OECD Regions at a Glance 2013 – Finland Profile

http://rag.oecd.org

Did you know?

In the OECD, Finland has the 11th lowest disparities across regions in youth unemployment rates.

Sub-national governments spent 54% of their budget on health and social protection compared to 30% in the OECD area.

Helsinki metropolitan area concentrates 27% of the national population and 37% of GDP.

Regional dynamics

GDP per capita, 2010

Finland had the 17th largest regional disparities in GDP per capita in OECD countries in 2010. In the past decade regional growth range from +2.2% annually in Helsinki-Uusimaa to +0.6% in Southern Finland.

Unemployment rate, 2012

In 2012, the highest unemployment rate is found in Eastern and Northern Finland (9.5%) which has also the highest youth unemployment rate (22.2%).

Source: OECD Regional database. GDP per capita and GDP growth are based on USD constant PPP, constant prices (year 2005).
How do the richest and poorest regions fare on social and environmental dimensions?

**Highest GDP per capita region:**

**Helsinki-Uusimaa**

**Lowest GDP per capita region:**

**Eastern and Northern Finland**

How to read the graph: For each dimension, regions have been assigned values from 0 to 10 based on their rank among all OECD regions and on the latest available data: 10 is the best performance and 0 is the lowest. The OECD median region is equal to 5. The more the radar graph is covered, the better the performance of the region among OECD regions.

Helsinki-Uusimaa fares better than the OECD median region in all dimensions, except for environment. In contrast, Eastern and Northern Finland, the Finnish region with the lowest GDP per capita in the country, fares better than the median region in education.

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Indicators</th>
<th>Helsinki-Uusimaa</th>
<th>Eastern and Northern Finland</th>
<th>Finland</th>
<th>OECD average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>Household income per capita, 2010 (USD PPP per capita)</td>
<td>17 681</td>
<td>14 002</td>
<td>15 444</td>
<td>18 775</td>
</tr>
<tr>
<td>Labour</td>
<td>Unemployment rate, 2012 (%)</td>
<td>6.3</td>
<td>9.5</td>
<td>7.7</td>
<td>8.1</td>
</tr>
<tr>
<td>Education</td>
<td>Share of work force with tertiary education, 2012 (%)</td>
<td>45.9</td>
<td>33.8</td>
<td>38.2</td>
<td>28.4</td>
</tr>
<tr>
<td>Health</td>
<td>Life expectancy, 2010 (years)</td>
<td>80.5</td>
<td>79.7</td>
<td>80.2</td>
<td>79.8</td>
</tr>
<tr>
<td>Environment</td>
<td>CO₂ per capita, 2008 (tonnes per person)</td>
<td>21.9</td>
<td>17.5</td>
<td>20.0</td>
<td>10.7</td>
</tr>
<tr>
<td>Innovation</td>
<td>No. of patents per million people, 2010</td>
<td>..</td>
<td>..</td>
<td>282.1</td>
<td>108.8</td>
</tr>
</tbody>
</table>

Source: OECD Regional database. Household disposable income per capita data are based on USD constant PPP, constant prices (year 2005).

Note: OECD regions refer to the first administrative tier of sub-national government; Finland is composed by 5 regions (Suuralueet).
Sub-national government finance

Sub-national governments have a key role in public investment
*Sub-national government public investment per capita, 2012*

In Finland **73%** of the **total public investment** was carried out by sub-national governments (SNG) compared to **72%** in the **OECD area**. SNG investment has increased in Finland from **USD 617 per capita** in 2007 to **USD 720 per capita** in 2012.

**Sub-national government expenditure by function, 2012**
*As a share of total SNG expenditure*

**Finland**
- Health: 29%
- Social protection: 25%
- Education: 18%
- General public services: 15%
- Economic affairs: 7%
- Other: 5%
- Housing and community amenities: 1%

**OECD average**
- Health: 18%
- Social protection: 12%
- Education: 27%
- General public services: 14%
- Economic affairs: 14%
- Other: 13%
- Housing and community amenities: 3%

**Sub-national expenditure per capita:** **USD 8 906** **USD 6 173**

Sub-national government expenditure accounts for **41%** of the **total public expenditure** and **23%** of **GDP** in Finland, compared to 40% and 17% respectively, in the OECD area. It corresponds to **USD 8 906 per capita** and USD 6 173 in the OECD area. Health and social protection are the two largest spending items for SNGs in Finland: together they represent **54%** of sub-national expenditure compared to **30%** in the **OECD area**.

*Source: OECD National Accounts database.*
In Finland, 52% of the population lives in cities of different sizes. The share of population in the metropolitan area of Helsinki (the only urban area with more than 500 000 people) is 27% compared to 49% in the OECD area.

The metropolitan area of Helsinki in Finland concentrates 37% of national GDP and 31% of employment. In 2000-10 it accounted for over 47% of GDP growth.

OECD Regions at a Glance 2013

This edition of OECD Regions at a Glance shows how regions and cities contribute to national growth and the well-being of societies. It updates its regular set of region-by-region indicators, examining a wide range of policies and trends and identifying those regions that are outperforming or lagging behind in their country.

New to this edition:
- The role of OECD metropolitan areas in countries’ development
- Recent trends in public investment, revenues and the debt of subnational governments

Consult this publication on line: http://dx.doi.org/10.1787/reg_glance-2013-en