75.3	4.3	93.4
736 Saltvik	1 739	152	11	17	64	18	55	27	28	6	3.5	4.9	-1.4	447	-2.4	77.6	2.3	-44.0
766 Sottunga	127	28	5	13	58	28	72	23	49	-1	-3.8	-3.8	0.0	38	2.7	82.5	2.7	-35.0
771 Sund	1 031	108	10	18	64	18	55	28	27	4	3.4	7.3	-3.9	212	-0.6	78.1	2.2	-58.1
941 Vårdö	426	102	4	16	59	25	70	27	43	6	13.8	15.6	-1.8	108	3.2	76.6	6.0	-44.0

ICELAND - ÍSLAND

Whole country

299 891 102 806 3 22 67 12 50 33 18 3 345 11.4 3.4 8.0 161 380 1.1 80.9 2.6

Reykjavík region -

Höfuðborgarsvæði

1300	Garðabær
1400	Hafnarfjarðarkaupstaður
1606	Kjosarhreppur
1000	Kópavogsbær
1604	Mosfellsbær
0000	Reykjavíkurborg
1100	Seltjarnarneskaupstaður
1603	Sveitarfélagið Álfanes

Iceland, excl. Reykjavík region

6609	Aðaldælahreppur	112 465	101 744	1	22	66	12	52	34	18	1 072	9.8	3.1	6.7	60 550	0.9	81.9	2.1	
5706	Akrahreppur	256	565	<0.5	19	61	20	63	31	32	-8	-28.1	-31.8	3.7					
3000	Akranes	225	1 361	<0.5	20	64	16	57	31	26	-2	-8.9	-7.8	-1.1					
6000	Akureyri	5 786	9	643	23	64	12	56	36	19	71	12.6	4.7	7.8					
6506	Arnarneshreppur	16 756	132	127	23	65	12	54	35	19	227	13.8	5.2	8.7					
4901	Arneshreppur	174	84	2	20	67	13	49	30	19	-3	-13.7	-21.9	8.2					
8610	Ásahreppur	50	724	<0.5	10	78	12	28	13	15	-3	-45.0	-36.0	-9.0					
4908	Bæjarhreppur	164	2 966	<0.5	15	71	13	40	21	19	4	26.8	20.1	6.7					
8721	Bláskógabyggð	105	511	<0.5	28	59	13	69	47	23	0	2.5	-7.4	9.9					
5604	Blönduóssbær	924	3 278	<0.5	23	66	11	51	34	17	6	6.7	-0.6	7.2					
4100	Bolungarvík	903	181	5	20	62	18	61	33	28	-15	-15.9	-15.1	-0.8					
3609	Borgarbyggð	920	111	8	22	67	11	50	33	17	-10	-10.1	-19.0	8.8					
7509	Borgarfjarðarhreppur	3 640	4 925	1	24	64	12	57	38	19	60	17.0	12.1	4.9					
7613	Breiðdalshreppur	146	444	<0.5	14	66	20	51	21	30	-1	-7.1	-1.8	-5.3					
3811	Dalabyggð	232	452	1	17	60	22	66	29	37	-11	-41.7	-33.7	-7.9					
6400	Dalvíkurbyggð	717	2 439	<0.5	19	63	18	59	29	29	-9	-12.3	-16.8	4.4					
7617	Djúpvogshreppur	1 924	595	3	24	63	13	58	38	20	-21	-10.6	-16.2	5.6					
		454	1 153	<0.5	17	73	11	37	23	15	-15	-30.2	-37.5	7.3					

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population Number 2006	Area		Population structure 2005			Population change 2002-2005			Labour market 2005							
		(km ²)	(inh./km ²)	Age composition			Total change Persons, annual average	Relative, annual average	Net migration, annual average	Employment		Unempl. rate	Commuter balance				
				0-14	15-64	65+				Number of persons employed	Empl. change, 2001- 2005						
														(%)	(%)	(%)	(%) p.a.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)				
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
3713 Eyja- og Miklaholtshreppur	139	378	<0.5	17	71	12	40	23	17	6	44.1	38.3	5.7				
6513 Eyjafjarðarsveit	981	1 795	1	25	65	9	53	39	15	1	0.8	-6.4	7.2				
6250 Fjallabyggð	2 296	364	6	20	63	17	60	32	28	-59	-24.7	-24.3	-0.4				
7300 Fjarðabyggð	4 856	1 069	5	19	72	10	40	26	14	217	50.9	45.1	5.7				
7620 Fjöttsdalshérað	3 990	8 916	<0.5	18	73	8	37	25	12	284	86.8	81.7	5.1				
7505 Fjöttsdalshreppur	376	1 528	<0.5	5	92	4	9	5	4	72	352.4	353.7	-1.2				
8722 Flóahreppur	525	291	2	21	67	12	49	32	17	8	15.5	6.3	9.2				
2504 Garður	1 377	23	60	25	68	7	47	36	11	40	30.8	29.5	1.3				
6501 Grímseyjathreppur	103	6	17	28	63	9	58	45	14	2	18.5	0.0	18.5				
8719 Grímsnes- og Grafingshreppur	358	891	<0.5	17	72	11	38	23	15	3	9.2	3.5	5.7				
2300 Grindavík	2 614	434	6	28	65	7	55	44	11	70	28.2	16.7	11.5				
3709 Grundarfjarðarbær	975	152	6	24	67	9	49	36	13	2	2.1	-7.6	9.7				
6602 Grýfabakkahreppur	367	438	1	27	62	11	61	43	18	-8	-19.5	-31.8	12.3				
3710 Helgafellssveit	54	250	<0.5	11	67	22	50	17	33	-1	-9.6	-9.6	0.0				
8710 Hunnannahreppur	766	1 214	1	27	61	12	64	44	20	4	4.7	-2.3	7.0				
5508 Húnaþing vestra	1 174	2 505	<0.5	20	65	15	54	32	23	-6	-5.1	-11.6	6.6				
5612 Húnavatnshreppur	466	3 823	<0.5	23	63	14	59	36	23	-11	-22.9	-21.9	-1.0				
3511 Hvalfjarðarsveit	605	495	1	21	70	9	44	31	13	11	19.3	12.7	6.6				
8716 Hveragerði	2 084	11	189	23	63	14	60	37	23	57	28.7	25.8	2.9				
5609 Höfðahreppur	545	49	11	25	66	9	51	38	13	-18	-31.5	-41.1	9.6				
6514 Hörgábyggð	397	809	<0.5	21	66	12	50	32	19	4	10.5	3.3	7.2				
4200 Ísafjarðarbær	4 108	2 416	2	22	66	12	52	34	18	-18	-4.4	-10.5	6.1				
4902 Kaldrananeshreppur	112	459	<0.5	20	68	13	47	29	18	-5	-40.9	-49.1	8.2				
6709 Langanesbyggð	542	1 341	<0.5	22	65	12	53	34	19	0	0.0	-9.7	9.7				
8508 Myrdalshreppur	504	761	1	19	62	19	62	31	30	-5	-9.5	-10.0	0.5				
6100 Norðurbíng	3 027	3 755	1	21	64	15	56	33	23	-58	-18.6	-21.4	2.8				
8613 Rangárbíng eystra	1 669	1 727	1	21	66	7	42	32	10	6	3.5	-3.6	7.1				
8614 Rangárbíng ytra	1 454	3 177	<0.5	23	64	21	68	36	32	8	5.7	-0.7	6.4				
4502 Reykhólahreppur	251	1 103	<0.5	18	64	18	57	29	28	-14	-50.6	-51.6	0.9				
2000 Reykjaneshær	11 367	142	80	23	66	11	52	35	16	107	9.7	0.1	9.6				
2503 Sandgerði	1 538	65	24	25	68	7	48	37	11	33	23.1	12.9	10.1				
7000 Seyðisfjörður	736	214	3	17	67	16	49	26	24	-11	-14.7	-14.0	-0.7				
8509 Skaftáthreppur	491	6 905	<0.5	14	66	20	52	22	30	-12	-24.0	-15.2	-8.8				
5611 Skagabyggð	99	494	<0.5	27	49	23	102	55	47	-1	-10.1	-17.7	7.6				
8720 Skeiða- og Gnúpverjahreppur	521	2 404	<0.5	24	66	10	51	36	15	4	7.7	1.0	6.7				
3506 Skorradalshreppur	64	208	<0.5	20	64	16	56	32	24	2	32.3	16.1	16.1				
6607 Skútustaðahreppur	429	6 034	<0.5	22	64	14	57	34	23	-5	-12.0	-11.4	-0.6				
3714 Snæfellsbær	1 731	689	3	24	68	8	46	35	11	-19	-10.6	-24.8	14.2				
4911 Strandabyggð	499	1 810	<0.5	22	62	16	61	35	27	-12	-23.3	-23.8	0.5				
3711 Stykkishólmur	1 166	10	117	22	64	13	56	35	21	-17	-14.3	-18.8	4.5				

4803	Súðavíkurreppur	240	761	<0.5	25	63	12	58	39	18	6	24.5	10.7	13.9			
6706	Svalbarðshreppur	109	1 131	<0.5	13	72	15	38	18	20	-3	-25.5	-19.1	-6.4			
6601	Svalbarðsstrandahreppur	383	50	8	25	66	10	52	37	15	5	14.0	8.0	6.0			
8200	Sveitarfélagið Árborg	6 987	157	45	24	65	12	55	36	18	234	36.0	27.5	8.4			
7708	Sveitarfélagið Hornafjörður	2 181	6 317	<0.5	23	64	12	55	36	19	-39	-17.4	-20.0	2.7			
5200	Sveitarfélagið Skagafjörður	4 106	4 168	1	22	64	14	55	34	22	-13	-3.1	-9.5	6.4			
2506	Sveitarfélagið Vogar	1 019	165	6	27	65	7	53	42	11	47	50.1	38.9	11.2			
8717	Sveitarfélagið Ölfus	1 794	726	2	23	69	8	46	34	12	28	16.0	7.6	8.3			
4604	Tálknafjarðarhreppur	302	180	2	24	65	11	54	37	17	-19	-56.9	-71.3	14.4			
6611	Tjörneshreppur	63	196	<0.5	8	73	19	37	11	26	-2	-23.2	-3.9	-19.3			
8000	Vestmannaeyjar	4 172	17	245	23	67	11	50	34	16	-69	-16.0	-20.7	4.8			
4607	Vesturbýggð	964	1 334	1	21	66	14	53	32	21	-41	-39.3	-45.2	6.0			
7502	Vopnafjarðarhreppur	726	1 914	<0.5	20	65	15	55	31	24	-5	-6.4	-12.2	5.8			
6612	Þingeyjarsveit	687	5 440	<0.5	18	62	20	61	29	32	-11	-15.6	-17.0	1.4			

NORWAY - NORGE

Whole country

	4 640 219	307 498	15	20	66	15	52	30	22	28 688	6.2	3.3	3.0	2 280 536	0.2	74.8	4.4
<i>Østfold fylke</i>	260 389	3 890	67	19	65	16	53	29	25	1 891	7.3	6.9	0.4	109 389	0.1	73.2	4.8
0118 Aremark	1 456	285	5	19	62	19	61	31	30	5	3.1	4.5	-1.4	370	-0.6	76.8	4.7
0124 Askim	14 184	66	214	19	67	14	50	29	22	128	9.1	8.0	1.1	5 696	-0.3	72.5	3.7
0125 Eidsberg	10 267	230	45	19	65	15	53	29	24	81	8.0	7.7	0.3	4 671	1.3	75.8	2.8
0106 Fredrikstad	70 791	282	251	19	65	16	54	29	25	549	7.8	7.6	0.2	32 554	-0.2	72.6	5.9
0101 Halden	27 722	597	46	18	65	17	55	28	26	131	4.7	5.2	-0.4	11 683	-0.5	71.0	5.6
0138 Hobøl	4 564	140	33	21	68	12	48	31	17	30	6.6	2.3	4.3	1 029	0.4	76.5	3.4
0111 Hvaler	3 821	87	44	16	68	16	47	24	23	60	16.2	18.3	-2.1	1 022	4.2	74.7	3.2
0119 Marker	3 505	368	10	18	63	19	60	29	30	53	15.3	18.1	-2.8	1 245	0.7	77.7	2.0
0104 Moss	28 182	58	488	18	66	16	52	28	25	199	7.1	6.8	0.3	14 016	0.2	72.8	5.0
0128 Rakkestad	7 366	420	18	19	64	17	55	30	26	53	7.3	7.9	-0.6	3 080	0.3	77.3	3.4
0136 Rygge	13 862	69	200	21	64	15	56	32	24	78	5.7	3.0	2.7	4 976	-1.9	77.1	4.0
0135 Råde	6 544	105	63	19	65	17	55	29	26	42	6.5	5.3	1.2	2 248	3.0	78.7	2.8
0121 Rømskog	670	159	4	17	59	25	70	28	42	3	4.1	13.1	-9.0	177	2.5	83.2	3.0
0105 Sarpsborg	50 115	369	136	19	65	16	53	28	24	392	7.9	7.6	0.3	21 593	0.2	71.6	5.2
0127 Skiptvet	3 400	93	37	20	66	14	52	31	21	36	10.7	8.2	2.5	932	4.2	77.7	2.0
0123 Spydeberg	4 856	134	36	19	67	14	50	29	21	49	10.2	8.4	1.8	1 711	1.5	77.7	2.3
0122 Trogstad	5 013	189	26	18	66	16	52	28	24	16	3.1	3.0	0.2	1 355	0.5	77.7	2.3
0137 Valer	4 071	239	17	21	67	12	49	31	17	-12	-3.0	-6.0	2.9	1 021	-1.6	62.6	6.1
<i>Akershus fylke</i>	501 125	4 587	109	21	66	13	52	32	20	5 945	12.1	6.9	5.2	219 256	1.1	78.1	3.3
0220 Asker	51 484	97	532	22	65	13	55	35	20	365	7.2	1.8	5.4	22 726	0.2	78.4	2.9
0221 Aurskog-Holand	13 379	897	15	19	65	16	54	30	25	96	7.3	7.5	-0.2	4 401	0.9	78.7	3.6
0219 Bærum	105 928	189	560	21	64	15	57	33	23	1 073	10.3	4.9	5.4	60 555	1.4	78.7	2.7
0237 Eidsvoll	18 923	387	49	19	67	14	50	29	21	225	12.2	10.9	1.2	6 056	-1.1	76.5	3.5
0229 Enebakk	9 442	196	48	22	69	9	45	31	13	113	12.2	7.4	4.8	2 235	1.6	77.9	3.5
0227 Fet	9 734	138	71	21	67	13	50	31	19	110	11.5	8.8	2.8	2 200	0.2	79.5	3.5
0215 Frogn	13 585	87	157	21	65	13	53	32	20	152	11.4	8.4	3.1	3 770	0.8	77.7	3.6
0234 Gjerdrum	5 214	82	64	23	66	11	52	36	16	119	23.7	18.0	5.7	1 263	4.6	81.4	2.7
0239 Hurdal	2 611	261	10	18	63	18	58	29	29	0	0.1	0.4	-0.3	877	-0.9	77.3	3.5
0230 Lørenskog	30 929	68	458	21	68	11	47	30	17	271	8.9	2.4	6.4	15 324	0.9	77.6	4.7
0238 Nannestad	10 321	325	32	22	66	12	51	33	18	227	22.6	16.8	5.9	2 266	2.5	78.3	3.3
0236 Nes	18 022	611	29	20	66	13	51	31	20	143	8.0	5.4	2.6	4 942	0.6	73.4	0.5
0216 Nesodden	16 541	60	278	22	67	11	50	33	17	188	11.6	6.8	4.8	4 179	2.1	75.8	3.7
0233 Nittedal	19 722	181	109	23	67	11	50	34	16	142	7.3	0.5	6.8	6 983	0.7	79.3	3.3

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population	Area		Population density		Population structure 2005				Population change 2002-2005			Labour market 2005				Commuter balance
	Number 2006	(km ²)	(km ²)	Age composition		Total	Young	Old	Total change	Persons, annual average	Relative, annual average	Net migration, annual average	Employment		Unempl. rate		
				0-14	15-64								65+	Number of persons employed		Empl. 2001-2005	
(1)	(2)	(2)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(4)	(4)	(5)	(5)	(6)	(7)	(8)
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
0217 Oppegård	23 897	34	697	22	65	13	53	33	20	186	7.9	2.3	5.6	8 669	-2.2	78.9	3.2
0228 Rælingen	14 857	57	262	20	70	11	44	28	15	56	3.8	-4.0	7.8	2 425	0.3	79.1	4.4
0231 Skedsmo	43 201	75	576	21	66	13	52	31	20	818	19.6	13.8	5.8	23 793	2.5	78.1	4.2
0213 Ski	27 010	162	167	22	66	12	52	33	19	304	11.4	4.6	6.8	11 720	1.5	78.5	3.6
0226 Sørum	13 367	199	67	21	66	12	51	32	19	241	18.7	15.0	3.6	3 527	0.1	79.2	3.0
0235 Ullensaker	25 269	250	101	22	67	12	50	32	17	830	34.4	27.0	7.4	19 617	0.3	78.6	4.0
0211 Vestby	13 159	133	99	21	68	11	47	31	16	162	12.5	6.7	5.8	4 649	5.3	77.9	3.5
0214 Ås	14 530	101	144	22	66	12	52	33	19	124	8.6	2.5	6.1	7 079	2.3	77.4	3.3
Oslo fylke	538 411	427	1 262	17	70	13	43	24	18	6 308	12.0	5.6	6.4	391 553	-1.2	73.9	5.7
0301 Oslo	538 411	427	1 262	17	70	13	43	24	18	6 308	12.0	5.6	6.4	391 553	-1.2	73.9	5.7
Hedmark fylke	188 511	26 120	7	18	64	18	56	28	29	125	0.7	3.0	-2.3	80 804	-0.3	72.6	4.7
0438 Alvdal	2 392	921	3	19	62	19	61	31	30	-1	-0.2	1.3	-1.6	1 076	2.0	82.7	2.0
0420 Eidskog	6 453	605	11	18	62	20	63	30	33	7	1.1	6.3	-5.2	1 912	1.3	68.9	6.7
0427 Elverum	18 992	1 210	16	19	65	16	54	29	25	117	6.2	5.2	1.0	9 060	0.2	71.6	4.5
0434 Engerdal	1 497	1 921	1	19	59	22	69	32	37	-5	-3.2	3.2	-6.3	597	-2.5	80.4	2.2
0439 Folldal	1 722	1 257	1	18	61	21	63	29	34	-8	-4.8	0.7	-5.5	708	0.1	80.4	3.4
0423 Grue	5 218	778	7	16	61	23	63	26	37	-49	-9.3	-2.2	-7.1	1 980	-0.9	71.9	5.4
0403 Hamar	27 593	333	83	17	65	18	54	26	28	153	5.6	6.7	-1.1	17 063	1.2	72.9	3.9
0402 Kongsvinger	17 224	964	18	17	66	17	52	26	26	-34	-1.9	0.2	-2.2	8 225	-1.3	68.6	6.3
0415 Løten	7 290	363	20	18	65	17	53	27	25	-2	-0.2	1.4	-1.6	1 702	-0.7	70.3	4.2
0418 Nord-Odal	5 051	474	11	17	63	20	59	26	32	-7	-1.4	2.7	-4.1	1 480	0.7	73.0	4.7
0441 Os	2 075	1 007	2	21	61	18	64	35	29	-19	-8.8	-8.3	-0.5	735	-2.5	81.0	2.9
0432 Rendalen	2 062	3 060	1	15	61	25	65	25	41	-32	-15.0	-2.7	-12.3	754	0.0	73.8	3.2
0412 Ringsaker	31 923	1 130	28	19	64	16	56	30	26	49	1.5	1.9	-0.4	13 066	-1.5	73.4	4.3
0417 Stange	18 591	641	29	18	65	17	54	28	26	148	8.1	8.7	-0.7	6 323	0.6	71.0	4.3
0430 Stor-Elvdal	2 797	2 130	1	15	62	23	62	25	37	-29	-10.2	-2.9	-7.3	1 057	-1.5	70.2	4.4
0419 Sør-Odal	7 675	478	16	18	64	17	55	28	27	47	6.2	9.9	-3.7	2 461	-1.8	72.6	5.2
0436 Tolga	1 755	1 098	2	20	61	19	64	33	31	-14	-8.0	-5.5	-2.5	621	-3.5	77.9	3.5
0428 Trysil	6 845	2 948	2	16	63	21	60	26	34	-55	-7.9	-2.0	-5.9	2 742	-0.3	69.6	7.0
0437 Tynset	5 368	1 825	3	19	63	18	58	30	28	-18	-3.4	-1.2	-2.2	3 096	-0.1	80.7	2.3
0426 Våler	3 906	679	6	15	63	22	59	24	35	-33	-8.3	-1.8	-6.6	1 488	-2.2	86.5	2.9
0429 Åmot	4 348	1 295	3	17	62	20	61	28	33	-11	-2.5	0.4	-2.9	1 761	1.0	72.5	7.4
0425 Åsnes	7 714	1 005	8	15	62	23	62	25	37	-81	-10.3	-2.1	-8.2	2 907	-1.3	70.1	6.6
Oppland fylke	183 204	24 073	8	18	64	18	56	28	28	-22	-0.1	1.3	-1.4	83 280	0.2	75.8	3.6
0511 Dovre	2 826	1 422	2	17	62	20	61	28	33	-17	-6.0	-1.0	-5.1	1 310	-1.0	77.5	6.0
0541 Etnedal	1 389	433	3	17	59	25	71	29	42	-11	-7.5	-0.7	-6.8	559	-0.6	81.7	3.6
0522 Gausdal	6 202	1 150	5	18	63	19	59	29	30	3	0.4	2.8	-2.4	2 198	-0.2	79.2	3.9

0502	Gjøvik	27 819	643	43	18	65	17	53	27	26	182	6.6	6.4	0.2	15 223	0.9	73.7	3.8	12.7
0534	Gran	13 066	660	20	18	64	18	56	28	27	7	0.5	2.9	-2.4	5 497	0.4	76.1	3.1	-14.8
0532	Jevnaker	6 312	197	32	20	64	16	56	31	25	23	3.7	3.7	0.0	2 203	0.0	74.3	3.0	-28.3
0512	Lesja	2 172	2 172	1	18	63	19	59	28	31	-12	-5.2	-2.0	-3.2	906	-0.3	78.3	3.0	-15.7
0501	Lillehammer	25 314	453	56	18	65	17	55	28	27	128	5.1	4.4	0.7	14 992	1.4	75.9	3.9	17.9
0514	Lom	2 455	1 890	1	17	63	20	59	28	31	-19	-7.5	-5.1	-2.4	1 303	0.4	81.8	3.0	4.1
0533	Lunner	8 518	272	31	20	67	13	48	29	19	17	1.9	-1.3	3.2	2 115	0.9	74.8	3.8	-51.4
0542	Nord-Aurdal	6 425	861	7	17	66	17	53	26	26	-22	-3.4	0.0	-3.4	3 931	-0.1	79.5	2.4	15.9
0516	Nord-Fron	1 113	5 843	5	18	64	18	56	28	28	-17	-2.8	-1.3	-1.5	2 535	-0.1	75.5	4.8	-11.3
0538	Nordre Land	6 737	935	7	17	63	20	58	26	32	-39	-5.7	-0.9	-4.8	2 781	1.3	73.5	3.2	-15.0
0520	Ringsbu	4 566	1 226	4	17	62	21	61	27	33	-30	-6.5	-1.2	-5.3	2 257	0.5	76.9	4.0	0.3
0517	Sel	6 063	866	7	18	63	19	59	29	30	-22	-3.7	-2.6	-1.1	2 983	-0.5	74.6	4.8	0.4
0513	Skjåk	2 376	2 066	1	17	62	21	61	27	34	-4	-1.5	2.9	-4.4	1 072	-1.4	80.9	2.0	-12.4
0536	Søndre Land	5 977	662	9	18	63	19	59	29	30	-32	-5.3	-2.0	-3.3	1 836	-0.8	69.7	3.0	-30.6
0540	Sør-Aurdal	3 243	1 072	3	19	61	20	64	30	33	-25	-7.5	-2.8	-4.7	1 254	0.4	77.7	2.1	-23.5
0519	Sør-Fron	3 231	693	5	18	62	20	61	28	33	-25	-7.5	-5.3	-2.1	1 142	-2.0	75.2	4.5	-25.7
0545	Vang	1 624	1 466	1	18	63	19	58	28	29	-5	-3.2	0.5	-3.7	718	0.8	80.8	1.8	-13.8
0543	Vestre Slidre	2 217	427	5	17	64	19	57	27	30	-13	-5.6	-2.8	-2.9	961	0.0	82.9	1.6	-19.6
0529	Vestre Toten	12 599	252	50	18	65	16	53	28	25	-30	-2.4	-1.7	-0.7	6 125	-2.2	72.9	4.6	3.0
0515	Vågå	3 766	1 258	3	18	62	21	62	28	33	-13	-3.3	-0.1	-3.2	1 472	-0.4	77.4	4.8	-20.9
0528	Østre Toten	14 453	474	31	18	64	19	57	28	29	-45	-3.1	-0.7	-2.4	4 842	0.5	76.3	3.9	-33.9
0521	Øyer	4 854	619	8	19	64	17	57	30	26	-18	-3.8	-2.9	-0.8	1 729	-1.6	77.9	3.3	-27.8
0544	Øystre Slidre	3 137	793	4	18	65	17	53	28	26	16	5.1	4.4	0.6	1 336	-1.9	82.4	1.1	-18.8
Buskerud fylke		245 225	13 928	18	19	66	15	52	29	23	1 362	5.6	4.0	1.6	110 893	0.6	76.9	3.9	
0602	Drammen	57 759	137	423	18	66	16	51	27	24	472	8.3	6.0	2.3	32 482	0.6	69.2	5.3	15.1
0631	Flesberg	2 529	540	5	20	63	17	58	31	27	-1	-0.3	-1.1	0.8	768	-0.1	75.4	3.7	-39.6
0615	Flå	998	658	2	16	61	23	65	27	38	-17	-16.9	-3.2	-13.7	349	0.3	79.0	2.9	-28.3
0617	Gol	4 404	515	9	17	65	18	55	27	28	-2	-0.5	-2.3	1.9	2 858	1.0	79.8	2.1	17.5
0618	Hemsedal	1 947	726	3	21	65	14	53	32	21	3	1.6	-0.9	2.5	994	-0.3	79.7	2.4	-10.2
0620	Hol	4 500	1 691	3	18	65	17	54	27	26	-17	-3.8	-4.1	0.3	2 214	-1.3	78.6	2.3	-9.4
0612	Hole	5 307	136	39	20	66	14	51	29	21	58	11.2	8.7	2.4	1 758	0.9	73.6	2.9	-34.7
0628	Hurum	8 913	157	57	20	65	15	54	31	23	77	8.7	8.4	0.3	2 783	2.8	72.1	4.5	-34.8
0604	Kongsberg	23 315	767	30	18	67	15	49	27	22	161	6.9	4.8	2.2	13 330	0.3	74.0	3.6	7.1
0622	Krødsherad	2 127	342	6	16	67	17	49	24	25	-25	-11.5	-4.4	-7.1	855	-2.1	72.3	4.7	-20.7
0626	Lier	21 874	282	77	21	66	13	53	32	21	85	3.9	0.0	3.9	10 673	0.9	74.9	3.1	-8.0
0623	Modum	12 585	463	27	17	67	16	50	25	25	7	0.5	2.3	-1.8	5 147	0.7	71.3	3.2	-18.7
0625	Nedre Eiker	21 653	116	187	20	67	13	49	30	19	173	8.1	3.5	4.6	6 223	1.0	70.6	4.5	-41.2
0616	Nes	3 524	781	5	18	63	19	59	29	30	10	2.9	2.4	0.6	1 514	0.8	401.8	3.9	-18.1
0633	Nore og Uvdal	2 597	2 304	1	19	60	21	67	32	35	-40	-15.0	-10.3	-4.7	1 249	2.1	79.6	3.0	-10.6
0605	Ringerike	28 197	1 430	20	17	65	17	53	26	26	80	2.9	3.7	-0.9	13 279	0.2	71.3	3.8	-3.5
0632	Rollag	1 414	419	3	18	62	20	62	30	32	-16	-10.8	-6.0	-4.8	577	-2.5	76.8	3.9	-18.8
0627	Røyken	17 594	111	158	22	66	11	51	34	17	212	12.3	6.5	5.7	4 671	2.1	74.2	3.7	-48.0
0621	Sigdal	3 501	833	4	18	63	20	60	28	31	-11	-3.1	0.7	-3.8	1 460	1.6	81.1	2.0	-25.5
0624	Øvre Eiker	15 825	422	37	19	66	15	52	29	23	168	10.8	10.0	0.8	5 358	0.1	70.5	3.9	-30.2
0619	Ål	4 662	1 098	4	19	62	18	60	31	29	-15	-3.1	-1.4	-1.7	2 351	-0.6	78.8	1.3	-0.6
Vestfold fylke		222 104	2 140	104	19	65	16	54	29	24	1 387	6.3	5.5	0.8	96 137	0.4	71.6	4.6	
0719	Andebu	5 147	183	28	21	66	13	52	32	20	83	16.4	13.1	3.3	1 746	1.0	74.6	2.9	-33.2
0714	Hof	3 079	149	21	20	66	14	53	31	21	10	3.3	0.2	3.0	869	-0.7	73.9	3.1	-40.4
0702	Holmestrand	9 654	84	115	18	66	16	52	27	25	58	6.1	6.6	-0.5	3 815	-0.9	70.8	4.9	-14.1
0701	Horten	24 871	68	368	19	65	16	53	29	24	144	5.8	5.4	0.4	9 841	0.2	71.2	5.0	-13.9
0728	Lardal	2 445	272	9	18	64	18	56	28	28	15	6.1	7.9	-1.8	790	0.2	74.7	4.6	-34.1
0709	Larvik	41 211	497	83	18	65	17	55	28	27	97	2.4	2.0	0.3	17 752	1.0	74.1	4.1	-10.6
0722	Nøtterøy	20 082	59	339	19	64	17	56	30	26	70	3.5	3.0	0.5	5 286	0.3	73.7	4.3	-44.5

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population structure 2005			Population change 2002-2005			Labour market 2005				Commuter balance		
	Number 2006	density	Age composition		Age dep. Ratio (3)		Total change Persons, annual average	Relative, annual average	Net migration, change, annual average	Employment		Unempl. rate					
			0-14	15-64	65+	Total				Young	Old		Number of persons employed	Empl. 2001- 2005		Empl. rate 15-64	
(1)	(2)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(4)	(5)	(6)	(7)	(8)			
	(km ²)	(inh./km ²)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(% p.a.)	(%)	(%)	(%)			
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
0716 Re	8 243	223	37	21	67	12	50	32	18	11	1.3	-2.6	3.9	2 810	2.1	77.0	3.0
0713 Sande	7 740	174	45	21	65	14	55	33	22	49	6.4	2.3	4.2	1 966	-2.2	23.8	4.3
0706 Sandefjord	41 555	119	348	19	65	16	55	29	25	359	8.7	8.3	0.5	18 965	1.4	72.2	5.7
0720 Stokke	10 127	115	88	21	67	12	49	31	18	75	7.5	4.1	3.3	4 161	4.4	75.3	3.7
0711 Svelvik	6 465	56	115	20	67	13	50	30	20	10	1.6	0.2	1.4	1 488	-3.2	71.3	3.7
0723 Tjømne	4 566	38	122	19	65	16	54	30	24	7	1.4	3.1	-1.6	1 166	-0.3	70.7	4.7
0704 Tønsberg	36 919	105	352	18	65	17	53	28	25	401	11.0	10.7	0.3	25 482	-0.7	74.2	4.9
Telemark fylke	166 140	14 186	12	18	65	17	54	28	26	94	0.6	1.1	-0.6	72 742	-0.2	71.3	6.3
0814 Bamble	14 104	281	50	19	68	13	48	29	19	-16	-1.1	-3.4	2.2	5 305	0.1	71.5	5.7
0821 Bø	5 307	261	20	18	67	16	50	27	23	36	6.8	5.9	0.9	2 496	1.3	33.3	10.8
0817 Drangedal	4 163	998	4	18	63	19	59	29	30	-9	-2.0	0.0	-2.0	1 107	-0.9	69.7	6.4
0831 Fyresdal	1 369	1 133	1	20	63	17	60	32	28	9	6.9	8.4	-1.5	528	-0.3	78.0	4.5
0827 Hjarðal	1 619	750	2	17	62	21	60	27	33	-2	-1.1	0.3	-1.4	564	-1.2	81.1	2.6
0815 Kragerø	10 477	291	36	17	66	17	52	26	26	-33	-3.1	-0.7	-2.4	4 223	-0.4	68.6	6.0
0829 Kviteiseid	2 575	627	4	17	63	20	58	26	31	-24	-9.0	-4.9	-4.1	1 061	-1.2	79.2	4.7
0830 Nissedal	1 407	789	2	18	65	17	54	27	26	-9	-6.0	-1.6	-4.4	560	-0.4	73.0	3.6
0819 Nome	6 571	390	17	18	64	18	57	28	29	-18	-2.8	-1.6	-1.1	2 261	-0.4	73.0	5.7
0807 Notodden	12 314	851	14	17	63	20	58	27	31	-3	-0.3	1.6	-1.8	5 423	-1.0	74.6	4.5
0805 Porsgrunn	33 550	158	213	18	65	17	54	28	25	114	3.4	4.0	-0.6	17 212	-0.2	71.3	7.5
0822 Sauherad	4 291	286	15	19	65	16	53	29	25	-21	-4.8	-2.3	-2.5	1 379	-0.8	72.2	6.1
0828 Seljord	2 912	670	4	16	65	19	54	25	29	-7	-2.3	0.4	-2.7	1 452	1.3	77.2	3.8
0811 Siljan	2 362	205	12	20	66	13	51	31	20	7	2.8	2.1	0.6	463	0.9	78.9	3.5
0806 Skien	50 761	722	70	19	66	16	53	28	24	190	3.8	3.1	0.7	23 202	0.2	71.7	6.9
0826 Tinn	6 247	1 915	3	17	64	19	57	27	30	-62	-9.7	-6.9	-2.8	2 879	-1.3	75.9	5.9
0833 Tokke	2 417	932	3	17	62	21	61	28	34	-21	-8.7	-4.5	-4.2	1 016	-0.3	79.4	4.4
0834 Vinje	3 694	2 929	1	19	64	17	56	29	26	-39	-10.3	-6.1	-4.2	1 611	-1.3	82.2	4.4
Aust-Agder fylke	104 084	8 485	12	20	66	15	53	30	23	285	2.8	1.9	0.9	43 333	-0.3	71.3	4.4
0906 Arendal	39 826	254	157	19	66	15	51	28	23	61	1.5	0.9	0.7	19 106	-1.1	70.1	4.9
0928 Birkenes	4 387	670	7	22	65	13	54	34	19	18	4.1	2.0	2.1	1 558	0.3	72.5	2.8
0938 Bygland	1 296	1 186	1	19	64	17	56	30	26	-4	-2.7	3.4	-6.1	568	-7.9	73.7	2.5
0941 Bykle	874	1 305	1	19	70	11	43	27	16	6	6.7	2.9	3.8	506	2.6	82.3	1.9
0937 Evje og Hornes	3 324	520	6	19	64	17	57	30	26	-4	-1.1	-1.1	0.0	1 433	2.8	75.4	3.1
0919 Froland	4 764	582	8	22	66	12	51	34	18	36	7.6	5.1	2.4	1 205	1.9	72.2	3.3
0911 Gjerstad	2 506	315	8	19	65	16	54	29	25	5	1.9	3.9	-2.0	918	3.8	69.5	5.8
0904 Grimstad	19 224	274	70	22	65	13	53	33	20	228	12.1	6.9	5.2	7 818	-0.2	70.9	4.5
0935 Iveland	1 170	246	5	21	68	11	48	31	17	14	12.4	13.2	-0.9	326	3.3	71.0	2.9
0926 Lillesand	9 030	175	52	20	66	14	51	30	21	22	2.4	0.6	1.8	3 118	-0.2	73.4	3.6
0901 Risør	6 863	174	39	18	64	18	56	28	29	-38	-5.4	-1.4	-4.0	2 557	-1.5	69.8	6.2

0914	Tvedestrand	5 838	205	28	18	65	17	54	28	26	-27	-4.5	-1.9	-2.6	2 247	2.7	70.2	4.5	-18.7
0940	Valle	1 348	1 170	1	19	63	18	60	30	29	-22	-15.8	-13.1	-2.7	655	2.1	83.7	1.2	-13.6
0912	Vegårshei	1 849	322	6	20	62	18	61	32	29	3	1.6	3.1	-1.5	603	1.6	75.7	3.3	-27.1
0929	Åmli	1 785	1 089	2	17	64	18	56	27	29	-13	-7.0	-0.5	-6.5	715	0.0	70.5	3.6	-10.3
Vest-Agder fylke																			
1027	Audnedal	162 317	6 817	24	21	65	14	54	32	22	1 110	6.9	3.8	3.1	76 473	1.8	74.8	4.8	
		1 556	239	7	22	61	17	63	36	27	2	1.0	-1.8	2.7	665	2.6	83.9	2.3	-16.8
1003	Farsund	9 446	251	38	21	64	16	57	32	25	-10	-1.1	-0.7	-0.2	3 895	0.2	77.6	2.9	-12.6
1004	Flekkefjord	8 852	540	16	19	64	17	57	30	27	3	0.4	0.5	-0.3	3 924	1.0	77.8	5.3	-9.8
1034	Hægebostad	1 583	425	4	22	62	16	61	36	25	-6	-3.7	-6.2	2.5	626	3.5	86.1	2.9	-26.1
1001	Kristiansand	76 917	260	296	20	66	14	52	31	21	740	9.8	6.1	3.7	43 239	1.7	74.2	5.8	16.8
1037	Kvinnesdal	5 564	916	6	20	64	16	57	32	25	8	1.3	0.1	1.3	2 244	-0.2	74.0	5.0	-12.6
1029	Lindesnes	4 486	298	15	20	64	16	56	32	25	19	4.2	3.1	1.1	1 787	3.6	75.7	2.8	-16.7
1032	Lyngdal	7 296	373	20	22	64	13	55	35	21	23	3.1	-1.4	4.5	3 490	4.2	75.7	2.8	-0.9
1002	Mandal	14 069	208	68	20	65	15	55	31	23	161	11.6	7.9	3.7	5 637	2.4	72.1	4.1	-10.6
1021	Marnardal	2 171	380	6	22	62	16	61	36	26	0	-0.1	0.3	-0.5	754	0.4	75.7	3.4	-28.3
1046	Sirdal	1 740	1 380	1	19	62	18	60	31	29	-5	-3.0	-3.1	0.1	972	1.4	86.5	2.0	3.4
1017	Songdalen	5 621	207	27	23	66	11	51	34	17	30	5.4	2.6	2.8	1 788	3.9	72.9	4.5	-29.7
1018	Søgne	9 609	142	68	23	65	12	53	35	18	90	9.5	4.0	5.6	3 081	3.0	76.5	3.7	-37.3
1014	Vennesla	12 513	365	34	22	65	14	55	34	21	59	4.8	0.3	4.5	3 924	1.0	72.6	4.8	-32.1
1026	Åseral	894	834	1	24	58	18	72	42	30	-2	-1.7	-3.0	1.4	447	-2.3	81.4	1.1	6.6
Rogaland fylke																			
1114	Bjerkreim	397 594	8 735	46	22	66	12	52	33	19	4 034	10.3	4.2	6.1	196 043	0.9	75.4	3.8	
		2 475	586	4	23	63	14	58	36	22	1	0.2	-5.7	5.9	1 048	1.4	83.6	1.5	-20.6
1145	Bokn	770	45	17	21	62	17	62	34	28	2	2.9	-3.9	6.8	280	-4.5	75.8	5.4	-22.2
1101	Eigersund	13 418	394	34	21	64	14	55	33	22	18	1.3	-1.9	3.3	6 005	-0.4	76.3	2.9	-10.9
1141	Finøy	2 729	105	26	21	61	18	63	35	29	-20	-7.3	-7.7	0.4	1 210	-1.1	82.7	2.3	-13.0
1129	Forsand	1 092	712	2	23	62	15	62	38	24	10	9.0	4.8	4.1	507	0.4	78.6	1.7	-6.5
1122	Gjesdal	9 426	561	17	25	66	8	51	38	13	78	8.4	0.4	8.0	2 814	0.6	78.4	2.7	-43.2
1106	Haugesund	31 738	68	470	19	65	15	53	30	23	234	7.4	4.3	3.1	18 660	1.2	72.3	5.0	22.5
1133	Helmeland	2 723	1 008	3	21	62	17	61	33	28	3	1.0	4.2	-3.2	1 454	1.9	83.7	1.3	0.1
1119	Hå	14 883	248	60	24	64	12	56	38	18	169	11.5	3.0	8.5	6 407	2.8	81.6	2.4	-18.5
1149	Karmøy	37 928	217	174	22	65	13	54	34	20	204	5.4	0.4	5.0	13 890	1.3	71.5	4.2	-23.4
1120	Klepp	14 832	106	141	25	65	10	55	39	16	204	14.1	5.1	9.0	5 648	2.3	79.7	2.6	-26.5
1144	Kvitøy	521	6	91	20	57	23	75	35	40	-1	-1.5	-0.5	-1.0	264	1.2	83.4	2.7	8.7
1112	Lund	3 098	357	9	22	63	15	59	34	25	-10	-3.2	-4.8	1.6	1 488	1.0	79.2	2.1	-4.5
1127	Randaberg	9 304	24	391	25	65	10	54	39	16	109	12.0	3.2	8.7	3 149	4.0	76.1	2.4	-39.9
1142	Rennesøy	3 412	65	53	25	63	12	59	40	19	41	12.3	7.2	5.1	1 059	0.8	82.1	2.1	-40.7
1102	Sandnes	58 947	284	208	23	66	11	50	34	16	1 012	17.7	9.6	8.1	28 171	1.9	75.5	4.2	-3.7
	Sauda	4 769	507	9	18	61	21	64	30	34	-38	-7.7	-3.3	-4.5	1 983	-0.6	76.2	3.7	-11.8
1111	Sokndal	3 301	266	12	20	61	19	63	33	31	-1	-0.4	-0.9	0.5	1 095	-0.2	73.1	4.3	-25.3
1124	Sola	20 138	68	294	24	66	10	52	37	16	234	11.8	3.5	8.4	14 031	0.6	75.5	3.4	39.5
1103	Stavanger	115 157	66	1 734	20	68	12	48	30	18	1 348	11.9	5.4	6.5	66 877	0.0	73.4	4.6	14.4
1130	Strand	10 566	193	55	23	64	13	56	36	20	93	9.0	3.1	5.9	3 522	2.1	75.4	2.3	-33.9
1134	Suldal	3 883	1 673	2	19	62	19	62	31	30	-24	-6.1	-7.6	1.5	1 913	-1.1	80.0	1.9	1.1
1121	Time	14 807	169	87	23	66	11	52	35	17	306	21.3	12.7	8.6	6 708	2.6	80.6	2.2	-16.4
1146	Tysvær	9 349	393	24	24	64	11	56	38	18	80	8.6	1.8	6.8	3 662	1.6	76.0	2.9	-21.7
1151	Utsira	209	6	34	23	60	17	67	38	29	-6	-27.9	-22.1	-5.8	109	-2.7	89.3	4.8	-13.1
1160	Vindafjord	8 119	608	13	21	62	17	62	35	28	-11	-1.4	-4.4	3.0	4 089	2.0	82.4	3.0	-3.9
Hordaland fylke																			
1247	Askøy	452 611	14 771	31	20	65	14	53	31	22	3 598	8.1	3.5	4.5	219 329	0.8	76.2	4.1	
		22 496	93	242	24	65	11	54	36	18	473	21.7	13.5	8.2	5 941	2.3	76.6	3.7	-46.6
1244	Austevoll	4 391	112	39	22	63	14	58	35	22	-17	-3.7	-5.8	2.1	2 047	-2.7	76.8	3.3	-4.4
1264	Austrheim	2 485	55	45	20	65	16	55	30	24	-9	-3.6	-3.3	-0.3	957	-0.7	77.4	3.5	-21.4
1201	Bergen	242 158	445	545	19	66	14	51	29	22	2 254	9.4	4.4	5.0	138 882	1.1	75.5	4.2	14.4

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area Population		Population structure 2005				Population change 2002-2005				Labour market 2005						
	Number 2006	density	(km ²)	(inh./km ²)	Age composition			Total change Persons, annual average	Relative, annual average	migration, annual average	Net change, annual average	Employment		Unempl. rate	Commuter balance				
					0-14	15-64	65+					Number of persons employed	Empl. rate 2001- 2005						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)		
EU27																			
Nordic Countries																			
1219	Bømlo	10 808	219	49	23	63	14	58	36	22	-22	-2.0	-7.5	5.4	4 282	-0.8	75.5	3.2	-16.7
1232	Eidfjord	899	1 459	1	15	66	18	51	23	28	-15	-16.7	-9.1	-7.7	382	-3.1	79.7	4.1	-17.0
1211	Etnø	3 872	678	6	19	63	18	59	31	28	-27	-7.0	-7.5	0.5	1 491	-0.8	79.9	4.4	-21.3
1265	Fedje	638	9	72	18	60	22	67	31	36	-12	-17.9	-9.9	-8.0	254	-5.3	70.5	6.7	-3.7
1222	Fitjar	2 901	152	19	23	63	14	58	36	21	-6	-1.9	-9.0	7.1	1 127	0.2	75.8	4.5	-20.6
1246	Fjell	20 392	141	144	26	66	9	52	39	13	360	18.2	8.8	9.3	7 852	3.6	75.2	4.5	-24.3
1241	Fusa	3 731	355	11	21	61	18	65	35	30	7	1.7	1.4	0.3	1 772	-0.2	82.2	3.0	-4.5
1234	Granvin	986	205	5	17	63	20	60	27	33	-16	-16.0	-11.1	-4.9	372	-5.3	77.4	3.7	-14.0
1227	Jondal	1 060	190	6	19	60	21	66	32	34	-14	-13.1	-9.6	-3.5	472	-0.2	80.7	3.2	-8.9
1238	Kvam	8 306	584	14	19	62	19	61	31	30	-58	-6.9	-6.1	-0.8	3 737	-1.5	79.6	2.7	-5.9
1224	Kvinherød	13 071	1 093	12	21	63	16	58	32	26	-25	-1.9	-5.0	3.1	5 430	-1.2	77.1	4.2	-13.8
1263	Lindås	13 285	454	29	21	65	13	53	33	20	166	12.7	7.5	5.2	5 711	-0.3	77.8	3.1	-15.0
1266	Masfjorden	1 693	528	3	19	61	20	63	30	33	-16	-9.5	-7.5	-2.0	552	-2.3	80.1	2.3	-32.3
1256	Meland	5 931	86	69	24	66	11	53	36	16	90	15.4	9.1	6.3	1 730	3.1	76.8	3.3	-42.0
1252	Modalen	354	377	1	23	61	16	64	37	27	2	6.3	2.8	3.5	225	1.8	82.2	3.7	18.5
1228	Odda	7 247	1 584	5	17	61	22	64	29	35	-80	-10.7	-8.4	-2.3	3 577	-0.7	76.9	4.3	5.9
1243	Os	15 260	133	114	22	66	12	51	34	17	289	19.6	13.1	6.5	5 009	1.1	78.9	3.1	-37.6
1253	Østerøy	7 224	248	29	21	63	16	59	34	25	31	4.3	1.0	3.3	2 381	-0.4	77.7	3.6	-32.7
1260	Radøy	4 635	106	44	20	64	16	56	31	25	2	0.4	-0.8	1.2	1 496	-0.2	75.3	2.7	-32.5
1242	Sannanger	2 341	256	9	18	66	16	52	27	25	0	0.1	1.0	-0.9	549	-1.6	76.2	3.7	-51.0
1221	Stord	16 682	138	121	23	65	12	53	35	18	111	6.7	0.1	6.6	8 680	0.1	75.2	6.1	7.7
1245	Sund	5 584	94	59	21	67	12	49	32	17	89	16.2	12.2	4.0	1 494	-0.7	73.1	4.0	-44.2
1216	Sveio	4 747	224	21	22	65	13	54	34	20	17	3.5	0.1	3.5	1 149	1.2	76.2	3.8	-50.9
1223	Tysnes	2 795	245	11	19	60	21	67	31	36	-13	-4.4	0.2	-4.6	961	-0.5	77.2	3.0	-24.8
1231	Ullensvang	3 472	1 306	3	18	61	21	63	30	33	-25	-7.0	-6.1	-0.9	1 275	-2.9	82.7	2.0	-25.1
1233	Ulvik	1 142	682	2	19	61	20	65	32	33	-15	-12.7	-9.5	-3.2	528	-2.2	80.8	3.2	-1.4
1251	Vaksdal	4 118	717	6	18	59	22	68	31	37	-18	-4.4	-0.8	-3.6	1 535	-2.3	76.4	4.9	-14.3
1235	Voss	13 830	1 739	8	19	62	19	62	31	31	16	1.1	0.6	0.5	6 285	0.6	79.5	3.7	-6.4
1259	Øygarden	4 077	64	64	23	63	14	59	37	22	79	19.9	15.6	4.3	1 194	2.1	71.2	5.7	-30.2
Sogn og Fjordane fylke																			
1428	Askvoll	106 650	17 925	6	21	63	17	59	33	26	-164	-1.5	-3.8	2.3	51 559	-0.8	76.5	4.6	-23.8
1421	Aurland	3 182	268	12	18	60	21	66	31	36	-40	-12.4	-9.3	-3.1	1 189	0.0	75.8	7.4	-4.0
1418	Balestrand	1 733	1 419	1	19	63	18	58	29	29	-19	-10.4	-11.4	1.0	788	-3.4	76.4	4.0	-12.0
1438	Bremanger	1 406	724	2	21	62	17	62	34	28	-26	-17.6	-15.0	-2.6	632	-1.8	77.2	2.8	-13.1
1443	Eid	3 968	805	5	19	59	22	71	33	38	-33	-8.1	-6.8	-1.3	1 601	-3.1	73.2	10.2	-10.8
1429	Fjaler	5 801	416	14	21	64	14	55	33	22	11	1.8	-1.0	2.9	2 761	0.2	76.3	4.2	-9.0
1401	Flora	2 881	464	6	17	64	19	57	27	30	-12	-4.1	-2.4	-1.7	1 154	-1.2	70.0	3.4	-11.5
1432	Førde	11 410	668	17	22	65	13	55	34	20	20	1.7	-4.0	5.7	5 306	-1.3	71.3	8.6	-7.2
1430	Gaular	11 327	565	20	23	67	10	49	35	14	145	13.0	2.4	10.7	8 188	1.5	77.5	4.0	30.1
		2 771	514	5	20	62	18	61	33	28	-15	-5.3	-5.1	-0.2	938	-2.6	78.4	2.6	-30.2

1445	Gløppen	5 769	1 013	6	20	62	18	62	32	30	14	2.3	0.5	1.9	2 708	1.0	80.5	2.5	-10.5
1411	Gulen	2 417	578	4	20	61	19	64	33	31	-16	-6.5	-3.9	-2.7	1 133	-0.3	79.3	3.2	-4.2
1444	Hornindal	1 206	177	7	23	59	18	70	39	31	2	1.9	-2.1	4.0	483	-1.4	86.1	1.8	-21.0
1413	Hyllestad	1 502	250	6	20	61	19	65	33	32	-7	-4.6	-0.8	-3.8	709	-1.8	76.6	3.9	-11.1
1416	Høyanger	4 448	861	5	20	61	18	63	33	30	-47	-10.4	-10.3	-0.1	2 112	-0.9	73.9	3.5	2.0
1431	Jølster	2 918	620	5	22	61	17	65	36	29	-17	-5.8	-6.9	1.1	975	-1.0	82.7	2.4	-33.6
1422	Lærdal	2 155	1 235	2	19	63	18	60	31	29	-9	-4.3	-3.1	-1.2	1 026	-1.0	78.3	1.9	-2.0
1419	Leikanger	2 199	472	5	20	65	16	55	31	24	1	0.3	-1.8	2.2	1 317	-6.8	80.2	1.1	29.4
1426	Luster	4 889	2 637	2	20	61	18	63	33	30	-20	-4.1	-3.4	-0.7	1 880	-0.4	76.7	2.8	-20.7
1433	Nausdal	2 699	354	8	21	63	16	58	33	25	-11	-4.2	-9.4	5.3	658	-1.5	79.2	3.3	-51.9
1441	Selje	2 958	228	13	20	61	18	63	33	30	-19	-6.4	-6.3	-0.1	1 114	-3.7	72.3	9.3	-21.5
1420	Sogndal	6 836	435	16	21	65	14	54	33	22	58	8.6	3.0	5.6	3 806	0.8	79.0	2.2	5.4
1412	Solund	877	220	4	16	61	22	63	26	37	-12	-12.9	-6.2	-6.8	380	-2.8	75.4	6.2	-14.5
1449	Stryn	6 779	1 329	5	20	63	17	59	33	26	8	1.2	-2.3	3.6	3 742	-0.1	81.6	3.1	3.1
1417	Vik	2 847	569	5	18	59	23	69	31	38	-17	-5.7	-1.2	-4.5	1 252	-0.9	80.7	2.1	-10.4
1439	Vågsøy	6 123	162	38	20	62	18	61	32	29	-65	-10.3	-12.2	1.9	2 887	-2.7	72.4	9.9	-1.8
1424	Ardal	5 549	942	6	18	63	19	58	28	30	-39	-6.9	-5.6	-1.4	2 820	-2.2	73.6	2.7	3.7

Møre og Romsdal fylke

244 978	14 597	17	20	64	16	56	31	25	274	1.1	-1.3	2.4	115 967	0.1	76.4	3.9			
3 099	58	53	21	62	17	60	34	27	16	5.1	1.9	3.2	1 096	-0.5	77.5	3.0	-29.3		
1547	Aukra	624	6	18	63	19	58	28	30	-10.6	-5.6	-5.0	1 508	1.2	72.4	3.8	-19.4		
1576	Aure	3 591	172	31	19	65	16	55	30	25	-18	-3.3	-4.0	0.7	2 034	-1.9	73.6	3.8	-21.6
1554	Averøy	5 360	146	23	22	64	14	57	34	22	11	3.2	-2.2	5.4	1 349	3.3	74.1	4.3	-24.2
1551	Eide	3 342	146	25	21	65	14	53	32	22	50	5.5	1.5	4.0	3 336	0.2	74.9	4.0	-26.3
1548	Fræna	9 088	360	84	23	67	10	50	35	15	42	7.9	2.6	5.2	1 095	0.8	71.2	4.7	-59.0
1556	Frei	5 380	64	169	22	64	14	57	35	22	47	7.2	0.5	6.7	2 213	-1.9	73.7	3.5	-30.3
1532	Giske	6 630	39	7	19	64	17	55	29	26	11	4.2	1.8	2.4	819	0.0	77.2	4.7	-41.2
1557	Gjennæs	2 676	372	6	15	63	22	59	24	35	-14	-8.3	-3.2	-5.1	742	0.0	74.0	4.0	-11.3
1571	Halsa	1 693	296	35	20	63	18	60	31	29	-39	-4.5	-6.6	2.2	3 966	-1.0	76.6	3.5	-9.2
1534	Haram	8 643	250	60	21	63	16	58	33	26	-36	-7.8	-10.5	2.8	1 885	-1.9	71.3	6.3	-14.6
1517	Harøid	4 637	77	70	20	64	16	56	32	25	1	0.1	-3.9	4.0	3 542	0.0	72.8	5.2	-12.5
1515	Herøy	8 373	120	789	17	66	17	51	25	25	13	0.7	1.0	-0.3	9 272	1.6	69.0	5.2	13.3
1503	Kristiansund	17 067	22	21	20	60	20	66	33	33	-11	-5.4	-5.9	0.5	764	-3.2	78.2	2.7	-19.1
1545	Midsund	1 923	94	21	20	60	15	52	29	23	73	3.0	0.4	2.6	14 781	0.0	76.0	3.3	18.8
1502	Molde	24 146	355	68	19	66	15	52	29	23	-29	-8.9	-5.5	-3.4	1 178	-0.4	74.7	4.7	-16.4
1543	Neset	3 139	990	3	20	61	19	65	33	32	-25	-13.4	-10.0	-3.4	855	-1.8	84.8	1.8	-6.9
1524	Norddal	1 808	901	2	20	60	20	67	33	34	-8	-1.0	0.1	-1.1	3 353	0.0	76.2	3.9	-9.4
1539	Rauma	7 347	1 443	5	19	63	19	59	30	30	-13	-5.9	-2.5	-3.4	911	-0.8	82.1	1.0	-7.6
1567	Rindal	2 088	621	3	20	57	23	77	36	41	-24	-9.2	-8.5	-0.7	1 159	-1.1	242.4	3.2	-8.7
1514	Sande	2 539	131	19	19	61	20	63	30	33	-10	-7.6	-7.4	-0.2	605	-0.6	82.3	1.5	-6.4
1546	Sandøy	1 270	20	65	17	61	22	64	28	37	16	4.5	0.3	4.2	1 082	-2.5	74.0	3.7	-42.1
1529	Skodje	3 638	111	33	22	66	12	52	33	19	-33	-14.6	-9.8	-4.8	848	-2.4	69.5	3.0	-6.7
1573	Smøla	2 192	265	8	16	62	22	61	26	35	-5	-4.5	-8.6	4.0	621	-1.6	81.1	3.9	20.5
1526	Stordal	996	246	4	21	61	18	64	35	29	-36	-7.7	-9.5	1.8	2 442	-1.5	85.7	0.9	0.1
1525	Stranda	4 544	847	5	19	61	20	65	32	33	68	9.2	4.5	4.6	2 431	-3.0	75.0	4.3	-31.0
1531	Sula	7 502	58	130	21	64	15	57	33	23	-10	-1.3	-1.7	0.4	3 879	1.0	72.7	4.0	7.2
1563	Sumdal	7 323	1 652	4	18	64	18	57	29	29	-33	-5.3	-3.7	-1.6	2 719	0.7	77.2	3.3	-9.4
1566	Sumadal	6 107	1 316	5	19	62	18	60	31	29	-4	-0.5	-5.2	4.2	3 864	-0.2	80.7	1.2	-2.7
1528	Sykkylven	7 421	329	23	20	65	15	55	31	24	-11	-3.5	-0.9	-2.6	1 074	0.4	72.3	2.3	-25.6
1560	Tingvoll	3 099	323	10	18	62	20	62	29	33	35	5.1	-4.1	9.2	3 758	0.9	74.1	4.4	9.8
1516	Ulstein	6 813	94	72	24	63	13	58	38	20	-78	-20.9	-18.6	-2.2	2 796	-0.7	73.8	3.6	-11.4
1511	Vanylven	3 589	322	11	18	62	20	61	29	32	1	0.1	-1.9	1.9	3 863	-0.2	72.1	3.4	-2.1
1535	Vestnes	6 442	349	18	20	64	16	56	31	25	4	0.7	-1.6	2.3	2 796	-0.7	73.8	3.6	-11.4
1519	Volda	8 322	526	16	20	63	16	58	32	26	1	0.4	-2.0	2.4	881	4.0	79.6	1.5	-29.9
1523	Ørskog	2 093	127	16	18	66	16	52	28	24	9	0.9	-2.8	3.7	4 282	-0.3	74.6	4.1	-14.4
1520	Ørsta	10 257	785	13	19	63	17	59	31	28	348	8.7	4.1	4.6	23 611	1.1	74.8	4.5	14.4
1504	Ålesund	40 801	93	439	20	66	14	52	30	22									

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population	Area		Population density		Population structure 2005			Population change 2002-2005			Labour market 2005				Commuter balance		
	Number 2006	(km ²)	(km ²)	Age composition			Total	Young	Old	Total change Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment			Unempl. rate	
				0-14	15-64	65+								Number of persons employed	Empl. rate 2001- 2005			Empl. rate 15-64
	(1)	(2)	(2)	(%)	(1)	(1)	(1)	(1)	(1)	(1)	(%)	(%)	(4)	(4)	(5)	(6)	(7)	(8)
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7	
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6	
<i>Sør-Trøndelag fylke</i>	275 403	17 839	15	20	66	14	51	29	21	2 259	8.3	4.9	3.4	140 405	1.5	75.3	3.6	
1622 Agdenes	1 779	324	5	18	60	22	66	30	36	-7	-3.6	0.4	-4.0	705	0.5	78.5	1.3	-18.6
1627 Bjugn	4 634	354	13	18	63	19	59	29	30	-6	-1.3	0.6	-1.9	1 636	0.8	71.2	4.4	-22.3
1620 Frøya	4 059	221	18	19	61	20	64	31	33	-12	-3.0	0.4	-3.4	1 836	-2.8	77.1	3.8	-2.3
1612 Hemne	4 293	626	7	21	62	17	60	33	27	3	0.8	-1.6	2.3	1 656	-1.6	73.2	2.5	-11.9
1617 Hitra	4 021	647	6	18	62	19	60	29	31	-8	-1.9	-0.1	-1.7	1 896	1.8	74.5	3.4	-1.0
1644 Holtålen	2 087	1 171	2	17	60	23	66	29	38	-23	-10.7	-2.0	-8.8	725	-2.7	82.1	3.6	-32.1
1662 Klæbu	5 353	174	31	25	66	9	51	38	13	77	14.7	5.0	9.6	1 156	-1.0	76.9	2.9	-58.6
1663 Malvik	12 213	165	74	24	66	10	51	36	16	178	14.8	9.1	5.8	2 665	2.0	75.8	3.4	-56.6
1636 Meldal	3 903	613	6	17	61	22	64	28	36	-26	-6.5	-3.3	-3.2	1 450	0.2	75.5	2.6	-18.6
1653 Melhus	14 176	655	22	22	65	13	53	33	20	186	13.4	8.0	5.4	4 106	0.6	76.9	3.5	-40.4
1648 Midtre Gauldal	5 873	1 809	3	19	62	19	62	31	30	14	2.4	4.0	-1.6	2 725	1.0	82.6	1.8	-7.4
1634 Oppdal	6 499	2 203	3	20	64	17	57	31	26	27	4.2	2.4	1.8	3 079	0.2	79.3	2.0	-4.1
1638 Orkdal	10 632	562	19	19	66	15	52	29	23	59	5.6	5.7	-0.1	5 374	1.8	75.6	3.0	0.3
1633 Osen	1 059	370	3	17	61	22	64	28	36	-23	-21.8	-14.5	-7.3	429	1.0	79.8	5.7	-20.0
1635 Rennebu	2 653	921	3	19	62	20	63	30	32	-3	-0.9	3.8	-4.7	1 185	0.7	80.6	2.1	-12.4
1624 Rissa	6 417	587	11	20	62	18	62	33	29	-7	-1.1	-1.1	0.0	2 594	-3.2	75.0	5.5	-14.0
1632 Roan	1 066	356	3	18	60	23	68	29	38	-12	-10.7	-4.0	-6.7	412	-0.7	80.1	3.0	-17.7
1640 Røros	5 639	1 757	3	18	63	19	59	29	30	8	1.4	3.5	-2.1	3 242	0.9	83.7	1.7	7.9
1664 Selbu	3 940	1 144	3	18	62	20	62	30	33	-6	-1.5	0.6	-2.1	1 589	0.0	82.1	3.0	-21.0
1657 Skaun	6 146	213	29	22	65	13	54	34	21	56	9.3	5.2	4.0	1 222	0.7	76.2	3.2	-59.6
1613 Snillfjord	1 046	462	2	20	57	22	75	36	39	-3	-2.4	-0.7	-1.7	374	-1.1	82.4	2.3	-24.9
1601 Trondheim	158 613	321	494	19	68	13	46	28	19	1 801	11.6	6.3	5.3	96 067	2.1	74.0	3.9	19.5
1665 Tydal	874	1 215	1	18	60	23	68	29	38	-10	-10.6	-9.5	-1.1	365	-3.7	82.1	2.9	-12.3
1621 Ørland	5 113	71	73	20	64	15	55	31	24	8	1.6	-0.1	1.7	2 430	1.3	74.0	5.1	1.2
1630 Åfjord	3 315	898	4	19	61	20	65	31	33	-13	-4.0	-1.7	-2.3	1 487	-0.3	76.8	3.2	-5.3
<i>Nord-Trøndelag fylke</i>	128 694	21 056	6	20	64	16	57	32	25	307	2.4	1.1	1.3	56 350	0.6	70.8	3.1	
1749 Flatanger	1 174	433	3	20	60	20	66	34	32	-20	-16.1	-13.2	-2.9	415	-2.9	71.2	3.1	-21.2
1748 Fosnes	714	480	1	16	63	22	60	25	34	-12	-16.3	-9.2	-7.1	245	-0.7	71.9	3.0	-24.7
1717 Frosta	2 467	73	34	20	62	18	62	33	30	7	2.8	3.9	-1.1	869	-1.5	70.6	3.6	-22.6
1742 Grong	2 416	1 101	2	18	62	20	62	29	33	-45	-17.9	-12.2	-5.7	1 149	-1.1	75.1	2.6	-0.8
1743 Høylandet	1 279	729	2	18	63	19	59	29	30	-8	-6.1	-5.5	-0.6	469	-2.2	76.9	1.7	-26.1
1729 Inderøy	5 938	146	41	21	64	14	55	33	22	18	3.1	2.2	0.9	1 829	0.7	70.5	2.6	-35.8
1755 Leka	595	106	6	14	63	23	59	22	37	-25	-39.0	-32.2	-6.8	251	0.4	72.5	4.4	-11.7
1718 Leksvik	3 496	403	9	19	64	17	57	30	27	-8	-2.1	-4.1	2.0	1 464	-1.6	71.4	2.8	-13.0
1719 Levanger	18 080	618	29	21	65	14	55	32	22	127	7.1	3.4	3.7	8 494	1.4	69.3	3.1	0.6
1738 Lieme	1 503	2 672	1	18	61	21	63	29	34	-15	-9.5	-4.9	-4.6	663	1.1	77.6	1.5	-11.0
1711 Meråker	2 531	1 240	2	18	61	21	64	30	34	-9	-3.6	0.7	-4.3	1 019	-2.0	69.5	2.6	-8.9
1723 Mosvik	893	205	4	19	62	19	61	30	30	-7	-7.6	-0.8	-6.7	302	-2.3	73.6	2.2	-27.0

1751	Nærøy	5 154	1 027	5	20	62	18	60	32	28	-39	-7.4	-5.9	-1.4	1 881	-2.2	68.5	4.0	-19.8
1725	Namdalseid	1 749	751	2	18	61	21	64	30	34	-15	-8.6	-8.6	0.0	647	-3.4	71.1	3.4	-15.0
1703	Namsos	12 574	784	16	21	64	15	57	33	24	57	4.6	1.7	2.9	6 478	1.8	71.7	3.2	7.0
1740	Namsskogan	919	1 368	1	17	59	25	71	29	42	-13	-13.2	-12.2	-1.1	394	-0.9	76.0	6.1	-9.9
1744	Overhalla	3 493	683	5	20	64	16	56	32	25	-30	-8.4	-9.4	0.9	1 352	-0.4	75.9	2.5	-25.1
1739	Røyrvik	544	1 371	<0.5	17	64	19	57	27	30	-5	-8.7	-11.0	2.3	230	-0.3	77.7	3.3	-17.0
1736	Snåsa	2 251	2 172	1	19	60	20	66	32	34	-20	-8.8	-6.1	-2.6	943	1.2	75.6	2.1	-11.9
1702	Steinkjer	20 477	1 435	14	19	64	17	57	30	27	-6	-0.3	-0.3	0.1	9 663	0.6	69.9	3.3	-0.4
1714	Stjørdal	19 892	928	21	21	65	14	54	33	21	302	15.6	12.2	3.4	8 833	2.0	72.0	2.3	-10.9
1721	Verdal	13 900	1 468	9	21	65	14	53	32	21	57	4.1	0.6	3.5	5 741	0.5	68.0	4.1	-12.0
1724	Verran	2 644	556	5	17	59	24	70	29	41	-5	-2.0	4.3	-6.3	871	-0.5	61.6	5.4	-13.5
1750	Vikna	4 011	311	13	22	64	15	57	34	24	17	4.2	0.9	3.3	2 148	1.3	74.3	3.4	8.2
Nordland fylke																			
1820	Alstahaug	7 306	36 302	7	19	64	16	55	30	25	-365	-1.5	-2.4	0.9	107 593	-0.1	74.6	5.3	
1871	Andøy	5 245	625	8	18	62	20	61	29	32	-38	-5.2	-7.1	1.9	3 482	0.2	72.2	7.4	-2.1
1854	Ballangen	2 701	849	3	18	63	19	60	29	31	-74	-13.7	-11.3	-2.4	2 474	-1.0	75.2	4.3	1.8
1839	Beiar	1 159	1 194	1	15	63	23	59	23	36	3	1.1	3.5	-2.4	816	-2.4	66.6	7.5	-26.0
1811	Birdal	1 741	1 208	1	17	61	21	63	28	35	-26	-21.6	-13.3	-8.2	431	1.1	73.0	6.8	-21.4
1804	Bodø	44 992	1 305	34	21	67	12	49	31	18	-32	-18.1	-14.6	-3.5	644	-2.6	70.4	3.7	-12.8
1813	Brønnøy	7 565	1 002	8	21	64	15	55	32	23	537	12.2	5.3	6.8	24 989	1.1	77.9	4.6	6.5
1867	Bø	2 946	237	12	16	58	26	72	28	44	1	0.2	-0.9	1.1	3 440	0.7	74.0	2.8	-3.4
1827	Dønna	1 507	187	8	19	63	17	58	31	28	-53	-17.6	-7.3	-10.3	991	-4.8	150.1	4.8	-16.8
1853	Evenes	1 365	231	6	18	62	20	60	28	32	-12	-8.0	-5.6	-2.5	562	-1.0	71.4	6.8	-15.2
1841	Fauske	9 551	1 115	9	19	65	16	54	29	25	-36	-25.0	-17.8	-7.2	597	-4.0	69.4	4.6	4.7
1859	Flakstad	1 454	1 171	9	20	59	21	71	34	37	-18	-1.9	-1.6	-0.3	3 476	-1.5	71.5	7.3	-21.1
1838	Gildeskål	2 107	627	3	17	61	22	64	27	37	-21	-14.2	-12.0	-2.2	573	-0.3	73.7	6.0	-8.0
1825	Grane	1 543	1 904	1	18	62	20	61	28	32	-44	-20.1	-13.4	-6.7	751	-0.3	73.7	2.9	-20.5
1866	Hadsel	8 001	552	14	18	64	18	56	29	28	-8	-5.4	1.3	-6.7	539	-0.6	74.4	3.5	-25.0
1849	Hamarøy	1 821	935	2	15	63	22	59	24	35	-34	-4.2	-2.7	-1.5	3 460	0.5	74.0	6.1	-8.2
1826	Hattfjelldal	1 503	2 434	1	18	62	21	62	29	33	-28	-14.9	-8.2	-6.7	744	-1.4	69.8	6.8	-5.6
1832	Hennes	4 542	1 470	3	20	62	19	62	32	30	-26	-16.5	-13.1	-3.4	623	-0.9	80.1	2.9	-19.2
1818	Herøy	1 725	61	28	17	64	19	56	27	29	-11	-2.4	-1.2	-1.2	1 487	-0.7	70.0	4.8	-23.3
1822	Leirfjord	2 156	443	5	18	64	17	55	28	27	-12	-5.3	-1.7	-3.5	782	-3.3	71.1	8.4	-1.3
1834	Lurøy	1 971	256	8	18	62	20	62	30	33	-24	-12.1	-8.6	-3.5	704	-1.8	66.7	7.5	-23.3
1851	Ledingen	2 314	514	5	16	61	22	63	26	36	-24	-4.9	-1.6	-3.3	817	-0.3	75.5	4.9	-10.3
1837	Meøy	6 715	820	8	20	62	17	60	32	28	-12	-4.0	-5.3	1.3	948	-0.7	73.5	9.4	-10.5
1874	Moskenes	1 183	112	11	16	60	23	67	27	39	-27	-4.0	-5.3	1.3	2 907	0.3	74.7	3.5	-7.1
1805	Narvik	18 365	1 942	9	18	65	17	55	28	27	-26	-21.5	-14.5	-7.0	504	-1.1	78.3	5.7	-8.6
1828	Nesna	1 769	202	9	20	62	18	61	32	29	-37	-2.0	-3.0	1.0	8 588	-0.4	71.5	4.1	2.1
1833	Rana	25 355	4 295	6	20	65	16	55	30	24	-22	-11.9	-12.7	0.8	789	-3.6	73.5	4.0	3.9
1836	Rødøy	1 376	686	2	21	61	18	65	35	30	-4	-0.1	-2.4	2.3	11 283	-0.5	71.0	5.8	-2.5
1856	Røst	598	11	55	19	62	19	61	31	30	-33	-23.2	-24.3	1.0	585	0.5	77.0	2.6	-12.1
1840	Saltfald	4 751	2 093	2	17	67	17	50	25	25	-14	-22.4	-18.3	-4.1	2 020	-0.1	73.2	6.9	-13.6
1870	Sortland	9 639	560	17	21	65	14	54	33	21	-31	-6.5	-4.2	-2.3	4 996	0.4	75.3	7.2	7.2
1848	Steigen	2 760	976	3	18	62	21	62	28	34	-34	-11.9	-5.9	-5.9	1 019	-2.0	72.9	6.5	-16.1
1812	Sømna	2 048	189	11	19	63	17	58	30	27	-16	-7.7	-4.2	-3.5	862	1.7	76.0	2.7	-14.3
1845	Sørfold	2 119	1 521	1	17	64	20	57	27	31	-42	-19.5	-13.8	-5.6	840	-2.3	68.6	7.0	-8.8
1852	Tjeldsund	1 396	312	4	16	61	22	63	27	36	-22	-15.4	-15.9	0.5	464	-2.5	69.0	5.6	-18.5
1835	Træna	453	15	30	22	59	19	70	37	33	-5	-11.6	-8.3	-3.3	206	-1.8	84.8	1.6	-0.9
1850	Tysfjord	2 118	1 365	2	16	65	18	53	25	28	-42	-19.2	-14.0	-5.2	815	-1.5	66.0	7.3	-12.8
1857	Værøy	748	18	42	18	63	19	58	29	30	-5	-6.6	-2.3	-4.3	364	-1.9	77.9	9.2	-1.9
1824	Vefsn	13 440	1 617	8	19	64	17	56	29	26	-10	-0.7	-2.1	1.4	6 572	0.3	75.1	5.2	2.4
1815	Vega	1 308	156	8	18	61	20	63	30	33	-21	-15.6	-6.8	-8.8	487	0.1	77.3	2.9	-20.4
1860	Vestvågøy	10 797	404	27	21	62	17	61	34	27	27	2.5	0.9	1.6	4 545	0.5	71.4	6.7	-5.9

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population	Area		Population density		Population structure 2005				Population change 2002-2005			Labour market 2005				Commuter balance	
	Number 2006	(km ²)	(km ²)	Age composition		Total	Young	Old	Total change	Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate		
				0-14	15-64									65+	Number of persons employed			Empl. 2001-2005
	(1)	(2)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(4)	(4)	(5)	(5)	(6)	(7)	(8)
EU27	492 852 385	4 231 551		116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694		16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
1816	516	517		1	17	63	20	59	27	31	-11	-20.4	-14.7	-5.7	201	-2.1	76.2	4.3
1865	9 021	460		20	18	65	16	53	28	25	-17	-1.9	-0.8	-1.1	4 067	-0.5	72.5	6.1
1868	4 567	308		15	21	63	16	59	33	25	-30	-6.4	-8.2	1.8	1 842	-1.8	73.1	7.3
<i>Troms fylke - Romssa fylka</i>																		
1933	153 585	25 121		6	20	66	14	51	30	21	477	3.1	0.0	3.2	75 309	0.2	74.4	4.2
1933	5 569	1 442		4	19	62	20	62	30	32	-18	-3.2	0.3	-3.5	2 196	0.2	75.4	4.2
1922	3 799	2 543		1	20	66	15	52	30	22	2	0.4	-3.6	4.0	1 716	-0.9	77.6	2.9
1929	996	271		4	18	62	20	62	29	33	-16	-15.9	-8.8	-7.1	386	-4.2	77.1	3.2
1915	537	75		7	18	55	27	83	34	49	-4	-7.5	4.7	-12.2	185	0.7	74.6	5.3
1926	1 295	279		5	19	59	22	69	31	37	-5	-3.7	4.2	-7.9	415	2.6	71.0	4.5
1940	2 261	923		2	18	63	19	58	28	30	-21	-9.1	-5.3	-3.8	688	-3.4	69.0	8.1
1919	1 245	307		4	18	58	24	72	31	41	-17	-13.5	-8.8	-4.7	374	-3.2	66.1	7.2
1901	23 228	349		67	19	67	14	50	29	22	39	1.7	-0.7	2.4	11 377	0.1	72.1	4.8
1917	1 630	236		7	15	58	27	71	25	46	-21	-12.8	0.0	-12.8	544	-3.8	66.0	7.3
1936	2 369	1 004		2	16	65	19	55	25	29	-26	-10.9	-8.0	-2.9	916	-2.3	75.2	3.9
1911	3 067	643		5	20	64	16	56	31	25	-21	-6.9	-4.5	-2.4	1 265	-1.7	71.2	3.7
1943	1 387	2 058		1	17	61	22	64	28	36	-14	-9.8	-2.5	-7.3	510	0.8	71.0	6.8
1920	1 035	299		3	19	59	23	71	32	39	-4	-3.8	-1.4	-2.4	337	0.7	70.0	5.5
1931	11 051	855		13	21	64	15	56	32	24	-8	-0.7	-3.6	2.9	5 295	-0.3	71.1	4.3
1938	3 161	879		4	19	63	19	60	30	30	-6	-1.9	1.0	-2.9	1 222	-0.2	73.9	8.8
1924	6 578	3 219		2	20	65	16	54	30	24	-68	-10.1	-13.5	3.4	3 541	-0.7	78.2	2.9
1942	4 772	2 903		2	19	65	16	53	29	25	10	2.0	2.1	-0.1	2 054	1.1	72.6	6.5
1923	2 263	439		5	19	66	15	52	29	23	-12	-5.3	-1.2	-4.1	890	-1.7	70.3	3.7
1941	2 971	883		3	21	64	15	56	33	24	-14	-4.7	-5.6	0.9	1 258	-2.4	70.7	6.4
1913	2 918	465		6	15	67	18	49	22	27	-34	-11.3	-8.0	-3.4	1 005	-0.2	70.4	5.1
1939	1 932	1 445		1	20	66	15	52	30	22	18	9.1	7.8	1.3	636	2.4	73.1	4.9
1925	3 322	345		10	21	64	15	57	33	24	5	1.4	-0.2	1.6	1 087	-0.9	73.0	3.5
1928	1 005	239		4	16	62	23	62	25	37	-31	-29.2	-22.6	-6.6	402	-4.3	73.4	5.1
1927	1 598	501		3	17	60	23	67	29	38	-21	-12.7	-8.0	-4.7	530	-2.1	72.5	4.5
1902	63 596	2 520		25	21	69	10	44	30	14	765	12.3	4.3	8.0	36 480	1.1	76.5	3.4
<i>Finnmark fylke - Finnmarkku fylka</i>																		
2012	72 937	46 499		2	20	66	14	52	31	21	-216	-2.9	-6.4	3.5	34 121	0.2	72.2	5.9
2012	17 889	3 699		5	24	66	10	52	36	16	178	10.1	1.4	8.7	8 733	2.6	72.2	4.8
2024	1 104	1 094		1	18	62	20	60	28	32	-26	-22.7	-21.6	-1.1	421	-4.8	67.4	8.4
2028	2 171	1 431		2	20	68	13	48	29	19	-58	-25.4	-30.6	5.2	989	-6.5	69.1	9.3
2025	3 006	3 865		1	19	65	16	53	29	25	-11	-3.5	-5.0	1.5	1 298	-1.4	71.6	6.1
2023	1 076	1 378		1	17	65	18	55	27	28	-41	-36.2	-33.6	-2.6	428	-3.5	71.2	8.5
2011	2 998	9 082		<0.5	20	69	10	44	30	15	-13	-4.2	-11.7	7.6	1 345	4.3	71.3	8.4
2004	9 361	844		11	20	68	12	48	29	18	88	9.5	4.6	4.9	5 304	3.5	77.0	3.2
2015	1 033	541		2	17	65	18	55	27	28	-38	-35.7	-30.3	-5.4	401	-6.1	68.1	7.8

2021	Karášjohka - Karasjok	2 889	5 244	1	22	65	13	53	33	20	10	3.3	-2.5	5.8	1 265	1.4	73.8	6.2	-9.1
2017	Kvalsund	1 070	1 775	1	16	64	21	57	25	33	-3	-2.5	3.5	-6.0	332	-8.1	71.0	5.6	-31.4
2022	Lebesby	1 391	3 288	<0.5	19	64	18	56	29	27	-31	-21.6	-19.5	-2.1	558	-5.5	67.9	5.3	-10.3
2014	Loppa	1 213	684	2	17	61	22	64	27	36	-52	-41.0	-38.4	-2.5	439	-6.8	71.5	9.1	-17.2
2018	Måsøy	1 376	1 325	1	17	64	19	56	26	30	-14	-10.0	-5.4	-4.6	583	-4.4	74.3	6.9	-11.8
2019	Nordkapp	3 330	653	5	20	64	16	55	30	25	-47	-13.7	-12.3	-1.5	1 395	-4.8	70.0	7.7	-10.2
2020	Porsanger - Porsángu - Porsanki	4 222	4 697	1	18	68	14	47	27	21	-31	-7.3	-10.8	3.6	1 866	-0.3	68.0	6.9	-4.5
2030	Sør-Varanger	9 464	3 670	3	20	65	14	53	31	22	-41	-4.3	-5.9	1.6	4 397	0.7	73.7	5.0	-7.6
2027	Unjárga - Nesseby	892	1 405	1	15	63	22	58	23	35	-19	-20.6	-12.3	-8.2	19	-1.7	71.9	7.4	-24.0
2003	Vadsø	6 114	1 240	5	21	66	13	51	32	19	-3	-0.5	-3.6	3.0	3 112	0.5	72.1	6.5	4.2
2002	Vardø	2 338	585	4	17	65	18	54	26	28	-64	-26.5	-23.2	-3.2	930	-5.0	68.0	11.5	-11.6

SWEDEN - SVERIGE

Whole country		9 047 752	410 335	22	17	65	17	53	26	26	34 859	3.9	3.1	0.8	4 175 064	0.0	73.3	7.3	
Stockholms län		1 889 945	6 490	291	18	68	14	48	27	21	12 854	6.9	1.8	5.0	971 602	-0.5	75.8	6.1	
127	Botkyrka	76 592	196	390	21	68	11	47	30	16	605	8.0	-0.4	8.4	20 172	0.5	66.7	10.6	-40.0
162	Danderyd	30 226	26	1 142	22	60	18	65	36	30	148	4.9	2.8	2.1	15 725	0.0	77.8	3.2	21.0
125	Ekerö	24 010	216	111	23	65	12	54	36	18	343	14.6	7.2	7.4	6 318	-0.1	82.2	3.4	-40.7
136	Haninge	71 837	454	158	20	69	12	45	29	17	350	4.9	-1.5	6.4	23 974	0.3	74.5	6.9	-31.2
126	Huddinge	88 750	129	686	21	68	11	48	31	17	775	8.9	1.7	7.2	38 087	1.2	74.9	5.0	-9.6
123	Järfälla	61 743	54	1 152	19	66	15	51	29	22	154	2.5	-2.4	4.9	21 909	1.1	77.0	6.2	-26.5
186	Lidingö	41 892	30	1 380	20	62	18	61	32	30	255	6.2	3.6	2.5	11 041	-0.6	79.6	3.4	-40.8
182	Necka	80 247	95	841	21	66	13	52	33	20	1 136	14.5	8.0	6.6	26 925	-0.9	79.5	4.9	-29.2
188	Nortälje	54 596	2 000	27	17	63	20	58	27	31	329	6.1	8.1	-2.0	19 830	0.5	77.5	5.0	-20.0
140	Nykvarn	8 354	153	55	22	66	11	51	34	17	67	8.1	1.7	6.4	1 974	2.0	83.7	3.4	-50.8
192	Nynäshamn	24 648	356	69	18	65	16	54	28	25	79	3.2	1.6	1.6	7 017	-3.6	75.7	5.9	-34.7
128	Salem	14 334	55	263	23	64	13	56	37	20	124	8.8	2.4	6.4	2 540	-0.1	81.2	4.4	-61.0
191	Sigtuna	36 711	327	112	20	67	13	49	30	19	300	8.3	2.1	6.1	25 179	-1.7	75.0	7.1	47.9
163	Sollentuna	59 355	53	1 118	22	65	13	54	33	21	281	4.8	-2.4	7.1	22 053	-0.8	79.0	4.9	-20.6
184	Solna	60 575	19	3 113	13	70	17	43	19	24	900	15.3	11.5	3.8	62 276	0.1	76.2	5.6	116.0
180	Stockholm	771 038	187	4 117	16	70	15	44	23	21	4 085	5.3	1.0	4.3	524 549	-1.0	74.5	6.8	38.0
183	Sundbyberg	34 016	9	3 857	15	71	14	41	22	20	7	0.2	-5.1	5.3	18 415	2.6	76.7	6.6	2.8
181	Södertälje	80 553	523	154	19	67	15	50	28	22	444	5.5	1.3	4.2	43 349	2.1	71.6	7.8	19.0
138	Tyresö	41 134	69	597	22	65	12	53	34	19	427	10.6	3.3	7.3	9 761	0.9	78.8	4.5	-50.0
160	Täby	60 594	60	1 003	21	64	15	56	32	24	99	1.6	-3.1	4.7	21 743	-2.2	81.4	4.0	-22.4
139	Upplands-Bro	21 327	236	90	20	69	11	45	29	17	65	3.0	-2.8	5.9	14 334	-1.6	75.2	4.8	-34.3
114	Upplands-Väsby	37 624	75	499	19	68	13	46	28	18	23	0.6	-5.8	6.5	6 597	0.3	77.0	7.2	-19.8
115	Vallentuna	27 397	360	76	23	66	12	52	34	18	437	16.4	9.2	7.2	7 024	0.7	82.6	3.2	-48.0
187	Vaxholm	10 123	57	177	23	65	13	55	35	20	163	16.6	9.3	7.3	2 899	1.0	82.8	3.0	-42.3
120	Värmdö	34 933	439	80	23	66	11	52	36	16	702	20.8	12.5	8.3	9 035	2.6	81.8	3.8	-46.9
117	Österåker	37 336	310	120	22	66	12	51	33	18	560	15.3	7.4	7.9	9 076	0.2	81.6	4.0	-50.8
Uppsala län		318 001	8 166	39	18	67	15	48	26	22	1 912	6.1	3.1	3.0	130 065	0.7	73.1	6.6	
381	Enköping	38 422	1 179	33	18	64	17	55	28	27	308	8.1	7.4	0.7	13 966	1.3	75.5	7.1	-17.4
331	Heby	13 634	1 169	12	18	63	20	60	28	32	-25	-1.8	1.6	-3.4	4 228	0.0	76.8	4.1	-26.4
305	Häbo	18 569	142	131	22	68	10	48	33	15	237	13.0	4.7	8.3	4 531	0.4	78.1	5.5	-49.2
330	Knivsta	13 324	284	47	23	66	10	51	36	16	244	18.8	9.5	9.3	3 049	2.6	81.9	3.4	-53.0
360	Tierp	20 056	1 543	13	18	62	20	62	29	33	39	1.9	5.4	-3.5	7 254	-1.5	73.3	8.2	-13.1
380	Uppsala	183 308	2 189	84	17	70	13	44	24	19	1 136	6.3	1.7	4.6	85 270	0.9	71.0	7.0	-2.5
319	Ålvkarleby	9 080	209	44	17	64	19	57	27	30	33	3.7	7.4	-3.8	2 882	0.2	69.3	10.1	-23.8
382	Östhammar	21 608	1 451	15	17	63	20	58	27	31	-58	-2.7	-0.9	-1.8	8 885	-0.5	77.2	4.8	-12.1

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population structure 2005			Population change 2002-2005			Labour market 2005						
	Number 2006	density	Age composition		Age dep. Ratio (3)		Total change Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate	Commuter balance			
			0-14	15-64	65+	Total					Young	Old			Number of persons employed	Empl. change, 2001- 2005	Empl. rate 15-64
	(1)	(2)	(1)	(2)	(1)	(1)	(1)	(1)	(1)	(%)	(%)	(%)	(4)	(5)	(6)	(7)	(8)
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
Södermanlands län	261 895	6 062	43	17	64	19	56	27	29	1 172	4.5	5.1	-0.6	106 529	0.0	69.7	8.7
484 Eskilstuna	91 635	1 097	84	17	65	18	53	26	27	627	6.9	7.0	-0.1	40 065	1.4	66.8	10.5
482 Flen	16 412	718	23	17	62	21	61	28	34	2	0.1	2.4	-2.3	5 929	-0.1	66.9	9.7
461 Gnesta	9 958	461	22	19	64	17	56	29	27	52	5.3	4.9	0.3	2 844	0.2	74.1	6.6
483 Katrineholm	32 185	1 018	32	17	63	20	59	27	32	-50	-1.5	-0.1	-1.4	13 527	-2.9	66.5	11.1
480 Nyköping	49 816	1 421	35	17	63	20	58	26	32	135	2.7	4.0	-1.3	21 401	0.9	72.9	6.7
481 Oxelösund	11 134	34	331	15	63	22	59	24	35	39	3.5	6.3	-2.9	5 185	0.2	73.4	6.0
486 Strängnäs	30 655	736	42	18	64	17	55	29	27	220	7.3	6.6	0.6	10 704	-3.9	73.2	6.6
488 Trosa	10 831	208	52	20	65	15	55	31	24	119	11.2	9.1	2.1	3 624	1.1	77.6	4.4
428 Vingåker	9 269	370	25	18	62	20	61	30	31	27	3.0	4.9	-2.0	3 250	0.6	69.1	9.3
Östergötlands län	416 303	10 562	39	17	65	18	53	26	27	991	2.4	2.5	-0.2	181 515	-0.2	70.8	8.6
560 Boxholm	5 242	528	10	17	62	20	60	27	33	-21	-3.9	-0.2	-3.7	1 803	0.6	75.7	5.2
562 Finspång	20 888	1 060	20	16	63	21	59	26	33	-96	-4.6	-1.9	-2.7	9 599	0.6	76.0	4.6
513 Kinda	9 946	1 133	9	17	62	21	62	28	34	-37	-3.7	-0.2	-3.5	3 580	-1.0	78.4	4.5
580 Linköping	137 636	1 431	96	17	67	16	49	25	24	898	6.6	4.2	2.4	67 902	0.3	70.0	8.3
586 Mjölby	25 258	549	46	18	64	18	57	28	29	13	0.5	2.0	-1.5	10 153	-0.7	74.4	6.9
583 Motala	41 912	986	43	17	64	19	56	27	29	-64	-1.5	0.7	-2.2	16 630	-0.3	70.6	8.8
581 Norrköping	124 642	1 491	84	17	66	17	52	26	26	442	3.6	3.5	0.1	54 722	-1.0	67.6	11.3
582 Söderköping	14 025	672	21	18	65	17	55	28	26	20	1.4	1.9	-0.4	4 128	0.9	75.1	5.5
584 Vadsena	7 527	183	41	16	61	23	64	27	38	-25	-3.3	0.8	-4.1	3 083	2.0	76.1	6.6
563 Valdemarsvik	8 122	734	11	16	63	21	59	25	34	-25	-3.1	2.2	-5.3	3 144	-0.1	73.0	6.2
512 Ydre	3 866	678	6	17	60	23	65	28	38	-46	-11.8	-6.7	-5.0	1 245	1.9	80.7	3.7
561 Åvirdaöberg	11 723	685	17	18	61	21	63	30	33	-43	-3.6	-0.7	-2.9	3 740	-2.5	74.9	7.2
509 Ödeshög	5 516	432	13	18	62	21	63	29	34	-26	-4.7	-0.2	-4.4	1 786	0.6	74.8	6.3
Jönköpings län	330 179	10 475	32	18	64	18	57	28	29	602	1.8	1.6	0.3	161 056	0.1	80.1	5.2
604 Aneby	6 576	519	13	17	64	19	56	27	29	-26	-4.0	-0.4	-3.5	2 524	0.5	79.1	3.6
686 Eksjö	16 575	802	21	17	62	21	61	27	34	-59	-3.5	0.3	-3.8	9 986	1.4	80.5	3.4
662 Gislaved	29 489	1 141	26	19	64	17	56	30	26	-178	-6.0	-7.7	1.7	15 215	-1.5	81.9	5.3
617 Gnosjö	9 753	422	23	20	65	15	54	30	24	-110	-11.1	-15.2	4.1	5 857	-1.9	84.7	4.2
643 Habo	9 842	330	30	21	65	13	53	32	21	94	9.7	3.1	6.5	3 578	0.7	83.4	3.7
680 Jönköping	120 965	1 485	81	18	65	18	54	27	27	773	6.5	5.4	1.0	61 234	1.1	77.9	6.2
642 Mullsjö	7 087	201	35	19	65	16	55	30	25	-8	-1.1	-3.7	2.6	2 570	0.6	78.3	5.8
682 Nässjö	29 314	934	31	18	62	20	61	28	33	-11	-0.4	1.5	-1.9	13 082	-0.9	79.2	5.4
684 Sävsjö	10 989	679	16	19	60	21	65	31	35	1	0.1	2.6	-2.5	4 378	0.6	79.3	3.8
687 Tranås	17 765	404	44	17	61	22	65	29	36	30	1.7	3.8	-2.1	8 244	-1.0	77.2	6.2
665 Vaggeryd	12 665	830	15	19	63	18	58	30	28	4	0.3	-1.0	1.3	5 650	-4.3	82.6	5.2
685 Vetlanda	26 459	1 506	18	18	62	20	61	29	33	-16	-0.6	1.9	-2.5	12 568	0.6	82.4	4.1
683 Värnamo	32 700	1 222	27	18	63	19	58	29	29	108	3.3	1.8	1.5	17 170	0.3	84.9	3.8

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population density		Population structure 2005				Population change 2002-2005			Labour market 2005				Commuter balance
	Number 2006		(km ²)	(inh./km ²)	Age composition			Total change	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate					
					0-14	15-64	65+				Persons, annual average	Empl. persons employed			Empl. rate 2001- 2005	Empl. rate 15-64		
	(1)	(2)	(2)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(4)	(5)	(6)	(7)	(8)		
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7	
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6	
1265	Sjöbo	17 501	496	35	17	64	18	55	27	29	180	10.4	10.9	-0.5	5 829	2.1	74.7	8.1
1264	Skurup	14 415	196	74	19	64	17	56	30	26	137	9.7	9.8	-0.2	4 036	0.7	74.9	8.4
1230	Staffanstorp	20 602	108	191	21	65	14	55	33	22	162	7.9	2.5	5.4	5 130	0.6	81.1	4.8
1214	Svalöv	13 012	390	33	19	65	16	54	30	24	115	8.9	7.6	1.3	3 760	0.2	74.1	6.8
1263	Svedala	18 716	219	86	21	66	13	51	31	20	197	10.7	6.8	3.9	6 118	-0.8	79.9	5.5
1270	Tomellila	12 682	399	32	16	62	22	61	26	35	64	5.1	7.5	-2.5	4 575	-0.2	75.2	8.1
1287	Trelleborg	39 830	342	117	17	64	19	57	27	29	313	8.0	8.6	-0.7	13 795	0.1	74.0	7.4
1233	Vellinge	31 722	142	223	20	64	16	57	32	25	238	7.6	3.8	3.8	7 327	1.7	79.7	4.5
1286	Ystad	27 120	352	77	15	63	22	60	24	36	219	8.2	11.9	-3.7	11 428	0.9	77.5	7.2
1277	Åstorp	13 541	93	146	20	65	15	54	31	24	152	11.4	8.5	2.9	5 384	1.3	72.4	8.6
1292	Ängelholm	38 347	423	91	17	63	20	58	27	31	211	5.6	6.5	-0.9	15 102	-0.9	77.9	7.3
1257	Örkellunga	9 553	322	30	17	63	20	59	27	32	34	3.6	5.5	-1.8	4 030	0.9	74.7	4.6
1256	Östra Göinge	13 991	434	32	18	63	19	59	28	31	-28	-2.0	-1.8	-0.2	5 192	-1.2	76.0	6.2
Hallands län	285 868	5 454	52	18	64	18	57	29	28	6.9	2 316	8.2	1.3	118 573	1.3	75.5	6.4	
1382	Falkenberg	39 605	1 115	36	18	62	20	61	29	32	221	5.6	5.9	-0.3	17 724	1.5	75.3	6.8
1380	Halmstad	88 224	1 018	87	17	65	18	53	26	28	623	7.1	6.6	0.5	41 327	0.9	71.3	8.4
1315	Hylte	10 368	951	11	18	61	20	63	30	33	-30	-2.9	-0.6	-2.2	4 900	0.0	78.1	4.7
1384	Kungsbacka	69 817	610	114	22	64	15	57	34	23	991	14.5	9.5	5.1	21 356	2.4	79.7	4.6
1381	Laholm	23 037	887	26	17	63	20	59	27	31	73	3.2	5.1	-1.9	8 456	0.4	74.5	5.4
1383	Varberg	54 817	873	63	18	64	19	57	27	29	437	8.1	7.0	1.0	24 810	1.5	76.9	5.9
Västra Götalands län	1 528 455	23 942	64	17	66	17	52	26	26	3.7	6 924	4.6	0.8	726 537	0.4	73.8	6.9	
1440	Äle	26 405	318	83	20	66	14	52	31	21	199	7.6	4.5	3.1	6 869	-0.2	76.9	4.8
1489	Alingsås	36 010	477	76	18	64	18	55	28	28	190	5.3	6.1	-0.7	14 259	-0.1	77.2	5.6
1460	Bengtsfors	10 225	890	11	15	61	24	64	24	40	-116	-11.2	-4.4	-6.8	4 099	-3.5	69.9	11.2
1443	Bollebygd	8 086	265	30	19	66	15	52	29	23	49	6.1	4.1	2.0	2 351	-0.4	80.5	4.7
1490	Borås	99 325	915	109	17	65	18	54	26	28	496	5.0	5.4	-0.4	49 223	-0.2	73.7	7.0
1438	Dals-Ed	4 891	728	7	17	64	20	57	26	31	-34	-6.8	-5.7	-1.1	2 089	1.2	70.1	9.2
1445	Essunga	5 717	236	24	17	63	20	59	27	32	-26	-4.4	-1.4	-3.0	1 972	-1.5	78.9	5.3
1499	Falköping	31 185	1 059	29	17	62	21	61	28	34	67	2.1	4.2	-2.0	13 162	-0.5	77.0	5.5
1439	Färgelanda	6 824	592	12	17	62	20	61	28	33	-33	-4.7	0.8	-5.5	2 259	-2.7	74.3	8.1
1444	Grästorp	5 762	265	22	17	63	20	58	27	31	-35	-5.9	-2.2	-3.7	1 713	-0.1	79.7	5.8
1447	Gullspång	5 595	313	18	15	63	22	59	24	36	-68	-12.0	-5.1	-6.9	2 102	-1.3	68.7	8.2
1480	Göteborg	484 942	449	1 081	16	69	15	44	23	21	3 441	7.2	4.1	3.1	283 451	0.9	69.0	5.8
1471	Götene	12 879	405	32	18	63	18	59	29	29	-22	-1.7	-0.7	-1.0	6 267	0.9	79.4	8.3
1466	Herljunga	9 305	501	19	17	63	19	58	27	30	-42	-4.4	-2.2	-2.3	4 110	-0.4	79.0	4.6
1497	Hjo	8 849	299	30	17	63	20	59	27	32	6	0.7	3.8	-3.2	2 881	-1.1	74.3	7.9
1401	Hämyda	32 049	270	119	22	65	13	54	34	19	377	12.0	6.7	5.3	12 429	3.1	79.6	4.2
1446	Karlsborg	6 898	433	16	15	62	23	63	25	37	-35	-5.0	0.8	-5.8	2 533	3.4	73.0	8.2

1482	Kungälv	38 703	365	106	19	64	17	55	30	26	274	7.2	4.5	2.7	14 583	0.8	80.0	3.2	-20.9
1441	Lerum	36 506	259	141	22	64	14	56	34	22	297	8.2	4.2	4.0	9 011	1.2	79.3	4.0	-46.8
1494	Lidköping	37 380	689	54	18	64	19	57	27	29	142	3.8	4.8	-1.0	17 158	0.7	78.2	6.1	-2.5
1462	Lilla Edet	12 889	318	41	18	66	16	52	28	24	-6	-0.4	-0.3	-0.1	3 895	0.6	72.5	6.4	-30.8
1484	Lysekil	14 657	210	70	15	63	22	60	25	35	-31	-2.1	2.4	-4.5	6 056	0.2	73.9	6.8	-5.4
1493	Mariestad	23 895	603	40	17	63	21	59	27	33	44	1.9	3.2	-1.4	9 857	0.1	74.5	6.7	-6.2
1463	Mark	33 494	936	36	18	63	19	60	29	31	132	4.0	4.4	-0.4	12 325	0.4	77.6	5.2	-18.9
1461	Mellerud	9 638	514	19	16	61	23	64	26	38	-38	-3.9	0.9	-4.7	3 414	0.2	71.2	8.5	-12.1
1430	Munkedal	10 284	637	16	17	62	21	61	27	34	-53	-5.1	-1.3	-3.9	3 664	-0.3	76.1	5.3	-18.5
1481	Mölnådal	58 234	147	397	19	66	15	52	29	22	378	6.5	2.8	3.7	33 249	-1.1	78.0	4.9	19.9
1421	Orust	15 188	388	39	16	64	20	57	26	31	18	1.2	4.4	-3.2	5 140	2.0	76.6	4.7	-25.4
1402	Partille	33 543	57	587	21	65	15	55	32	22	100	3.0	-0.3	3.4	9 658	-0.3	76.4	5.5	-37.0
1495	Skara	18 578	439	42	17	64	18	56	27	29	62	3.4	4.6	-1.2	8 953	-0.5	76.1	7.0	5.4
1496	Skövde	49 980	678	74	17	66	17	51	25	26	229	4.6	3.9	0.7	28 481	0.5	74.0	7.1	23.6
1427	Sotenäs	9 311	140	67	15	61	24	64	24	40	-66	-7.1	1.3	-8.4	3 933	0.3	77.1	5.0	-1.0
1415	Stenungsund	22 947	253	91	20	65	15	54	31	22	442	19.7	15.0	4.7	10 583	2.1	78.3	5.0	-4.9
1486	Strömstad	11 507	482	24	16	64	20	57	26	31	75	6.6	9.9	-3.3	5 339	0.6	72.2	6.0	8.6
1465	Svenljunga	10 430	924	11	17	63	20	59	28	32	-27	-2.5	1.8	-4.3	4 248	-0.2	78.1	4.3	-10.8
1435	Tanum	12 252	909	13	15	63	22	60	25	35	35	2.8	8.1	-5.3	5 264	2.3	76.4	5.8	-3.3
1472	Tibro	10 581	220	48	17	63	20	60	28	32	-12	-1.2	0.9	-2.1	4 009	-2.7	73.0	8.7	-11.7
1498	Tidaholm	12 535	521	24	18	62	21	62	29	33	-21	-1.6	1.0	-2.6	5 031	0.3	77.7	4.4	-9.6
1419	Tjörn	15 022	167	90	17	65	19	55	26	29	58	3.9	4.4	-0.5	4 322	1.5	78.4	3.9	-37.7
1452	Tranemo	11 804	745	16	18	62	20	61	29	32	-53	-4.4	-2.2	-2.2	5 672	-0.2	83.7	1.8	-0.5
1488	Trollhättan	53 302	411	130	18	65	17	54	28	26	120	2.3	1.2	1.0	29 889	-1.7	71.6	10.0	26.2
1473	Toreboda	9 470	545	17	17	63	20	58	26	32	-5	-0.5	2.5	-2.9	3 562	-0.7	69.7	7.8	-7.4
1485	Uddevalla	50 314	642	78	17	63	19	58	27	31	255	5.1	6.1	-1.0	23 346	1.7	73.7	7.4	3.4
1491	Ulricehamn	22 381	1 051	21	18	62	20	60	28	32	31	1.4	3.0	-1.6	8 350	-0.4	79.0	4.2	-18.1
1470	Vara	16 008	701	23	17	63	21	59	26	33	-12	-0.7	3.1	-3.9	8 159	1.2	77.8	5.3	9.6
1442	Värgårda	10 756	429	25	19	65	16	53	29	24	20	1.9	0.8	1.1	5 010	1.6	79.6	4.7	-2.4
1487	Vänersborg	36 951	642	58	17	64	19	57	27	30	42	1.1	1.8	-0.6	14 152	1.5	75.9	6.4	-17.7
1492	Ämål	12 737	481	26	16	61	23	65	27	37	-7	-0.6	3.5	-4.1	5 478	1.6	74.0	8.8	-0.1
1407	Öckerö	12 231	25	481	20	63	17	58	31	27	87	7.2	5.6	1.6	2 979	0.5	81.0	3.6	-47.8
Värmlands län																			
273 288		17 586	16	16	16	64	20	57	25	32	-150	-0.5	2.4	-3.0	117 287	-0.1	72.3	7.2	
26 265	Arvika	1 659	16	16	16	63	22	60	25	34	22	0.8	6.0	-5.2	11 126	0.6	72.7	6.1	-0.9
8 601	Eda	825	10	16	62	22	61	25	35	35	-10	-1.1	3.5	-4.6	3 133	-1.3	63.7	6.7	-1.0
11 017	Filipstad	1 546	7	15	61	24	65	25	40	40	-93	-8.4	-1.2	-7.2	4 218	-1.4	68.2	10.5	0.7
11 515	Forsnäs	350	33	20	63	17	59	31	28	31	9	0.8	0.9	-0.1	2 975	-0.2	71.7	6.8	-36.1
9 408	Grums	385	24	17	63	20	58	26	32	42	-4	-0.4	2.3	-2.7	3 578	-0.6	71.8	6.9	-6.8
13 337	Hagfors	1 835	7	14	60	25	66	23	42	42	-146	-10.7	-2.8	-7.9	4 949	-1.3	71.4	7.9	-5.8
14 374	Hammarö	57	254	21	64	15	55	32	23	23	65	4.5	3.5	1.0	4 325	1.1	77.6	6.1	-33.7
82 096	Karlstad	1 167	70	16	67	17	49	23	26	26	337	4.1	3.6	0.5	45 370	0.8	72.6	7.3	20.7
11 813	Kil	359	33	18	64	17	55	29	27	27	-29	-2.4	-2.4	0.0	3 334	-2.2	73.8	7.1	-33.1
23 899	Kristinehamn	747	32	16	63	22	59	25	35	35	-17	-0.7	3.9	-9.4	9 375	-1.1	71.6	7.6	-2.4
3 995	Munkfors	142	28	15	59	26	69	25	44	44	-35	-8.7	0.7	-4.6	1 734	-1.8	69.9	9.0	17.3
4 542	Storfors	394	12	16	63	21	58	25	33	33	-26	-5.6	-1.8	-3.9	1 326	0.0	69.0	8.0	-25.2
13 586	Sunne	1 297	10	17	61	21	63	28	35	35	9	0.6	5.0	-4.4	5 487	-0.2	74.8	7.3	-4.0
16 080	Säffle	1 219	13	16	61	23	64	27	38	38	-85	-5.3	0.4	-5.6	6 571	-1.6	75.0	5.9	-4.2
12 960	Torsby	4 187	3	14	61	25	65	24	41	41	-148	-11.2	-2.4	-8.8	5 626	-1.7	71.3	7.8	5.3
9 800	Årjäng	1 417	7	17	62	21	62	28	34	34	1	0.1	4.2	-4.1	4 160	-0.5	71.6	6.1	2.8
Örebro län																			
274 121		8 517	32	17	65	18	54	26	28	28	244	0.9	2.5	-1.6	123 604	0.0	70.0	9.2	
11 461	Askersund	821	14	16	63	21	59	25	34	34	-7	-0.6	3.3	-3.9	3 728	0.2	73.5	7.3	-24.3
10 093	Degerfors	386	26	16	62	21	60	26	34	34	-86	-8.5	-4.4	-4.1	3 085	-3.6	68.1	9.4	-20.7
15 315	Hallsberg	639	24	17	64	19	56	27	29	29	-79	-5.1	-0.9	-4.2	7 549	0.9	71.6	8.3	11.3

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Region Municipality	Population		Area		Population density			Population structure 2005			Population change 2002-2005			Labour market 2005				
	Number 2006	(1)	(km ²)	(2)	Age composition			Total change	Persons, annual average	Relative, annual average	Net migration, annual average	Natural change, annual average	Employment		Unempl. rate	Commuter balance		
					0-14	15-64	65+						Number of persons employed	Empl. 2001- 2005				
																	(%)	(%)
EU27		492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7
Nordic Countries		24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6
1863	Hälsjöfors	7 627	996	8	15	60	25	66	25	42	-65	-8.4	-0.1	-8.3	2 924	-0.4	67.4	9.0
1883	Karlskoga	30 185	471	64	16	63	21	60	25	34	-158	-5.2	-0.4	-4.8	15 298	-0.1	71.5	8.6
1881	Kumla	19 473	206	95	20	64	16	56	31	25	137	7.1	6.2	0.9	7 163	-5.1	71.9	9.8
1860	Laxå	6 136	577	11	15	62	23	62	25	37	-110	-17.4	-12.6	-4.8	2 741	-5.2	68.6	10.2
1814	Lekeberg	7 081	467	15	18	65	17	55	28	27	11	1.6	0.4	1.2	1 807	-0.3	75.4	6.4
1885	Lindesberg	23 228	1 382	17	17	63	20	58	26	31	-63	-2.7	1.7	-4.5	9 973	0.6	72.6	7.9
1864	Ljusnarsberg	5 317	579	9	15	61	24	64	25	39	-56	-10.4	-0.1	-10.3	1 730	-2.2	61.8	10.9
1884	Nora	10 472	622	17	18	63	20	60	28	31	5	0.5	5.3	-4.8	3 316	-1.0	71.2	7.3
1880	Örebro	127 733	1 371	93	17	67	16	50	26	24	715	5.6	4.5	1.1	64 290	1.0	68.8	9.9
Västmanlands län		247 757	5 132	48	17	65	18	55	26	29	885	3.6	4.1	-0.5	108 087	-0.3	74.5	7.6
1984	Arboga	13 380	324	41	17	62	21	61	27	33	-55	-4.1	-0.5	-3.6	5 265	-1.3	77.1	6.7
1982	Fagersta	12 270	271	45	15	62	23	61	24	36	-1	-0.1	5.9	-6.0	6 486	-0.1	76.1	7.7
1961	Hallstahammar	14 955	171	87	17	62	21	60	27	33	-25	-1.6	1.0	-2.7	5 778	-0.2	75.0	6.2
1960	Kungsör	8 303	203	41	18	63	18	58	29	29	30	3.6	4.2	-0.6	3 012	0.0	78.5	6.2
1983	Köping	24 646	607	41	16	64	20	56	25	31	-23	-0.9	1.9	-2.9	11 995	0.9	76.4	6.5
1962	Norberg	5 866	421	14	16	63	20	58	26	32	-17	-2.8	1.9	-4.7	1 669	0.9	74.1	8.5
1981	Sala	21 446	1 173	18	17	64	19	56	26	30	-24	-1.1	1.3	-2.4	7 444	-1.4	75.3	4.7
1904	Skinnstäteberg	4 761	662	7	16	63	21	58	25	33	-19	-4.0	-2.4	-1.6	1 628	-1.4	73.2	6.7
1907	Surahammar	10 196	345	30	18	64	18	56	27	29	-14	-1.4	-0.5	-0.8	3 208	-2.2	76.5	5.2
1980	Västerås	131 934	956	138	17	66	17	52	26	26	1 033	7.9	6.3	1.6	61 602	-0.2	73.3	8.7
Dalarnas län		275 755	28 193	10	16	64	20	57	26	31	-309	-1.1	1.8	-2.9	124 517	0.5	72.9	8.0
2084	Avesta	21 954	615	36	15	64	21	56	23	33	-92	-4.1	1.9	-6.0	10 354	0.1	73.0	7.0
2081	Borlänge	46 987	586	80	17	66	17	52	26	27	10	0.2	0.1	0.1	24 691	0.8	71.1	8.8
2080	Falun	55 274	2 052	27	17	65	17	53	27	26	166	3.0	2.8	0.2	26 791	0.4	73.0	8.4
2026	Gagnef	10 131	772	13	19	63	18	60	31	29	20	1.9	3.3	-1.4	3 061	1.8	75.0	6.4
2083	Hedemora	15 494	838	18	16	63	21	58	25	33	-63	-4.1	0.9	-4.9	6 632	0.0	71.4	7.6
2029	Leksand	15 440	1 227	13	17	62	21	61	27	34	32	2.0	7.3	-5.3	6 438	2.2	75.8	5.6
2085	Ludvika	25 537	1 501	17	15	62	23	61	25	36	-146	-5.7	-0.8	-4.9	11 669	-0.2	71.2	8.2
2023	Malung	10 513	4 107	3	15	63	22	59	25	35	-34	-3.2	2.2	-5.4	5 243	0.7	73.8	7.9
2062	Mora	20 212	2 827	7	16	64	20	57	25	31	52	2.6	5.0	-2.4	10 641	1.2	76.1	8.1
2034	Orsa	7 020	1 744	4	16	62	22	61	26	35	11	1.5	6.8	-5.2	2 106	0.2	69.3	9.4
2031	Rättvik	10 886	1 933	6	15	59	25	68	26	43	9	0.8	7.8	-7.0	3 903	1.5	74.4	8.4
2061	Smedjebacken	10 812	953	11	15	64	20	55	24	32	-136	-12.4	-6.6	-5.7	3 523	-1.1	71.9	6.9
2082	Säter	10 989	574	19	17	65	18	55	26	28	-45	-4.1	-1.8	-2.3	3 271	-1.2	74.7	5.8
2021	Vansbro	7 061	1 550	5	16	61	22	63	27	37	-39	-5.5	1.3	-6.8	3 132	0.9	74.8	7.4
2039	Älvdalen	7 445	6 914	1	15	61	24	64	25	39	-53	-7.0	-1.8	-5.1	3 062	0.4	72.2	12.9

Footnotes at the end of the table. For methodological issues consult the technical notes.

Region Municipality	Population		Area		Population density		Population structure 2005				Population change 2002-2005			Labour market 2005				
	Number 2006				Age composition			Age dep. Ratio (3)		Total change Persons, Relative, annual average	Net migration, change, annual average	Natural annual average	Employment		Unempl. rate	Commuter balance		
					0-14	15-64	65+	Total	Young				Old	Number of persons employed			Empl. change, 2001- 2005	Empl. rate 15-64 2005
	(1)	(2)	(2)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(4)	(4)	(5)	(5)	(6)	(7)	(8)	
EU27	492 852 385	4 231 551	116	16	67	17	49	24	25	2 100 377	3.4	3.1	0.4	209 573 300	0.6	63.4	8.7	
Nordic Countries	24 776 021	1 579 694	16	18	66	16	52	27	24	97 000	3.9	2.3	1.6	11 634 286	0.1	73.2	6.6	
2510 Jokkmokk	5 534	18 143	<0.5	15	63	22	58	23	35	-100	-17.7	-11.8	-5.9	2 427	-0.3	72.1	6.7	
2514 Kalix	17 483	1 799	10	16	62	22	60	25	35	-92	-5.2	-1.3	-3.9	6 905	-1.4	67.1	10.7	
2584 Kiruna	23 135	19 447	1	17	65	18	55	27	28	-178	-7.6	-7.4	-0.2	11 137	1.0	73.2	8.7	
2580 Luleå	72 751	1 807	40	16	68	16	47	24	23	197	2.7	1.2	1.5	37 810	0.5	69.4	9.3	
2521 Pajala	6 798	7 886	1	14	56	29	78	26	52	-130	-18.6	-9.3	-9.4	2 194	-0.8	63.5	16.5	
2581 Piteå	40 873	3 086	13	17	65	17	53	26	27	104	2.6	3.0	-0.5	16 866	-0.3	70.8	9.5	
2560 Älvsbyn	8 655	1 713	5	16	62	22	62	27	36	-60	-6.8	-3.8	-2.9	3 212	-0.8	69.4	10.5	
2513 Övertiklis	3 872	2 787	1	13	59	28	69	22	47	-62	-15.5	-4.9	-10.7	1 509	-1.6	67.0	11.2	
2518 Övertorneå	5 229	2 374	2	15	59	26	70	25	44	-63	-11.9	-2.8	-9.1	1 755	-2.5	63.6	13.5	
																	-4.7	

Administrative divisions as of 1.1.2007

- (1) For the Faroe Islands, Finland, Iceland and Sweden, the figures for 2005 refer to the population on the 31.12.2005; for Denmark, Greenland and Norway on the 1.1.2006.
- (2) Denmark: total area; Finland and Sweden: land area; Norway: land area excluding Svalbard and Jan Mayen; Greenland: ice free area (the total area of Greenland is 2.2 million km²), Iceland: total area. Iceland is covered by 23 805 km² of vegetation area, of which the Reykjavik region comprises 552 km², and the other parts 23 253 km². Population density in the habitable areas of Iceland thus amounts to 317 inhabitants/km² for the Reykjavik region and 5 inhabitants/km² for the rest of Iceland.
- (3) Total age dependency ratio defined as persons aged 0-14 and aged 65 or over / persons aged 15-64 years; Young age dependency ratio defined as persons aged 0-14 / persons aged 15-64 years; Old age dependency ratio defined as persons aged 65 or over / persons aged 15-64 years.
- (4) Greenland: Net migration and natural change 2000-2003
- (5) Denmark: Employment at place of work. Register data. Faroes: Employment change defined as labour force minus unemployed persons. Finland 2004, change 2001-2004.
- (6) Denmark: Values excluding persons from divided municipalities at the municipal level
- (7) Unemployment rate = employed persons at place of residence / resident population aged 15-64. Register based data on employed persons at place of residence. Finland 2004.
- (7) Unemployment = Registered unemployment adjusted with Eurostat Labour Force Survey figures in order to render comparison between countries possible. The municipal unemployment rates in this table do therefore vary from register figures. For exact definition see chapter on technical notes. Faroes: Unemployed defined as persons registered as available unemployed in the general insurance system or receiving allowances from the social security system. The workforce of the fish processing industry, which has its own special insurance scheme, providing for supplementary compensation, is not included in these figures. Greenland: Estimates from Statistics Greenland for the first quarter of 2004, the number of unemployed persons as a share of all Greenland-born persons between 15-59 years of age living in urban settlements.
- (8) Denmark: Commuting data according to the 2007 municipal structure not available; Iceland: Commuting data not available; Finland: 2003, Jämsä and Orivesi excluding Längelmäki.
- * Due to changes in the municipal structure 1.1.2007 population figures are based on estimations. The employment figures exclude values from the divided municipalities
- Denmark: Aalestrup divided between Viborg, Vesthimmerland and Mariagerfjord; Brædstrup divided between Horsens and Skanderborg; Christiansfeld divided between Haderslev and Kolding; Egtved divided between Kolding and Vejle; Helle divided between Esbjerg and Varde; Långå divided between Favrskov and Randers; Mariager divided between Randers and Mariagerfjord; Nørager divided between Rebild and Mariagerfjord; Nørre Rangstrup divided between Haderslev and Tønder; Slangerup divided between Hillerød and Frederikssund; Sønderhald divided between Norddjurs and Randers; Tørring-Uldum divided between Vejle and Hedensted.
- Finland: Längelmäki divided between Jämsä and Orivesi

Data source: National Statistics Offices, Eurostat, Nordregio Estimates.

Table A.2 *Economic indicators for Nordic regions 2004/2005*

Footnotes at the end of the table. For methodological issues consult the technical notes.

COUNTRY Region	Gross Domestic Product 2004				Labour market 2005							
	Volume (mill. PPS) (1)	per inhabitant		per person employed		Employ- ment rate 15-64 (%) (4)	Employment of which in					
		GDP (PPS) per capita 2004, Index EU27=100	GDP per capita, per capita 1999- 2003 (% p.a.) (2)	GDP (PPS) per person empl. 2003. Index EU27=100	GDP per person empl., chge 1999- 2003 (% p.a.) (3)		Primary produc- tion (%) (5)	Manu- facturing incl. constr. (%) (5)	Service (public & private) (%) (5)	Primary produc- tion (% p.a.) (6)	Manu- facturing incl. private) (% p.a.) (6)	Service (public & private) incl. private) (% p.a.) (6)
EU27	10 529 351	100	1.7	100	1.2	63.4	5.6	29.4	65.0	-2.9	-1.2	1.9
Nordic Countries	634 081	121		108		73.4	3.2	23.0	72.5	-2.9	-2.9	0.7
DENMARK - DANMARK												
Whole country	144 648	125	1.1	106	1.2	75.9	3.6	21.1	75.3	-3.0	-0.2	1.5
Hovedstadsregionen	59 431		1.4	122	1.6	77.9	0.7	15.3	84.0	-2.1	-0.7	2.2
Frederiksborg amt	8 432	105	1.0	108		79.9	1.8	20.4	77.7	-1.0	1.4	1.5
København og Frederiksberg	24 600	193	2.1	134		73.0	0.1	8.5	91.4	-2.6	-1.7	2.6
Københavns amt	21 505	162	1.0	118		77.8	0.4	18.6	81.0	-0.1	-0.9	2.1
Roskilde amt	4 894	96	0.9	98		80.5	2.6	20.6	76.8	-1.8	1.0	2.0
Bornholms amt (excl. Christiansø)	852	91	-0.6	92	0.4	69.8	7.2	15.5	77.3	-4.3	2.1	-0.8
Fyns amt	10 672	104	0.6	99	1.2	73.2	5.8	22.4	71.8	-2.9	-1.5	1.3
Nordjyllands amt	11 510	108	0.5	98	1.0	73.9	5.5	22.3	72.2	-4.0	-0.9	1.1
Ribe amt	5 691	118	-0.4	101	0.2	77.3	6.0	28.6	65.4	-2.7	-1.3	0.5
Ringkøbing amt	7 466	126	1.1	104	1.7	78.9	7.2	32.9	59.9	-3.3	1.4	1.0
Storstrøms amt	5 152	91	0.7	98	1.5	72.1	6.1	20.2	73.7	-1.8	0.7	0.2
Sønderjyllands amt	6 258	115	0.9	107	1.9	75.5	6.5	25.7	67.8	-2.7	0.7	-0.1
Vejle amt	9 257	121	0.9	102	1.1	78.0	3.8	27.1	69.0	-2.7	0.5	2.0
Vestsjællands amt	6 230	95	0.4	101	1.0	75.2	5.0	23.4	71.6	-2.7	0.4	0.5
Viborg amt	5 812	115	0.8	98	1.1	78.2	7.6	29.5	62.9	-3.3	0.7	0.9
Århus amt	16 317	116	1.4	101	1.8	75.3	3.0	20.6	76.3	-3.5	-0.2	1.7
THE FAROE ISLANDS - FØROYAR - FÆRØERNE												
Whole country	977	98	1.7	78		87.5						
GREENLAND - KALAALLIT NUNAAT - GRØNLAND												
Whole country	947	80	1.8	91		64.1						
FINLAND - SUOMI												
Whole country	129 816	115	2.5	114	1.5	68.4	4.5	25.6	69.9	-4.2	-1.7	1.3
Etelä-Karjalan maakunta - Landskapet Södra Karelen	3 138	107	5.0	123	4.6	64.0	5.3	29.4	63.5	-4.4	-3.2	1.2
Etelä-Pohjanmaan maakunta - Landskapet Södra Österbotten	3 477	83	2.7	93	1.5	68.0	11.2	28.2	58.2	-4.3	-1.2	1.8
Etelä-Savon maakunta - Landskapet Södra Savolax	2 941	85	2.7	100	0.9	63.4	9.8	23.3	64.6	-4.3	-0.8	1.1
Itä-Uudenmaan maakunta - Landskapet Östra Nyland	2 253	114	6.7	123	6.2	73.2	4.1	29.0	65.3	-4.6	-0.8	2.1
Kainuun maakunta - Landskapet Kajanaland	1 472	79	1.5	104	0.2	57.9	8.7	21.4	67.2	-3.8	-4.4	0.2
Kanta-Hämeen maakunta - Landskapet Egentliga Tavastland	3 440	96	1.7	103	0.6	68.9	4.7	29.3	64.4	-4.9	-1.1	2.2
Keski-Pohjanmaan maakunta - Landskapet Mellersta Österbotten	1 356	89	3.1	104	2.0	69.7	11.2	27.1	59.1	-4.6	0.3	1.6
Keski-Suomen maakunta - Landskapet Mellersta Finland	5 451	95	2.4	109	1.7	62.0	5.4	27.5	65.0	-4.3	-2.0	1.9
Kymenlaakson maakunta - Landskapet Kymmenedalen	4 520	113	1.5	122	-0.1	66.9	4.5	29.0	65.1	-4.8	-1.9	1.5
Lapin maakunta - Landskapet Lappland	3 877	97	3.9	112	2.3	58.5	6.2	21.5	69.5	-2.2	-1.4	0.8
Pirkanmaan maakunta - Landskapet Birkaland	11 158	113	3.9	116	3.0	68.0	3.1	31.1	64.2	-4.7	-1.0	2.0

Footnotes at the end of the table. For methodological issues consult the technical notes.

COUNTRY Region	Gross Domestic Product 2004					Labour market 2005							
	Volume (mill. PPS) (1)	per inhabitant		per person employed		Employ- ment rate 15-64 (4)	Employment of which in				Primary produc- tion (5)	Empl. change 1998-2003 Manu- facturing incl. constr. (6)	Service (public & private) (6)
		GDP (PPS) per capita 2004, Index EU27=100	GDP per capita, chge 1999- 2003 (% p.a.) (3)	GDP (PPS) per person empl., 2003. Index EU27=100	GDP per person empl., chge 1999- 2003 (% p.a.) (3)		Primary produc- tion (5)	Manu- facturing incl. constr. (5)	Service (public & private) (5)				
EU27	10 529 351	100	1.7	100	1.2	63.4	5.6	29.4	65.0	-2.9	-1.2	1.9	
Nordic Countries	634 081	121		108		73.4	3.2	23.0	72.5	-2.9	-2.9	0.7	
Pohjois-Karjalan maakunta - Landskapet Norra Karelen	3 102	85	3.3	107	2.0	60.1	8.5	25.3	63.8	-4.4	-0.9	0.6	
Pohjois-Pohjanmaan maakunta - Landskapet Norra Österbotten	8 545	106	5.9	123	4.7	65.5	6.1	27.4	64.3	-3.9	-2.4	2.4	
Pohjois-Savon maakunta - Landskapet Norra Savolax	4 735	88	1.8	104	0.8	63.5	8.3	23.0	66.3	-5.0	-0.2	1.6	
Päijät-Hämeen maakunta - Landskapet Päijänne-Tavastland	4 021	94	2.4	103	1.0	66.4	3.8	32.9	61.6	-4.0	-1.5	1.1	
Satakunnan maakunta - Landskapet Satakunda	5 084	101	2.1	113	1.2	67.2	5.4	32.7	60.1	-3.9	-2.1	1.5	
Uudenmaan maakunta - Landskapet Nyland	45 392	157	1.8	134	0.9	74.1	0.6	18.3	79.7	-3.7	-1.9	0.7	
Varsinais-Suomen maakunta - Landskapet Egentliga Finland	11 079	114	0.6	117	0.2	71.3	4.3	28.4	65.7	-4.3	-3.1	1.7	
Landskapet Österbotten - Pohjanmaan maakunta	3 944	106	1.0	103	0.6	70.7	8.1	29.3	60.8	-3.7	-0.7	1.6	
Landskapet Åland - Ahvenanmaan maakunta	832	146	-0.3	120	-0.6	77.2	5.1	16.4	75.8	-5.5	1.3	1.3	
ICELAND - ISLAND													
Whole country	8 208	124	1.5	101	1.8	83.8	6.2	22.8	71.0				
NORWAY - NORGE													
Whole country	116 853	155	3.5	102	3.1	74.8	3.8	20.2	75.9	-1.4	-2.1	0.7	
Oslo/Akershus	36 236	173	2.3	125	3.0	76.0	0.7	12.8	85.8	0.6	-2.7	-0.5	
Akershus fylke	11 893	118	1.9			77.1	1.6	13.8	84.6	1.0	-1.6	1.8	
Oslo fylke	24 343	225	2.6			74.8	0.2	12.4	87.4	-0.9	-3.3	-1.6	
Aust-Agder fylke	2 003	93	-0.7	98	0.2	71.4	2.9	22.8	73.6	-2.6	-4.2	0.5	
Buskerud fylke	5 389	107	3.3	103	3.3	76.8	3.0	24.1	72.4	-1.7	-2.4	2.1	
Finnmark fylke - Finnmarkku fylka	1 361	89	1.9	83	2.5	72.1	7.6	15.7	75.8	-1.1	-4.1	0.2	
Hedmark fylke	3 933	100	6.1	102	6.0	72.3	7.3	21.0	71.2	-1.4	-2.7	1.4	
Hordaland fylke	11 622	126	6.0	113	6.1	76.2	2.8	22.2	74.4	-1.0	-1.1	1.2	
Møre og Romsdal fylke	5 711	112	2.0	103	2.6	74.8	6.9	26.7	65.8	-2.5	-3.5	1.0	
Nordland fylke	4 854	98	3.5	93	3.6	73.6	7.4	17.7	74.2	-0.6	-2.1	0.4	
Nord-Trøndelag fylke	2 391	90	1.6	89	2.5	70.7	11.2	20.7	67.6	-0.8	-1.5	0.8	
Oppland fylke	3 667	96	5.5	92	5.5	75.8	8.0	21.4	70.0	-1.6	-2.1	1.4	
Rogaland fylke	10 764	134	5.9	118	6.7	75.4	4.8	28.1	66.5	-1.1	0.7	1.3	
Sogn og Fjordane fylke	2 337	105	-0.1	93	0.7	76.5	9.7	25.0	64.8	-2.3	-2.9	1.1	
Sør-Trøndelag fylke	6 637	118	5.4	101	4.9	75.3	4.5	18.4	76.5	-1.2	-0.8	1.7	
Telemark fylke	3 356	97	2.2	96	2.8	72.6	2.7	25.8	70.7	-2.0	-3.7	0.3	
Troms fylke - Romssa fylka	3 253	103	4.4	89	4.7	74.4	5.6	14.5	79.4	-2.8	-1.2	0.9	
Vest-Agder fylke	3 531	106	2.8	99	2.6	74.9	2.6	23.9	72.8	-0.9	-1.6	2.1	
Vestfold fylke	4 721	104	3.7	103	4.0	73.3	2.7	22.9	73.8	-1.9	-3.2	1.5	
Østfold fylke	5 089	96	2.4	96	2.6	73.4	2.9	26.6	69.8	-1.8	-2.7	1.4	

SWEDEN - SVERIGE

Whole country

	232 632	120	2.0	111	1.3	72.30	1.9	25.3	72.8	-2.7	-0.2	2.5
Blekinge län	3 517	109	2.0	103	1.5	69.3	2.6	31.6	64.2	-3.5	-0.5	0.8
Dalarnas län	6 301	106	3.1	101	1.7	71.5	2.5	29.3	67.1	-3.2	-0.2	1.2
Gotlands län	1 227	99	4.5	99	3.1	70.9	6.8	20.0	71.2	-3.1	1.1	2.4
Gävleborgs län	6 156	103	-0.7	99	-1.1	67.9	2.4	31.0	65.3	-3.1	-0.8	1.4
Hallands län	6 042	99	3.4	105	1.9	74.8	3.4	27.2	67.5	-2.8	1.5	2.9
Jämtlands län	2 814	103	2.1	96	0.9	71.3	4.2	19.5	74.6	-4.4	0.0	1.0
Jönköpings län	7 869	111	2.1	98	1.1	78.1	2.2	37.2	59.5	-2.8	1.0	1.4
Kalmar län	5 061	100	2.5	101	1.4	69.9	3.9	32.9	61.7	-2.4	-0.2	2.2
Kronobergs län	4 315	113	1.9	97	0.9	77.6	2.6	30.9	64.4	-1.8	-1.3	2.2
Norrbottens län	6 312	116	3.6	112	2.8	68.7	1.8	22.9	73.8	-3.0	-0.8	0.7
Skåne län	27 458	110	2.2	112	1.6	69.7	2.4	24.7	71.0	-3.2	-0.8	2.9
Stockholms län	66 504	166	1.5	135	0.9	74.9	0.4	15.8	81.0	-1.1	0.7	3.3
Södermanlands län	5 344	95	1.0	99	0.3	68.8	2.4	29.1	65.8	-2.6	-0.6	2.5
Uppsala län	6 589	102	2.9	110	1.5	72.0	2.2	20.3	76.2	-3.7	1.5	2.8
Värmlands län	6 100	104	3.9	105	3.3	70.9	2.4	27.8	68.4	-1.8	-1.4	0.8
Västerbottens län	5 792	105	2.4	99	1.8	70.9	2.3	23.8	72.5	-3.5	-0.5	0.6
Västernorrlands län	5 953	113	2.0	108	0.8	71.9	2.5	24.3	72.1	-0.9	-0.7	1.0
Västmanlands län	5 661	101	0.9	102	0.5	73.6	1.9	33.0	61.7	-2.3	-0.3	1.2
Västra Götalands län	38 149	117	2.1	108	0.9	73.1	1.5	28.1	68.9	-3.2	0.6	3.0
Örebro län	6 394	109	1.9	99	1.1	69.1	2.1	28.1	68.7	-0.2	-3.0	3.3
Östergötlands län	9 073	102	1.8	99	0.9	69.8	2.5	28.4	67.9	-2.1	-1.1	2.6

Table notes

All figures excluding extra-regio territories (e.g. Norway: continental shelf & Svalbard).

Source: National Statistical Offices; DK, FI, IS, SE = Eurostat; NO, FO, GR = Nordregio (i.e. Hanell) estimates.

(1) Norway 2003; 1 PPS = 10.1 DKK (DK), 1.2 EUR (FIN), 111.7 ISK (ICE), 10.7 NOK (NOR), 11.0 SEK (SE); conversion rates: 365 days average.

(2) Norway: 2003

(3) Norway: 2000-2003

(4) Employment rate = employed persons at place of residence / resident population aged 15-64.

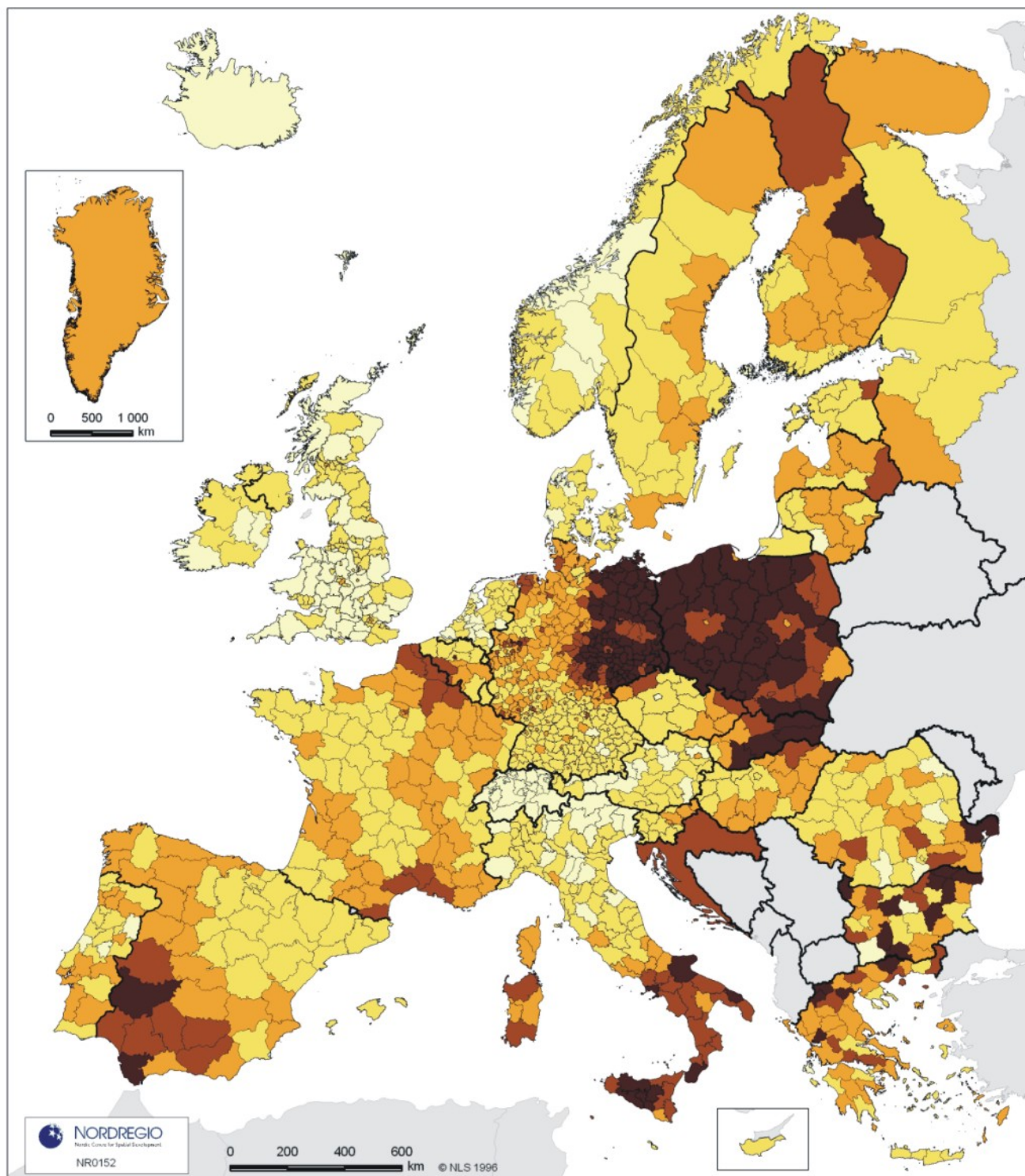
(5) 2003; EU average = EU25 (2001); Primary production: NACE sections A-B (Iceland A-C), Manufacturing incl. construction: NACE sections C-F (Iceland D-F), Public & private services: NACE sections G-Q.

(6) Denmark, Finland & Norway: 2000-2003; Sweden: 1998-2001; Nordic average excluding Iceland.

Nordic average excluding Iceland; EU average = EU15 1999-2004; Eurostat estimates.

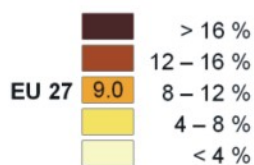
Annex of figures and tables

Figure A.1 Unemployment rate in Nordic and European regions 2005



Unemployment rate 2005*

Labour Force Survey, annual average**



Data source: Eurostat, National Statistical Offices

* Russia: 2002; Switzerland: 2000

** Russia & Switzerland: Nordregio estimates

Belgium, Northern Ireland, Scottish Highlands & Islands: NUTS2
Greece: NUTS3 and NUTS2 disaggregations; Croatia: NUTS0
Denmark, Norway: modified NUTS3 in order to create comparable capital regions. *Oslo incl. Oslo & Akershus, Copenhagen incl. København, Frederiksberg municipality and København, Frederiksberg, Roskilde county.*

Figure A.2 Net migration in the Nordic countries 1998-2005

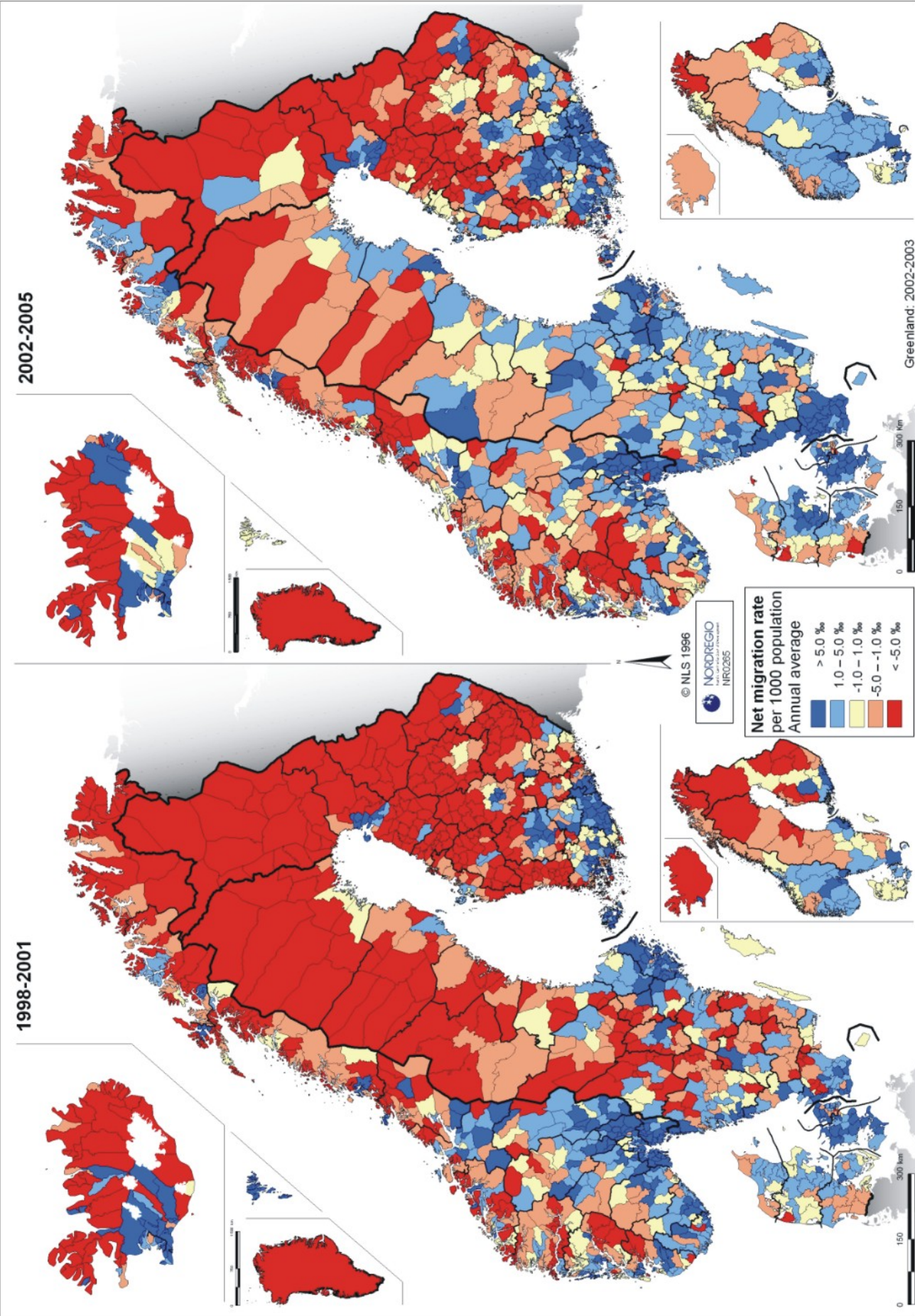


Figure A.3 Nordic population by sex and age group 2005

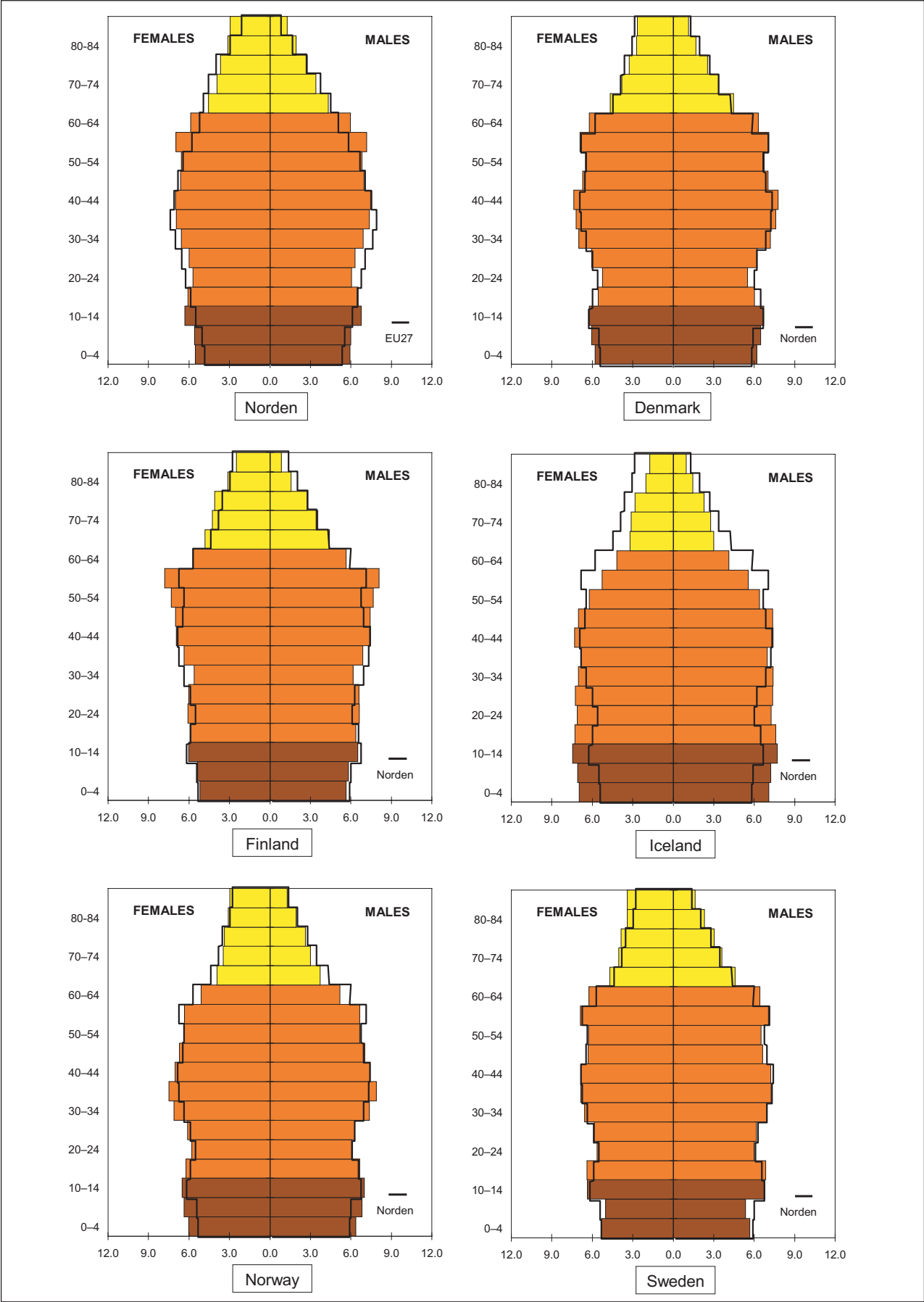


Figure A.4 Total age dependency ratio 2006

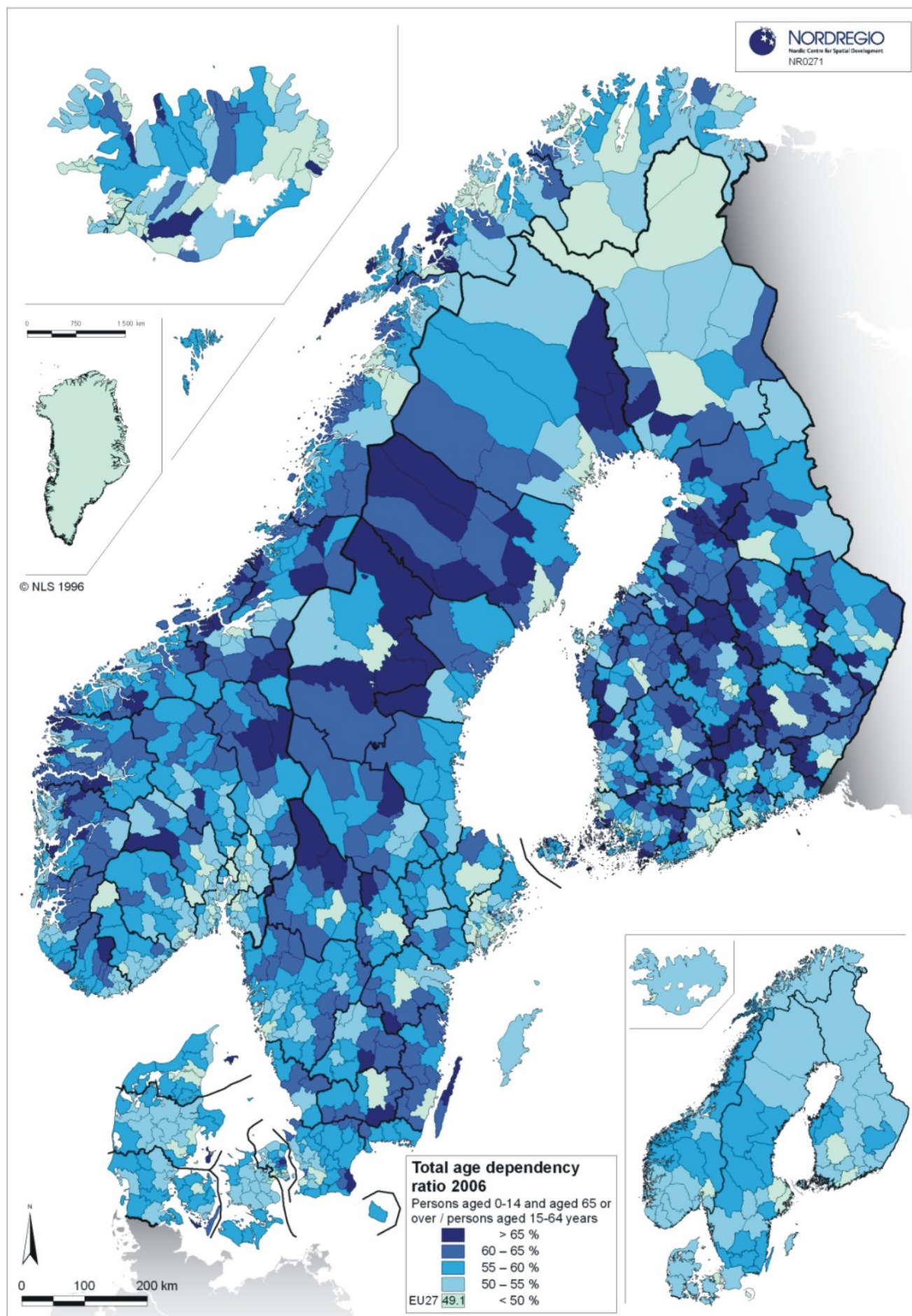


Figure A.5 Young age dependency ratio 2006

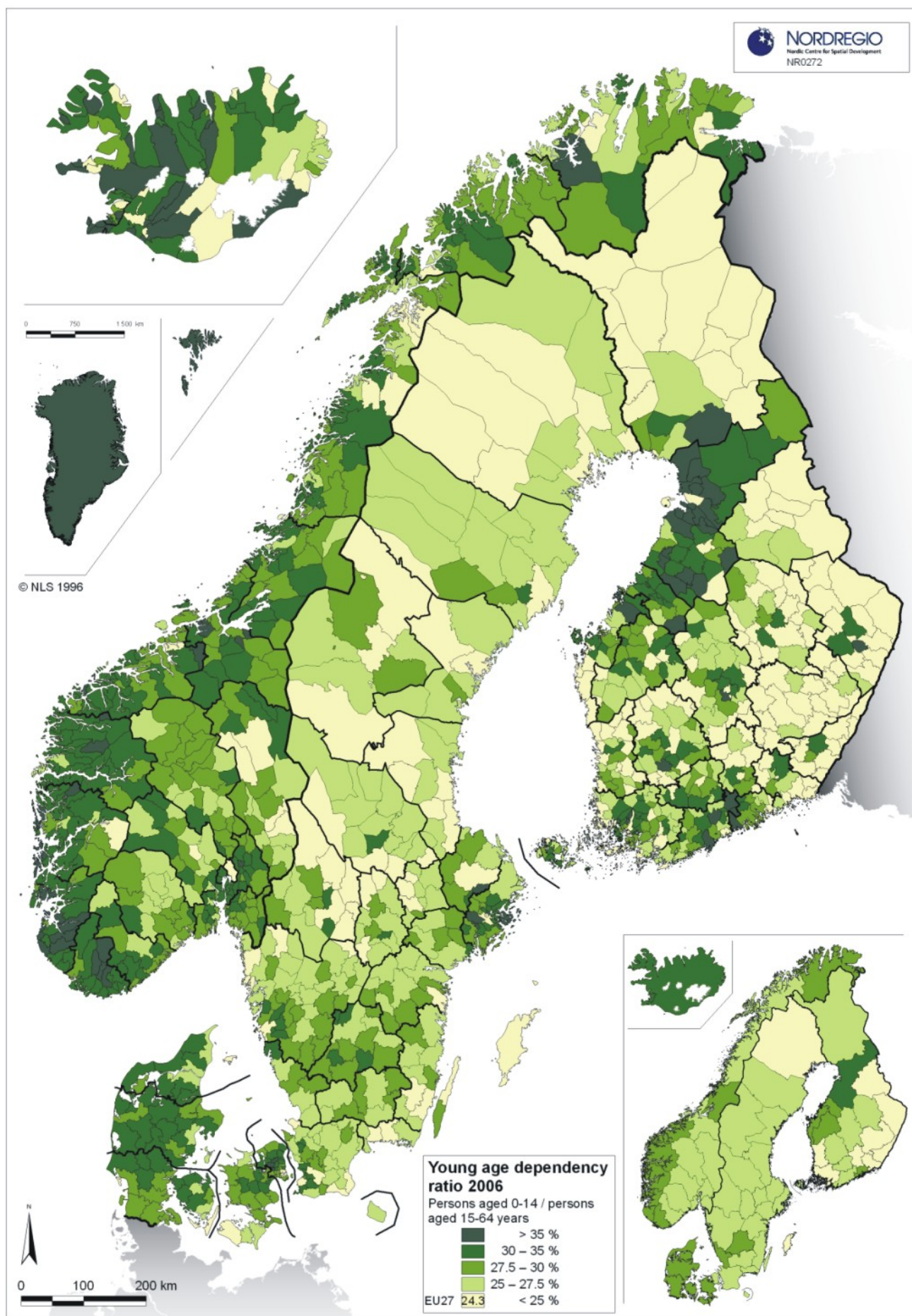
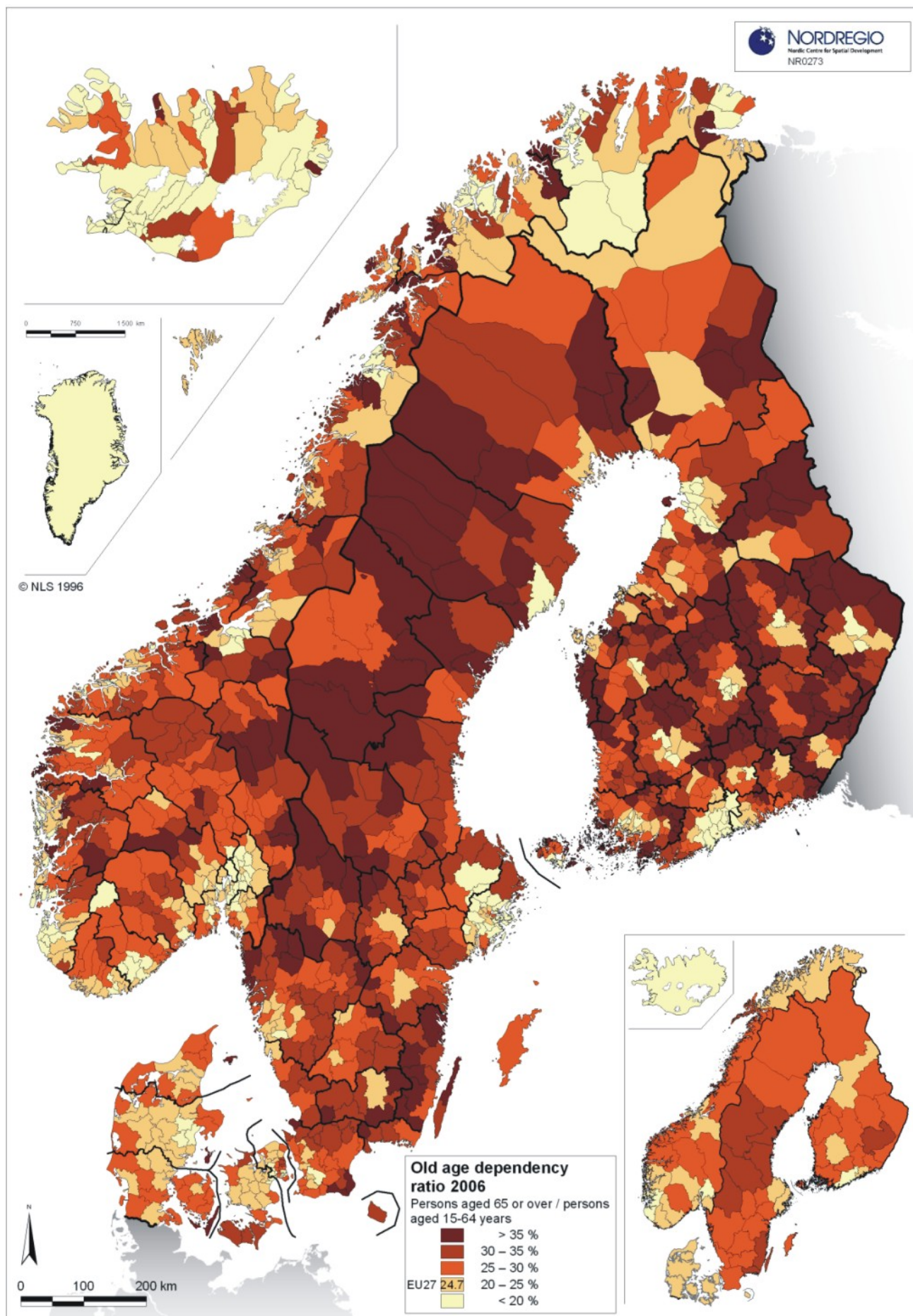


Figure A.6 Old age dependency ratio 2006



Indicative National Regional Policy Budgets in the Nordic countries

This is an indicative presentation of national regional policy budgets (and to some extent industrial policy) for each Nordic country. Comparisons between the figures presented in the tables should however only be made with great caution as other budget items, not taken up in the

present tables, may exist that have a clear influence on regional development and also fall under the 'umbrella' of regional policy. The figures for 2007 are also for the most part indicative as they continue to await parliamentary approval.

Denmark

Table A.3 Budget items related to regional policy in Denmark

Budget item	Description	Allocation (in mill.Euro)		
		2005 ¹	2006 ²	2007 ³
833	Business Development etc.*	38.6	47.1	42.0
83301	Business development**	24.7	26.3	21.2
83379	Entrepreneurship and innovation initiatives	-	4.6	4.7
835	Regional Development and Employment etc.	31.3	26.4	24.9
83501	Regional development	13.7	5.4	6.7
8350110	Co-financing European Regional Development	5.1	5.4	5.5
8350125	Further payments. additions	8.6	-	-
8350140	Co-financing of technical assistance	-	-	1.2
83502	Tourism	18.0	19.9	18.2
83504	European Social Fund. programme 1994-1999	-0.7	-	-
83505	European Social Fund 2000-2006	0.2	1.1	-

Budget items without funding are excluded. Exchange rate applied 1 DKK=0.13 Euro.

Source: Ministry of Finance, Finanslovsforslaget 2007, <http://www.oes-cs.dk/olapdatabase/finanslov/index.cgi>. 20/11/06

¹ The budget item for 2005 is defined as a budget figure, which shows the real net expenditure in this particular account 2 year before *finanslovsforslaget*.

² The budget item for 2006 is defined as the budget figure taken from the last *finanslov*.

³ The budget item for 2007 is defined as a proposed budget.

* This budget item, and the total sums for each year, include the two items of social services for elderly (hjemmeservice) of around 80-84 m DKK per year, and reading assistance (LæsInd tilskudsordning) of around 30-40 mill. DKK per year

** This budget item is further specified in *Finansministeriet, Finanslovsforslaget 2007*, including budget items like Regional industrial development: 2005 (27.9 mill. DKK); 2006 (14.2 mill. DKK) and 2007 (14.7 mill. DKK).

Finland

Table A.4 Budget items related to regional policy in Finland

Budget item	Description	Allocation (in mill. Euro)		
		2005 ¹	2006 ²	2007 ³
24.98.43	Money for developing the regions	29 905	29 880	31 380
24.98.63	EU Regional Development Fund	110 286	125 097	138 923
24.98.62	State Co-funding of EU programmes	25 247	31 162	27 307
Total		165 438	186 139	197 610

¹ Source: The Ministry of Finance, *Statsbudgeten 2007, 98. Utveckling av regionerna*. According to the balancing of the books.

² Source: The Ministry of Finance, *Statsbudgeten 2007, 98. Utveckling av regionerna*. Budget.

³ Ibid

Table A.5 Specification of money for developing the Finnish regions

Budget item	Description	Allocation (in mill. Euro)
		2007 ¹
24.98.43	Centres of Expertise Programme	8,7
	Regional Centre Programme and Urban Programmes	9.2
	Rural Policy Programme (<i>Landsbygdspolitiska helhetsprogrammet</i>)	1.0
	Programme for the Archipelago	0.2
	Not yet bound to any specific programme	12.3
Total		31.4

¹ Estimation, Budget. Source: The Ministry of Finance, *Statsbudgeten 2007, 98. Utveckling av regionerna*.

Iceland

Table A.6 Budget items concerning regional policy in Iceland

Description	Allocation (in mill. Euro)		
	2005 ¹	2006 ²	2007 ³
Strategic Regional Plan (Byggðaaáætlun)	3 449	3 145	4 018
The Institute for Regional Development	3 803	3 373	3 502
Total	7 252	6 518	7 520

Exchange rate applied 1 ISK=0.01 Euro.

¹ Source: *Fjársýsla ríkisins, Ríkisreikningar 2002-2005, Den islandske stats bevillinger til regional udvikling*.

² Information from Á. Ragnarsson, *Byggðastofnun*, 17/11/06.

³ Ibid

Norway

Table A.7 Budget items related to regional development in Norway defined by budgetary cost item

Cost item (chapter)	Descriptions	Allocation (in mill. Euro)		
		2005 ¹	2006 ²	2007 ³
551	Regional development and innovation	244.6	304.8	283.6
551.60	Transfers to county councils*	121.1	126.6	138.2
551.61	Regional business support to compensate for the partial abolition of regionally differentiated social security contributions	102.6	132.6	90.6
551.64	Development funds for Oppland county**	9.6	9.6	9.7
551.70	Transportation cost compensations	11.3	36.0	45.0
552	National cooperation for regional development	41.8	39.4	46.0
2425	<i>Innovation Norway</i> and the county councils	7.8	-	-
Total		538.8	649.0	613.1

Exchange rate applied 1 NOK= 0.12 Euro

¹ Source: St.prp. nr. 1 (2006-2007) KRD table 3.2.

² Ibid

³ Source: St.prp. nr. 1 (2006-2007) KRD table 3.2; proposed budget.

* Out of the 855 mill. NOK distributed through chapter 551.60, the main expenditures in 2005 were directed towards competence development (208 mill. NOK), local business development (198 mill. NOK) and traffic and transportation /physical infrastructure development (145 mill. NOK)

** Regional experiment in regional en-bloc transfers. Funding would otherwise have been included in 551.60

The bulk of the expenditures under chapter 552 (national cooperation for regional development) were in 2005 directed towards various initiatives administered by the na-

tional regional policy implementation authorities – IN, NRC, SIVA and others. In more detail, the expenditures were divided as specified in Table A.8.

Table A.8 *Distribution of expenditure items in Norway 2005-2006 – national cooperation for regional development by agency and major themes*

Regional Agency	Programme/theme	Allocation (in mill. Euro) ¹	
		2005	2006 (provisional)
Innovation Norway	ARENA, Centres of expertise, BIT, women in focus NT-programme, FRAM, local industrial restructuring	12.8	15.7
SIVA	Industry incubators, industry estates and -parks	8.5	7.9
Norwegian Research Council	FORNY, VS2010, MOBI, KUNI	4.3	4.6
Small communities	MERKUR, detail trade and local communities	1.0	2.8
Culture and commerce			1.0
Young entrepreneurship		0.3	0.7
International cooperation	Interreg, Barents secretariat etc.	3.7	3.7
Total		30.5	36.3

Exchange rate applied 1 NOK= 0.12 Euro

¹ Budget item "552 National cooperation for regional development" includes sub-items "552.21 Studies, evaluation and information" and "552.72 National measures for regional development". In the table only item 552.72 is shown.

Source: St.prp. nr. 1 (2006-2007) KRD table 3.12.

Sweden

Table A.9 *Budget items related to regional policy and development in Sweden*

Budget item	Description	Allocation (in mill. Euro)			
		2005 ¹	2006 ²	2006 ³	2007 ⁴
33,1	General regional policy measures (incl. co-financing Regional Growth Programmes)	162.3	162.2	167.0	164.5
33,3	Transport aid	41.2	55.6	54.9	39.5
38,2	Industrial development etc.	20.9	30.1	32.5	41.2
	Total	224.4	247.9	254.4	245.2

¹ Result (utfall) 2005.

² Budget 2006.

³ Forecast 2006.

⁴ Proposed budget 2007.

Exchange rate applied 1 SEK= 0.11 Euro

Source: The Ministry of Finance, *Budgetpropositionen för 2007, Utgiftsområde 19 (Regional utveckling)* and one budget item from *Utgiftsområde 24 (Näringsliv)*.

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Regions and municipalities in the Nordic countries

Map companion to 'Regional Development in the Nordic countries 2007'



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Regions

Country	Name	Number of regions	Population 2006*			Land area (km ²)			Population density (inh./km ²)		
			Smallest	Median	Largest	Smallest	Median	Largest	Lowest	Median	Highest
Denmark ¹	Region	5	691 529	1 145 427	1 633 473	2 568	10 330	12 603	76	104	636
Finland	Maakuntaliitto ²	19+Åland	26 776	185 498	1 359 150	1 555	9 311	92 856	2	20	213
Norway	Fylkeskommune	19	72 937	229 181	538 411	427	14 684	46 499	2	15	1 262
Sweden	Län	21	57 488	273 288	1 889 945	2 941	10 562	98 911	3	32	291

Municipalities

Country	Name	Number of municipalities	Population 2006*			Land area (km ²)			Population density (inh./km ²)		
			Smallest	Median	Largest	Smallest	Median	Largest	Lowest	Median	Highest
Denmark ¹	Kommune	98	2 091	43 505	501 158	9	361	1 489	18	113	10 474
Finland	Kunta ³	400 + 16	127	4 874	560 905	6	422	15 185	<1	11	3 010
Iceland	Sveitarfélag	79	42	498	114 968	2	495	8 916	<1	1	2 236
Norway	Kommune	431	209	4 448	538 411	6	453	9 082	<1	9	1 734
Sweden	Kommun	290	2 253	15 252	771 038	9	669	19 447	<1	26	4 117

* Population Denmark and Norway 1.1.2006, Finland and Sweden 31.12.2005.

¹ Total area ² Swedish: Landskapsförbund ³ Swedish: Kommun

Municipality boundaries 1.1.2007

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European Territorial Co-operation 2007-13

