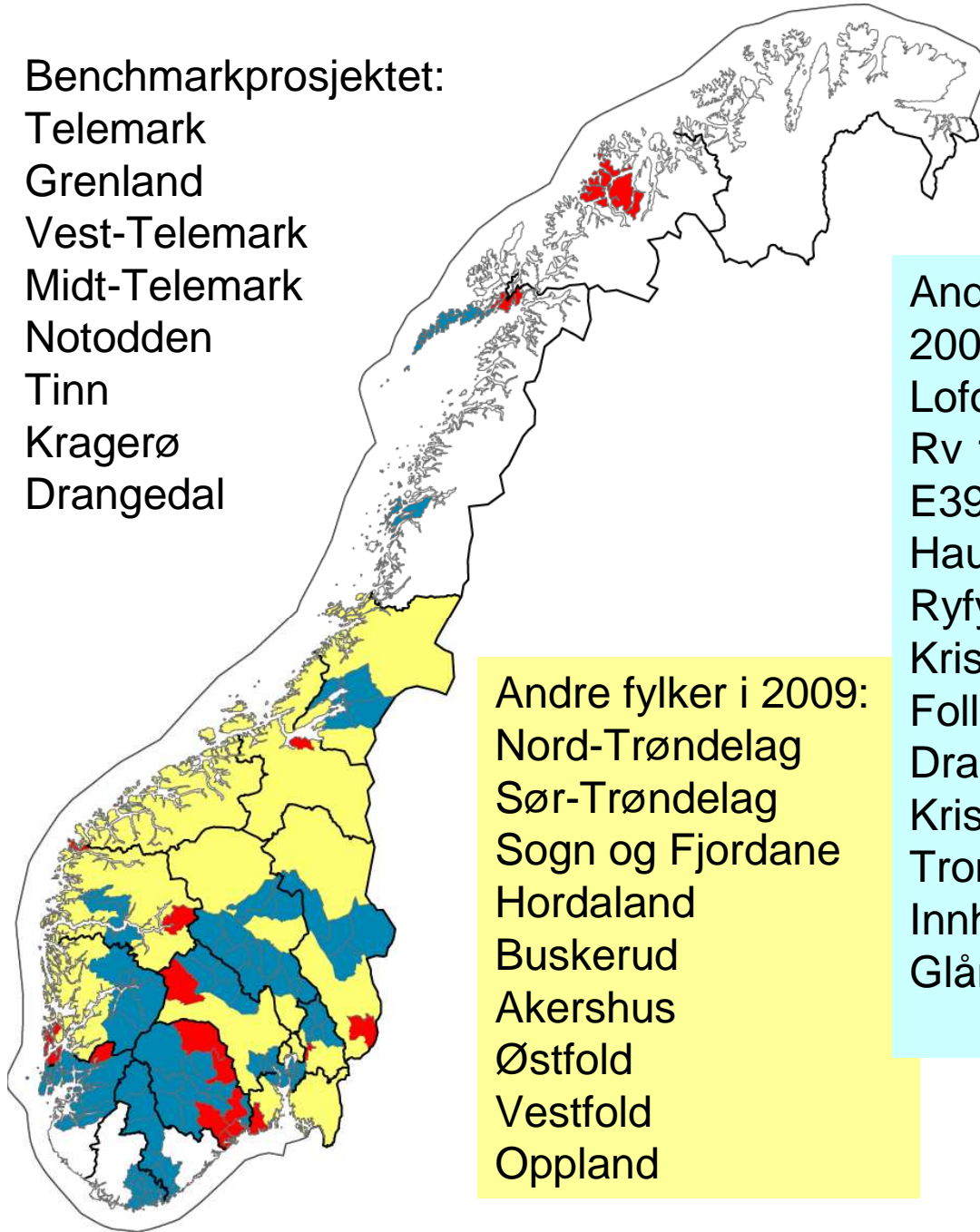


Attractiveness Barometer

Riga 2. December 2009

Benchmarkprosjektet:

Telemark
Grenland
Vest-Telemark
Midt-Telemark
Notodden
Tinn
Kragerø
Drangedal



Andre fylker i 2009:

Nord-Trøndelag
Sør-Trøndelag
Sogn og Fjordane
Hordaland
Buskerud
Akershus
Østfold
Vestfold
Oppland

Andre regioner i

2009:

Lofoten
Rv 13
E39 SF
Haugalandet
Ryfylke
Kristiansand
Follo
Drammensregionen
Kristiansandregionen
Trondheimsregionen
Innherred
Glåmdal

Andre kommuner i
2009:

Vågsøy
Årdal
Giske
Sauda
Lørenskog

NHOs Attraktivitetsbarometer
publiseres 4 December

First – what is regional development, and how do we measure it?

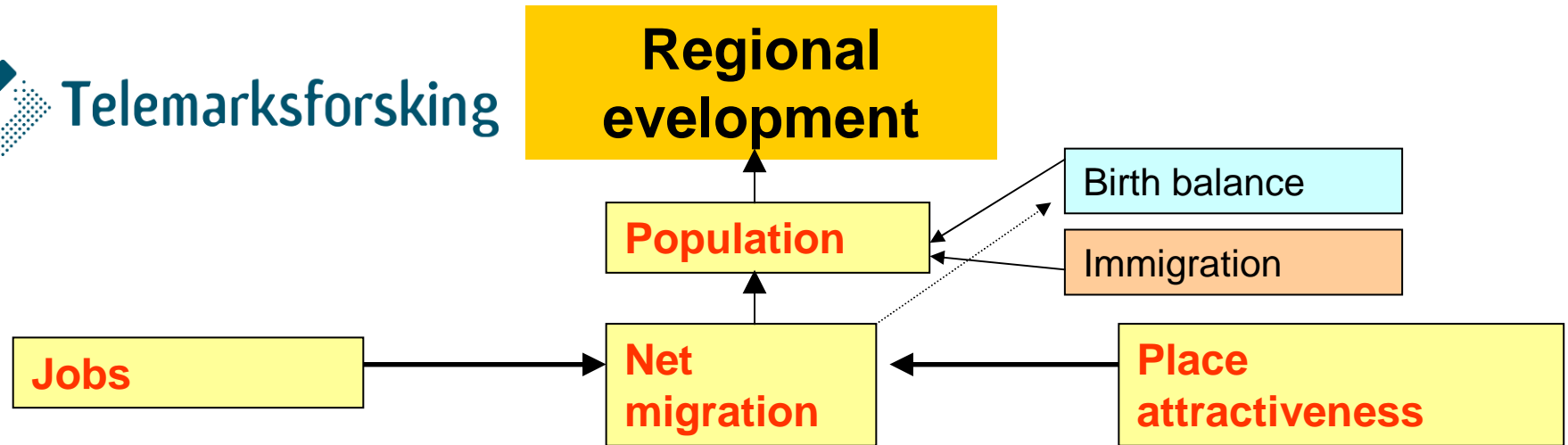
Regional development can be measured in many ways:

- GDP – measures the total economy
- Average income (economical welfare)
- Number of jobs
- Quality indicators (happiness, equality)

net migration of people is our choice

We have chosen to explain net migration between regions to two main factors:

1. Growth in number of jobs
2. Attractiveness for settlement



Three thesis:

- 1: Population growth is the most important indicator for regional development
- 2: Net migration is the most important factor for population growth
- 3: Net migration is influenced by growth in number of jobs and attractiveness

There is a clear positive correlation between job growth and net migration.

But many regions have a net migration that is far away from the predicted value.

Some attracts people even with low growth in number of jobs.

Other regions have a negative net migration even with high growth in number of jobs

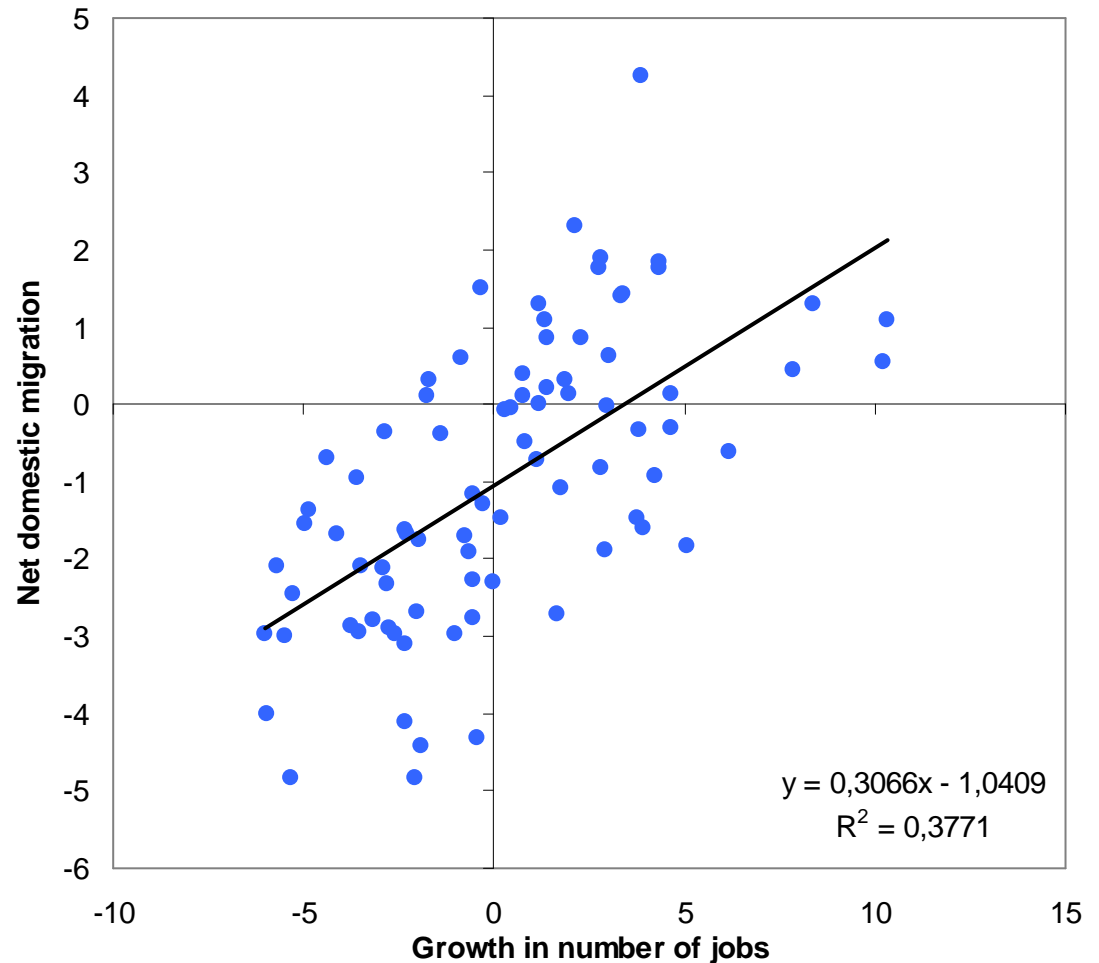


Figure 1: Net domestic migration in percent of population and growth in number of jobs, percent from median, in 83 Norwegian regions for the period 2006-2008.

The indicator for Attractiveness is the horizontal difference between the net migration in a region, and the predicted value, based on the growth in number of jobs in the actual region.

Based on a three year period

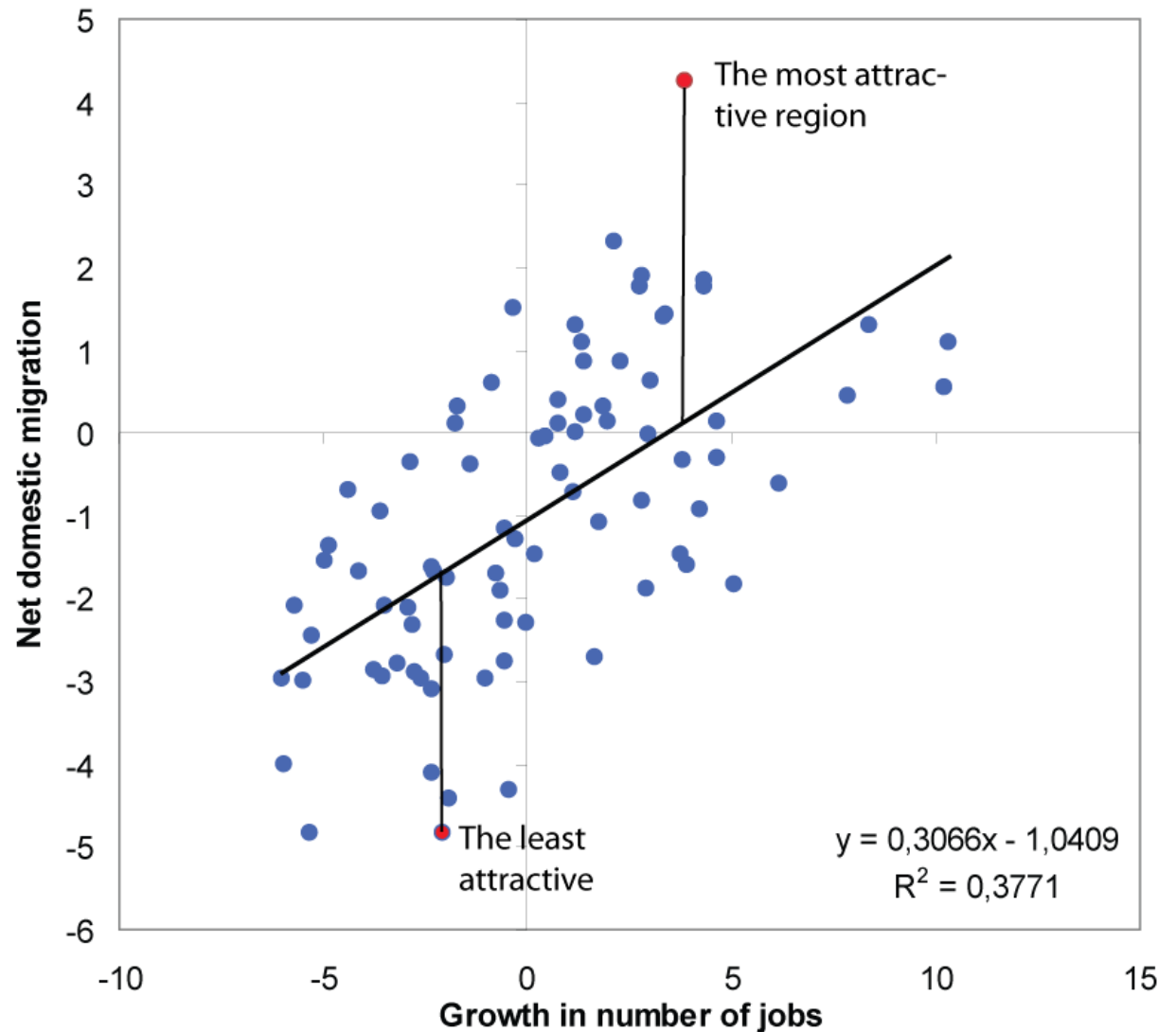
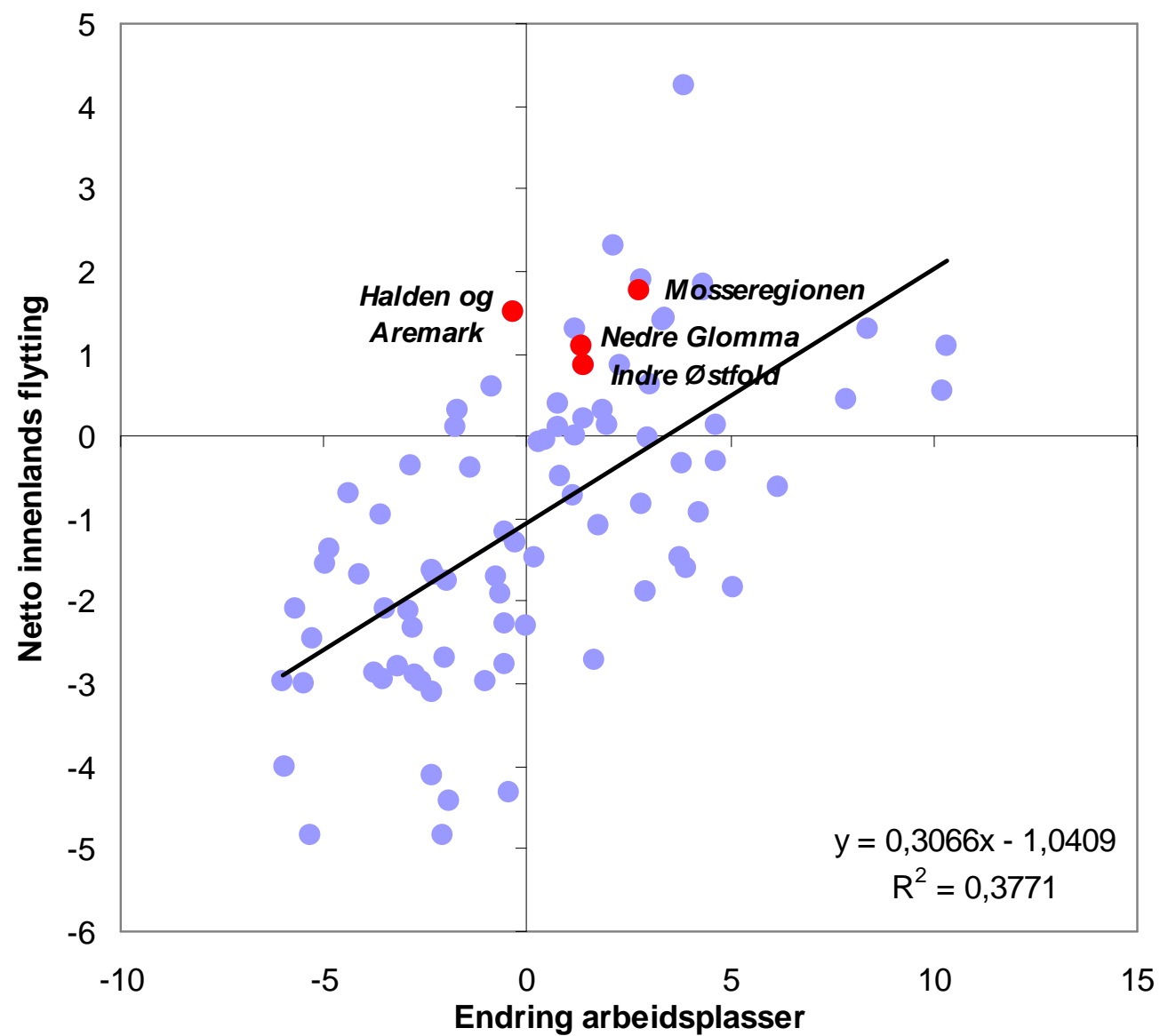
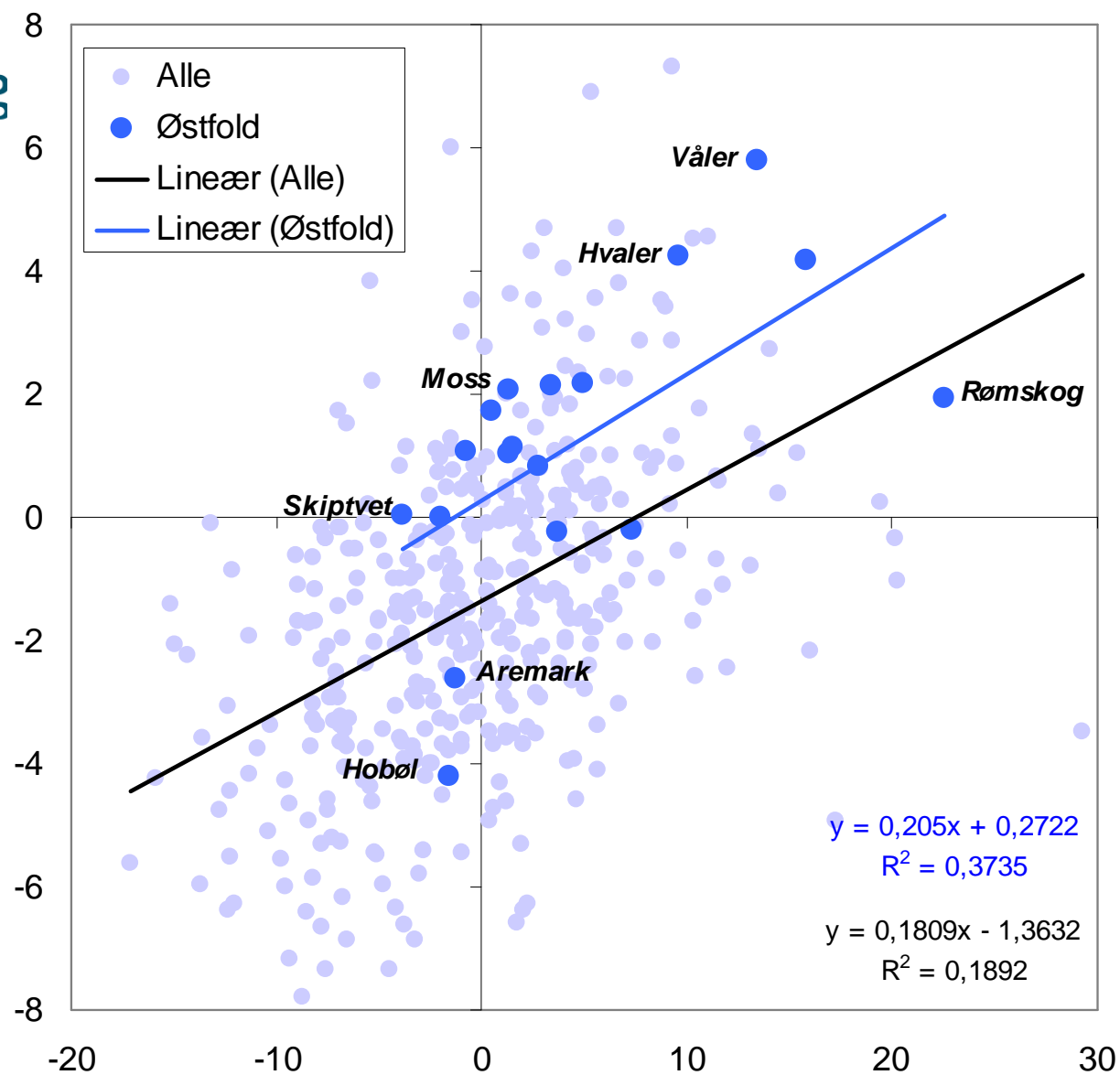


Figure 2: Attractiveness indicator

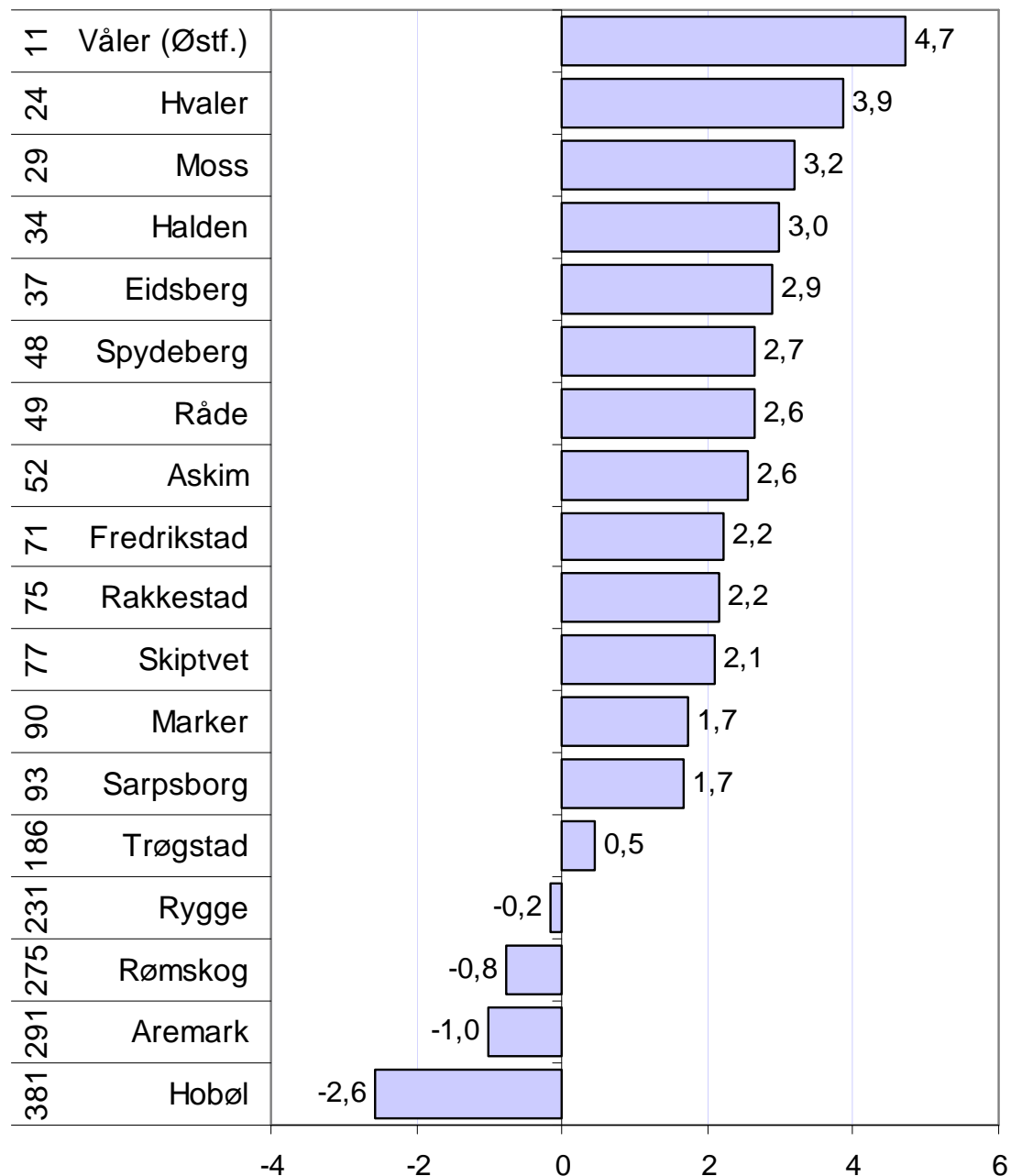
The regions of the county
of Østfold



The municipalities of Østfold



The municipalities of Østfold



The conclusion is:

Attractiveness is a driving force behind regional development that is stronger, or at least as strong, as the development in number of jobs.

How can the migration number and the number of jobs differ so much?

- People may chose to settle in an attractive neighbour region, and commute to the less attractive region.
- En extra job in a less attractive region may attract one person, that stays there until he/she can return. If the region was attractive the same person might bring his family. The effect of an extra job is therefore more powerful in attractive regions.
- A person that loses his job in an unattractive region will move quickly to an attractive region if he gets a job there. A person who lives in an attractive region will stay. (Attractive regions may have higher unemployment rates).
- Some people don't work. They can settle everywhere, and naturally choose attractive regions.

Attractiveness

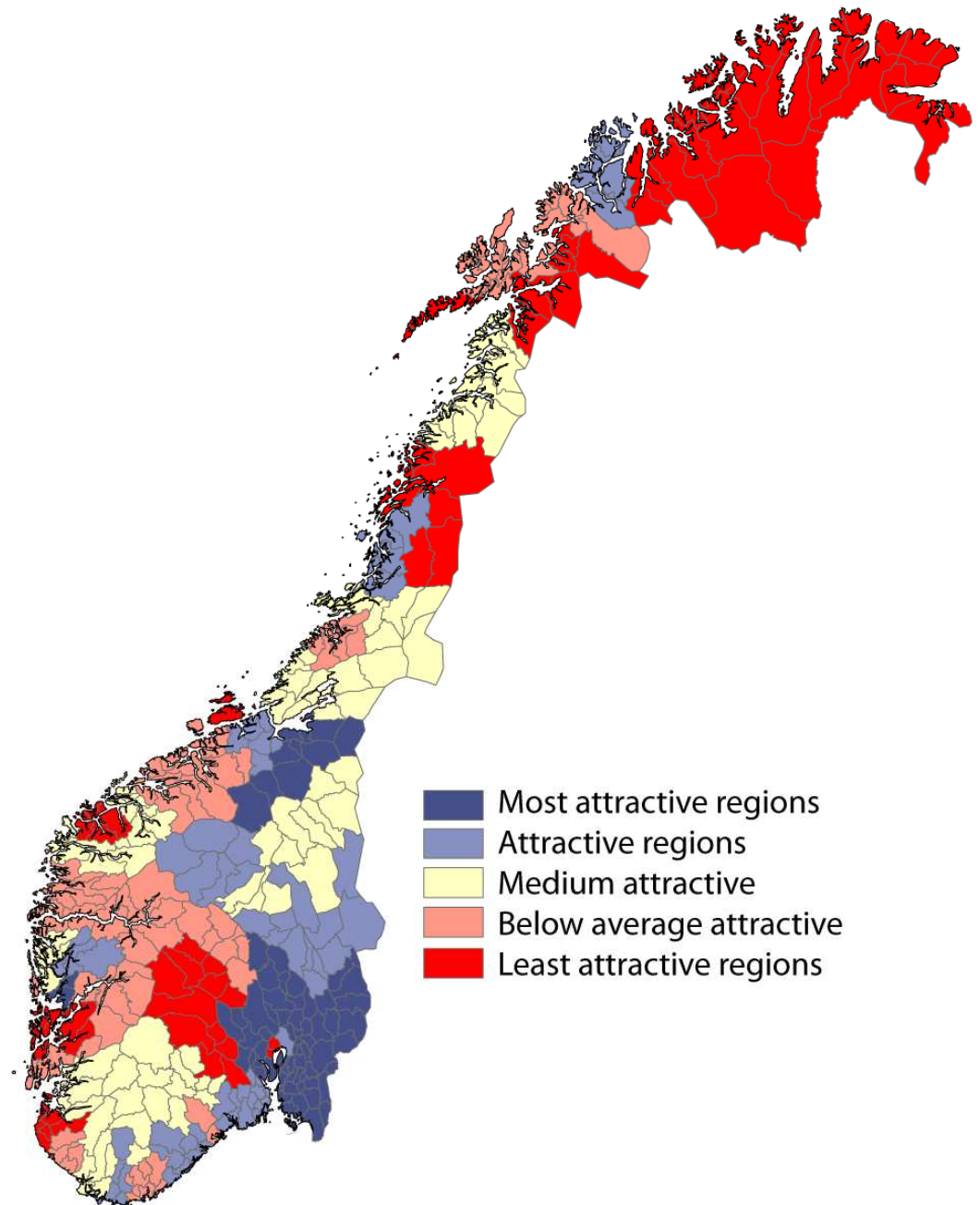
Why is it more important now?

- More and more people are commuting
- A growing share of businesses is based on local demands
- (lack of competent work force in many businesses/regions)

Attractiveness Barometer for regions in Norway – 2006-2008

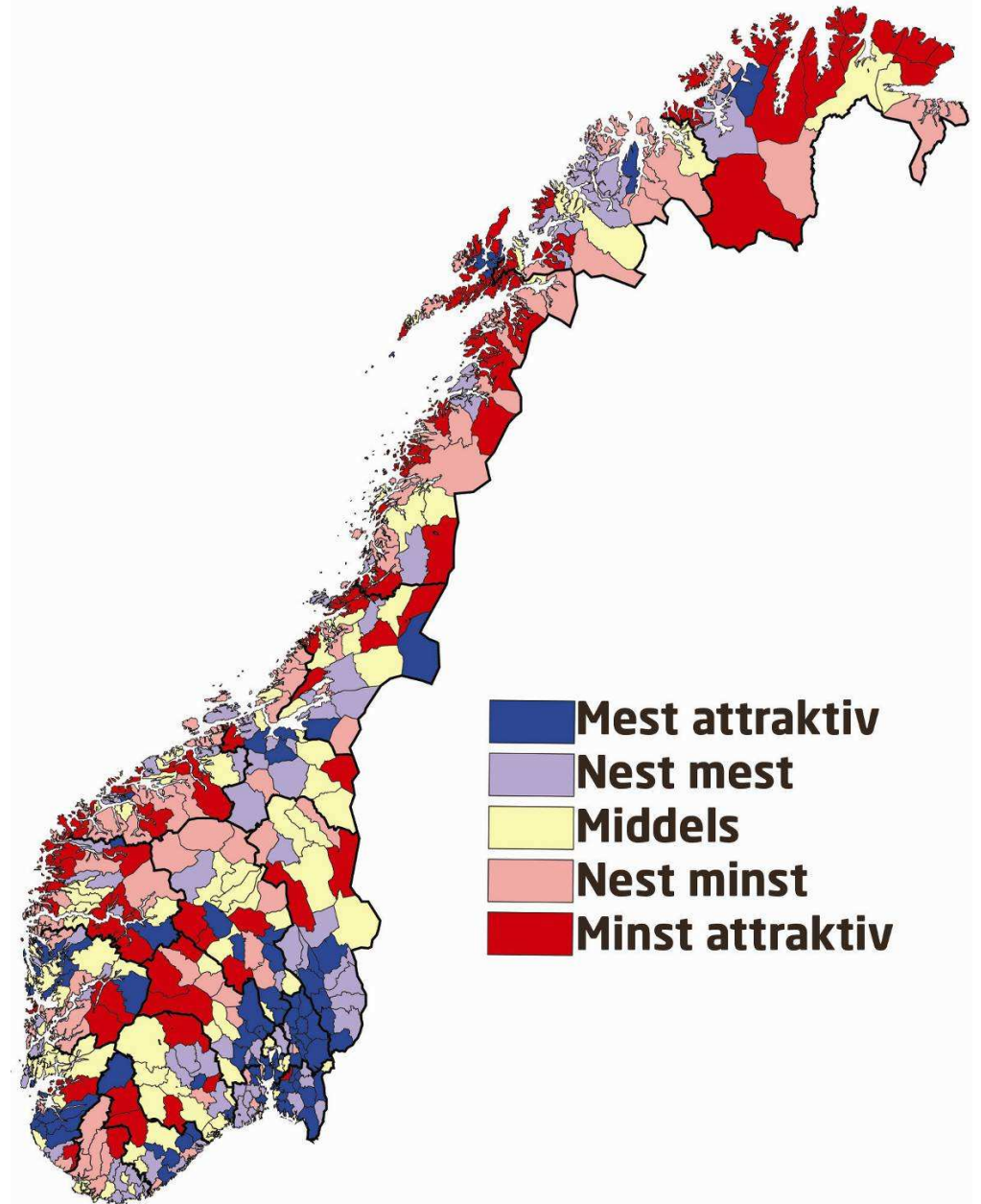
Regions near the three biggest cities are attractive.

Peripheral regions are unattractive



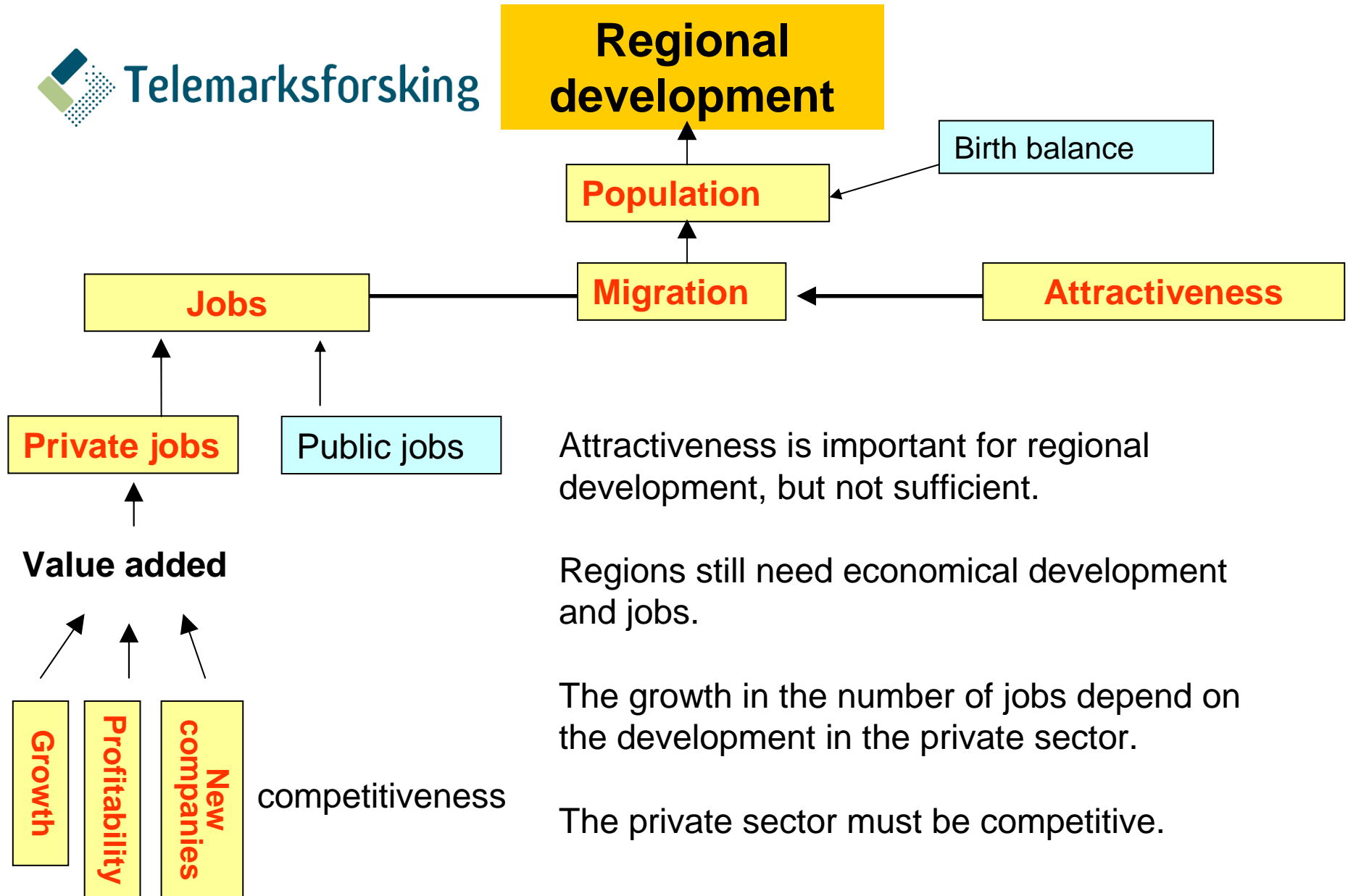
The Attractiveness Barometer can be applied to different geographical levels.

The Attractiveness barometer for the municipalities shows that municipalities in the periphery can become attractive



Attractiveness is important for regional development, but not sufficient.

Regions still need economical development, and jobs



Attractiveness is important for regional development, but not sufficient.

Regions still need economical development and jobs.

The growth in the number of jobs depend on the development in the private sector.

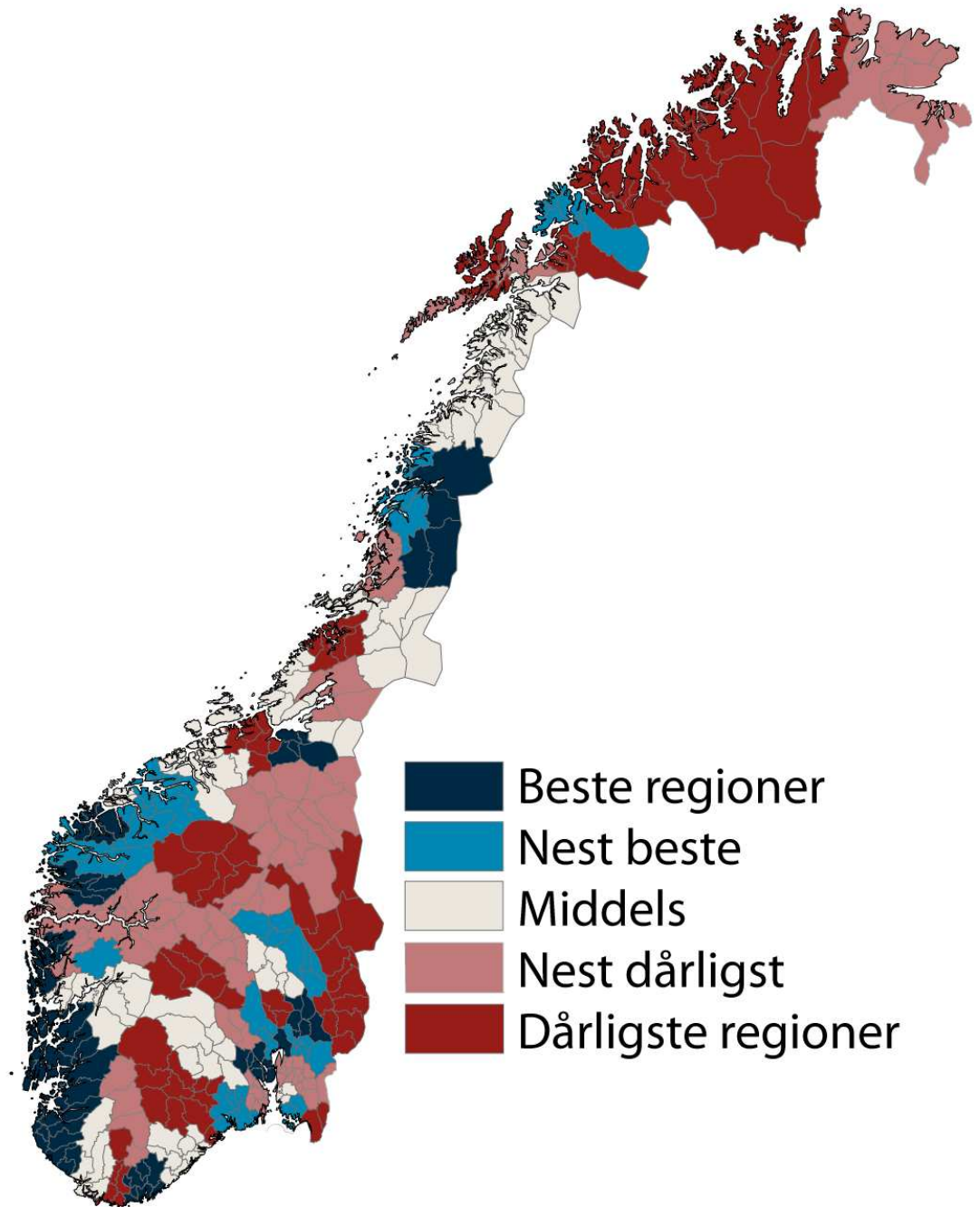
The private sector must be competitive.

We can measure competitiveness in the private sector (companies) by four indicators:

1. Growth in sales and value added
2. Profitability
3. New establishments
4. Relative size

We have a competitiveness barometer as well.

Competitiveness and attractiveness have different patterns.



Lets go back til attractivity

Attrativeness can be mesured for different groups:

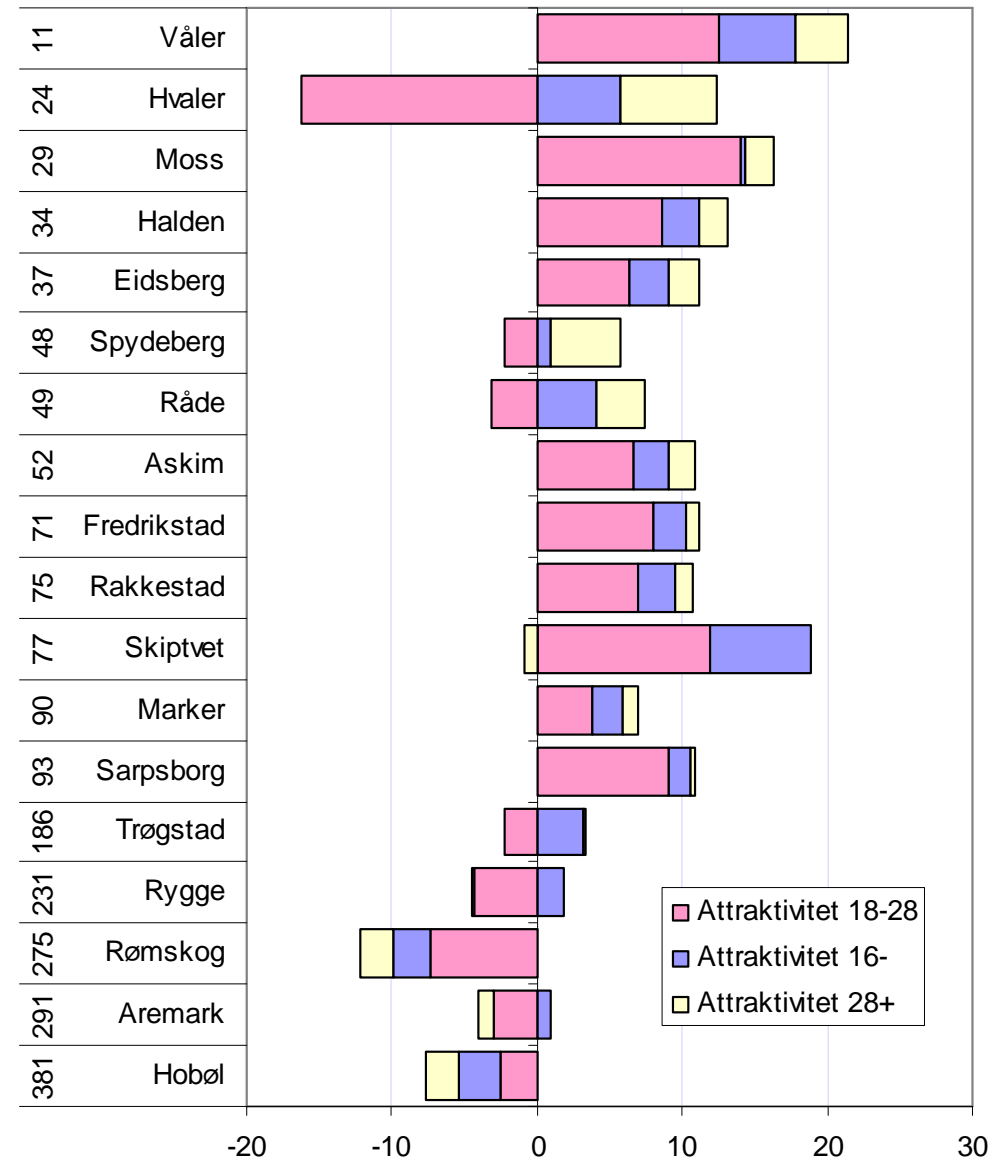
Young adults: age between 18-28

Families: Children below 16

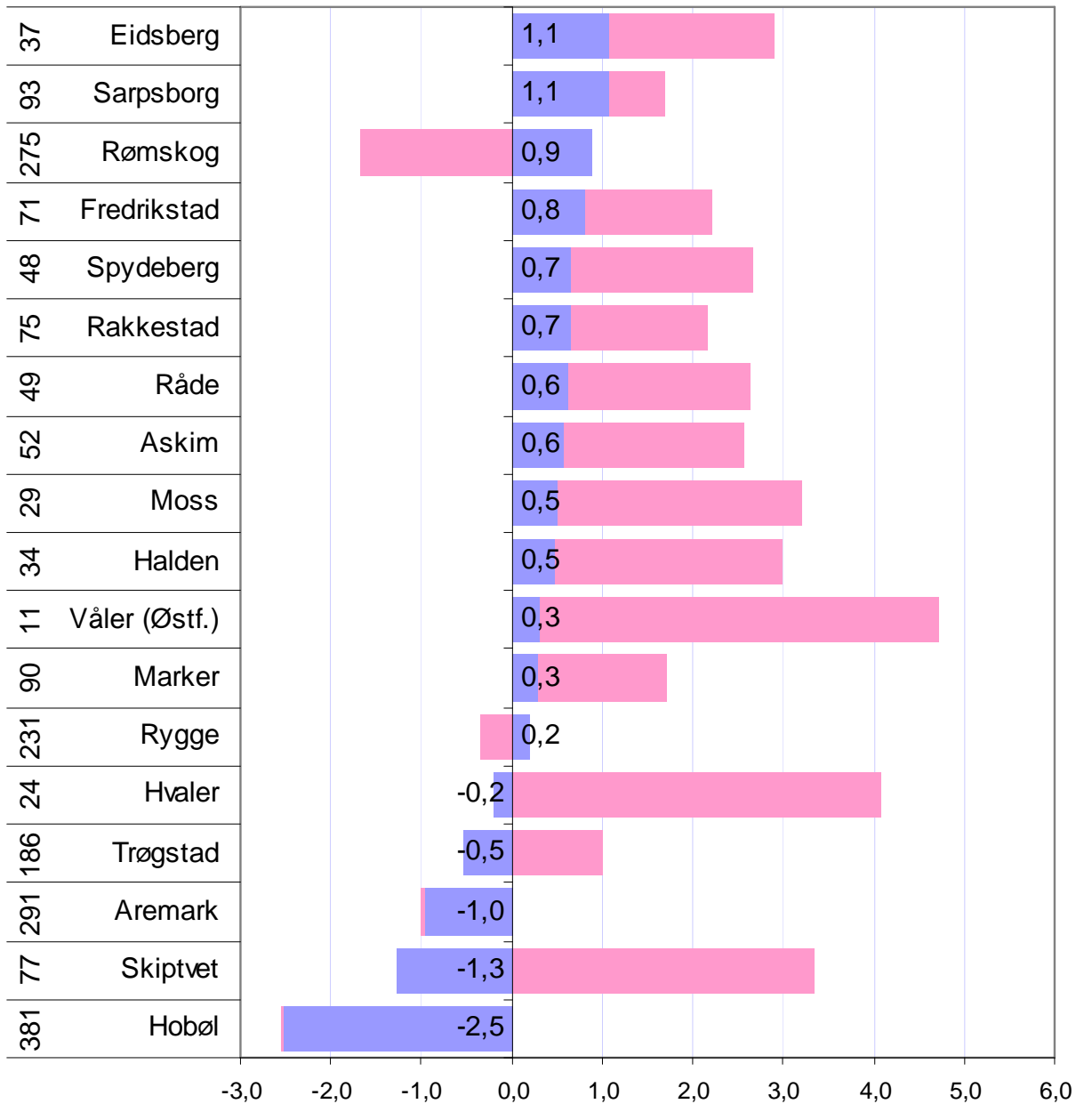
Immigrants

Groups should be defined if we can identify different migration patterns. Important: Do we have migration data?

Attractiveness for different age groups in municipalities of Østfold



Net migration of immigrants
from other parts of Norway
compared to the
attractiveness index



Attractiveness barometer can tell us:

Is your region/city/municipality attractive or not

-For people in general

- for different groups of people

-Which type of regions are systematically attractive (why are some regions attractive)

Result from analyses of Norwegian Regions

Attractive regions have:

- A big population
- Possibilities to commute to neighbour regions (accessability)
- Growth in the number of jobs in neighbour regions/municipalities
- House construction
- Many cafes, restaurants and pubs

For young adults age 18-28:

High population (biggest cities)

Universities

We want to make an attractiveness barometer for every region and municipality in TransInForm.

Which data do we need?

Population

Birth balance

Net immigration

Net migration to other regions in the same country

Number of jobs (public and private)

Number of employed

For every year from 2000 to 2008

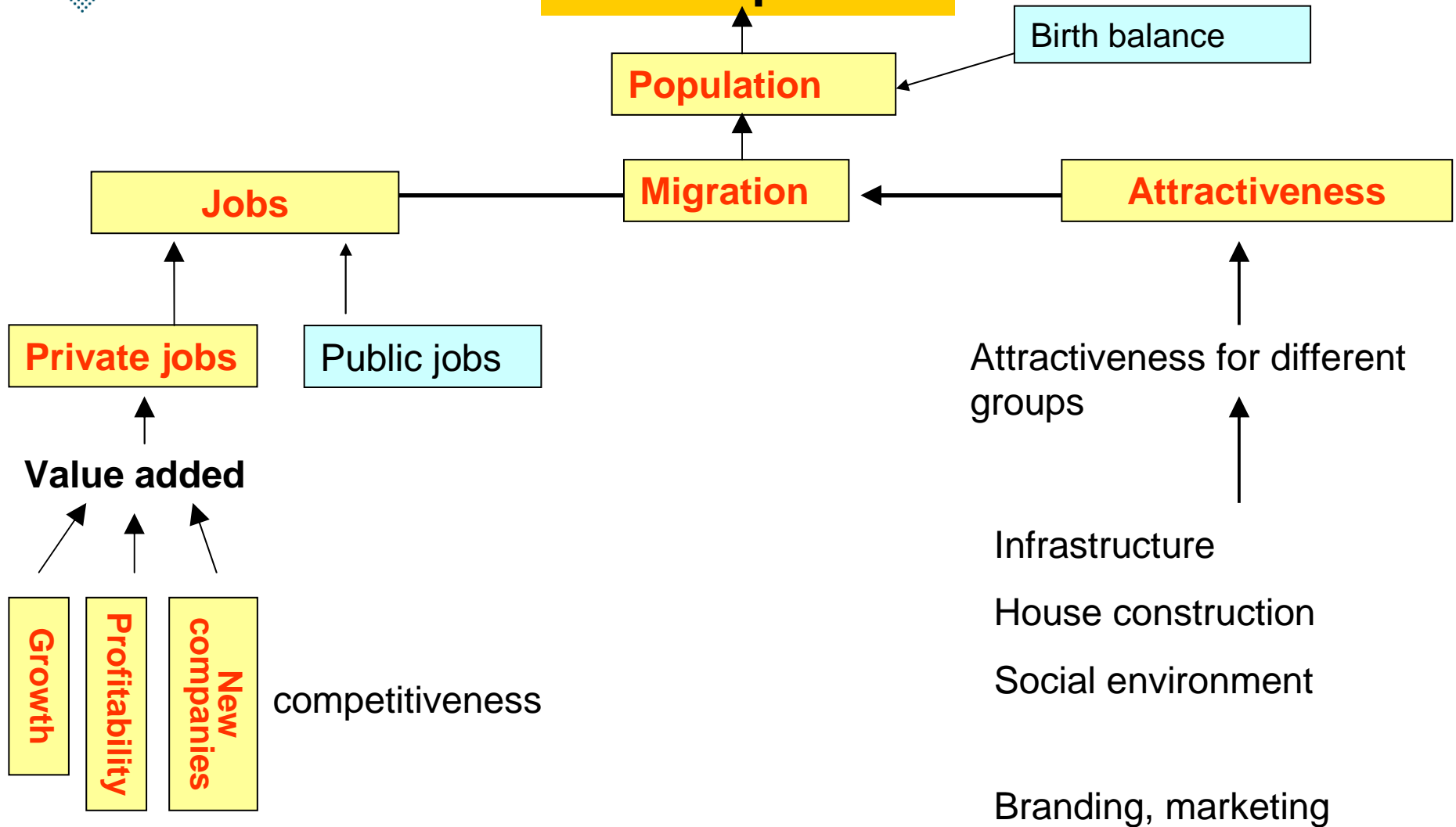
A questionnaire to policymakers, politicians and bureaucrats:

With respect to regional development:


What are the main goals for your region? (population growth, economical growth, reduce unemployment, quality of life, equality...)

What are the main strategies to achieve this?

Regional development



Innovation, education, R&D,
etc



Thank you very much for your
time!

Knut Vareide