HELSINKI REGION TRENDS

2008

Current review of development in the region 11.04.2008

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REGIONAL ECONOMY AND BUSINESS LIFE

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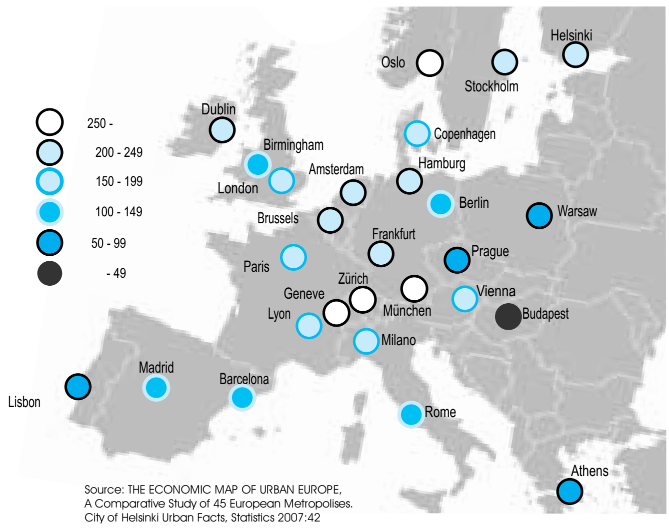
Employed labour force still growing

ARTICLE

Aku Alanen
The network village of design services lies in southern Helsinki

THE GROSS VALUE ADDED PER CAPITA OF THE 27 METROPOLISES, 2006 INDEX EU27 = 100



Source: THE ECONOMIC MAP OF URBAN EUROPE, A Comparative Study of 45 European Metropolises. City of Helsinki Urban Facts, Statistics 2007:42

Production efficient in the Helsinki Region

Two years ago the Helsinki Region ranked 32nd in terms of population among the 45 European city regions. Paris had the largest number of inhabitants, 11.3 million. The Helsinki Region, with 1.2 million, thus had one ninth the population of Paris. The second biggest conurbation by number of inhabitants was London, followed by Madrid and Barcelona.

The value of production two years ago in the Helsinki Region was about EUR 48 bn. The biggest rise in value added was again in the Paris Region, totalling c. EUR 400 bn. The value added of the Helsinki Region was thus one eighth of Paris's. Using this indicator Helsinki ranked 27th among the European metropolises. The value of production in Marseilles, Amsterdam, Lille and Lyon was approximately the same as in Helsinki.

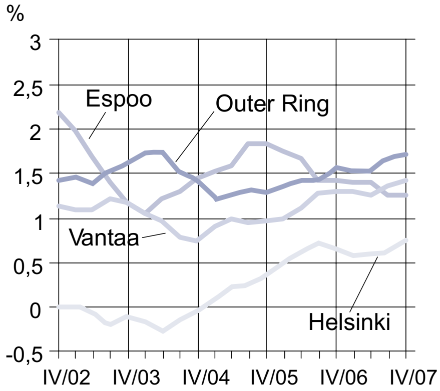
The per capita value added increase can be regarded as a rough indicator of productivity and income level. According to this indicator, Helsinki ranked 11th among the 45 European city regions. In other words, production is efficient in the Helsinki Region and twice that of the average level for the 27 EU Member States. It was also one-and-a-half times that of the average for the cities in the survey.

The data are based on those for the 45 city regions of EU 27 plus Norway and Switzerland in 2006. The calculations were made by Cambridge Econometrics Ltd in partnership with a number of European research institutes.

POPULATION

Population growth reverting to previous pace

Relative population change (net change per 1,000 inhabitants) during previous 12 months



Source: Statistics Finland

According to the preliminary data, the population of the Helsinki Region grew by 14,500 inhabitants last year. This is nearly 900 more than in the previous year and on a par with the rate at the beginning of the present decade. The population increase was lowest in 2003 and 2004. Since then the growth has varied between 2,300 and 4,700 persons per quarter. Nearly 4,000 babies are born in three months in the Helsinki Region, and a good two-thousand persons die. These figures have been stable for a long time. The divergence is thus a consequence of variations in migration. During the last quarter of 2007 the population of the Helsinki Region grew by 3,300, the migration surplus accounting for about half this figure.

At the beginning of 2008 Helsinki had 568,400 residents, i.e. about 4,000 more than in the previous year. The population of Espoo was 238,000 on the first day of this year, having grown by 3,000 persons in 2007.

The preliminary data for Vantaa give a population of 192,600 at the beginning of this year and an increase of 2,700 in 2007. The surrounding municipalities (the Outer Ring) had a total population of 280,500 at the start of 2008, representing an increase of 4,500 on the previous year.

New records in immigration surplus

Last year, 41,700 persons migrated into the Helsinki Region and 34,000 moved out. The migration surplus was thus 7,600. In other words, the migration surplus accounts for a good half of the population increase.

The net population increase due to foreign immigrants set a new record last year, with 5,700 persons. There were 10,900 in-migrants and 5,200 out-migrants. The majority of the foreigners settled in the Helsinki Region, accounting for three-quarters of the migration surplus. On the other hand four-fifths of the emigrants were from the Helsinki Region.

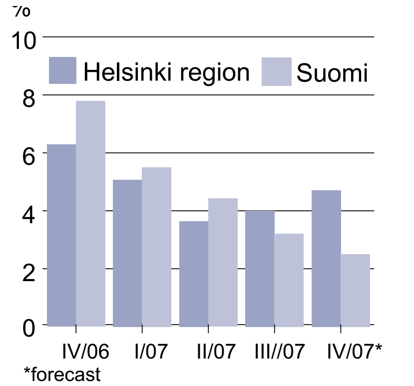
Helsinki had 3,600 more immigrants than emigrants. The foreign migration surplus was 1,000 for Espoo and 660 for Vantaa. The population of the surrounding municipalities grew by 380 due to immigration. The immigration surplus reached record heights in both the Helsinki Region and its surrounding municipalities

THE REGIONAL ECONOMY

Broad base to economic growth

Production is estimated as having grown in the last quarter of 2007 by 4.7 per cent on the previous year in the Helsinki Region. The growth was broad-based and includes both processing industries and services. The growth rate was slightly higher in the Helsinki Region than in the country as a whole in the latter half of last year, whereas the opposite had applied in the early year. The growth estimate for total production in the Helsinki Region in 2007 was 4.6 per cent, which is about half a percentage point higher than in the country as a whole. Output in the region has increased by 27 per cent since the year 2000, as against 24 per cent in Finland as a whole.

Total production volume Change (%) since previous year



Source: Statistics Finland and Kaupunkitutkimus TA Oy

Economic outlook positive though trend slightly downward

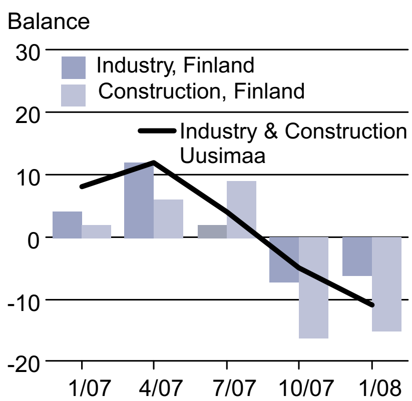
Industry and construction

Industry and construction are still thriving in **Uusimaa** even though the economic trend has, according to the business barometer of the Federation of Finnish Industries (EK), taken a downward turn.

The outlook for industry and construction in Uusimaa began to decline towards the end of last year. The balance figure for the economic outlook was -11 in January, having been -5 according to a survey conducted last October. The prospect for businesses in Uusimaa is slightly darker than the national average. Just under one third of respondents reported a shortage of skilled labour in January. Fewer orders have been received, but the production growth expectations are still confident.

The **Finnish economy** peaked in the first half and around the middle of last year, when growth was brisk in production and employment. This has not, however, been followed by a steep decline; rather, the economic outlook froze gradually at the end of the year. This gradual cooling-off has continued in the early months of this year, but no great plunge is expected.

Business outlook of manufacturing and construction

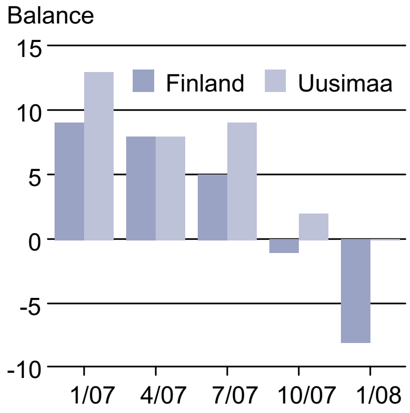


Source: Confederation of Finnish Industries EK

The balance figure indicating the economic outlook was -6 in January (-7 in October) throughout the country. There was, however, great variation between one branch of industry and another. Industry's volume of orders in hand and its capacity utilisation have decreased but are still very high. The various branches nevertheless still differ significantly in their human resources trends. Slightly less than a quarter of industrial undertakings suffered from a shortage of skilled workers. The labour shortage was most serious in the technology industry.

The outlook for construction is, throughout the country, slightly less favourable than at the peak period last year. The general economic outlook is nevertheless still described as brighter than usual. A significant decline is not, however, anticipated.

Business outlook of service sector



Source: Confederation of Finnish Industries EK

Services

The real-time economic outlook for services in **Uusimaa** was brighter than usual in January and no change is forecast for the first half of this year. The majority (78%) of the respondents in a survey carried out in January did not anticipate any change in the economic outlook in the next few months. The business confidence of service undertakings in Uusimaa is greater than on average in the country as a whole. They took on slightly more workers during the latter half of the year and also expect to increase their labour force in the months to come.

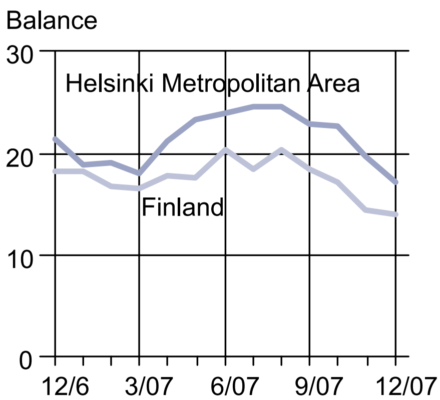
In a survey carried out by EK in January, service undertakings throughout **Finland** described their business as being to some degree brisker than normal. With the exception of transport, enterprises in all the service sectors described their present situation as unusually favourable. The situation in transport was more or less normal.

There continues to be a shortage of skilled labour. All the service branches have encountered difficulty recruiting skilled workers, but the situation is clearly most serious in the real estate and cleaning sectors. In January, 23 per cent of the respondents in all the service sectors were suffering from a shortage of labour.

Slight weakening in consumer confidence

The confidence of consumers in the Helsinki Metropolitan Area in the trend in the Finnish economy took a downward turn in October, when 27 per cent presumed that the economic situation would be poorer and 21 per cent better in a year's time. Consumer confidence previously suffered a decline lasting several months in the first half of 2003. A similar situation was momentarily recorded in summer 2005.

Consumer confidence indicator



Source: Statistics Finland, Consumer Survey

In other words the prospects became gloomier during the last quarter of 2007. In September, nearly one consumer in four still expected that the Finnish economy would be stronger a year ahead, in December one in five. At that time, the views of consumers in the Helsinki Metropolitan Area were, unusually, gloomier than those in the rest of the country.

Consumers still trust in a positive trend in their personal economy and saving potential, but they have become sceptical about Finland's economy and unemployment. Expectations were positive in the Helsinki Metropolitan Area particularly during the two middle quarters of last year. The balance figure indicating overall confidence during the year as a whole was on average 21 in the Helsinki Metropolitan Area and 18 nationwide. In October, confidence was still average, but a slight fall-off was noted in the last two months.

LABOUR MARKET

Employed labour force still growing

The employed labour force in the Helsinki Region was nearly two per cent higher in the last quarter of 2007 than in the corresponding period a year before. There were 685,300 persons in employment, i.e. 12,600 more than a year before. The proportional increase in the total employed labour force for the country as a whole was on a par with that in the Helsinki Region. In October-December 2.5 million Finns were in employment.

Helsinki had 300,400 employed persons, Espoo 128,700 and Vantaa 110,900. In the surrounding municipalities (the Outer Ring) they numbered 140,700, and the increase on the last quarter of the previous year was 4,300. There were 31,400 unemployed persons in the Helsinki Region and 161,100 in Finland as a whole. Hence one unemployed person in five was living in the Helsinki Region.

Increase in employment rate in the public sector

There was virtually no change in the labour force employed in the private sector in the Helsinki Region in October-December, when there were 0.5 million persons employed by this sector. The public sector, especially local government, recorded an increase of 5.7 per cent. The public sector employed 0.2 million persons, two-thirds of them in local government. In October-December the number of persons employed in central government in the Helsinki Region grew by 1.8 per cent on the corresponding period the year before.

Number of workers grows in private sector throughout the country

By contrast, the increase in the employed labour force in Finland as a whole was in the private sector, where the number of employed persons grew by 2.6 per cent, i.e. at the same rate as in the past couple of years. The private sector in the country as a whole employed a total of 1.8 million persons and the public sector 0.7 million.

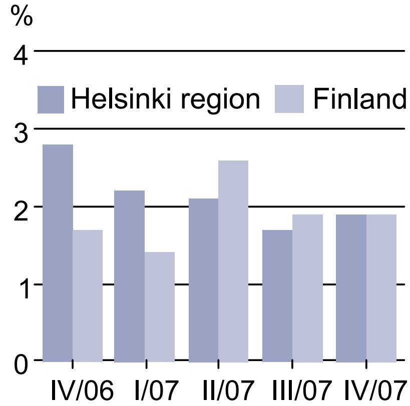
The increase – 13.4 per cent – in the employed labour force in the Helsinki Region was greatest in the hotel and restaurant sector in the last quarter of 2007. Throughout the country the increase was marked in this sector last year, and in the last quarter of 2007 its employed labour force grew by 7.1 per cent. The Helsinki Region had 26,300 employed in the hotel and restaurant branch and Finland as a whole had 86,000.

An increase has also been recorded in the Helsinki Region in the number of persons employed in financing, services, education and social welfare services. In Finland as a whole the employed labour force has also increased in the service sector and business services.

Working age population (15–4 years) and their main economic activity in the Helsinki Region Change (1,000 persons) since previous year

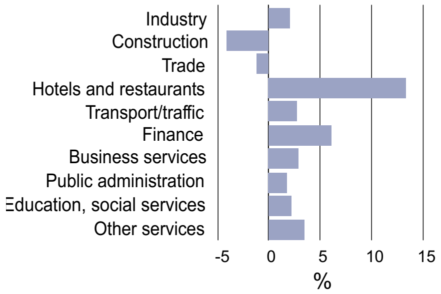
Source: Statistics Finland, Labour Force Survey

Employed labour force in the Helsinki Region Change (%) since previous year



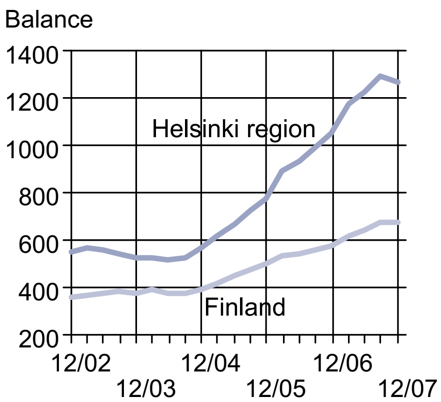
Source: Statistics Finland, Labour Force Survey

Development within industries in the Helsinki Region
Change (%) in the employed labour force since previous year



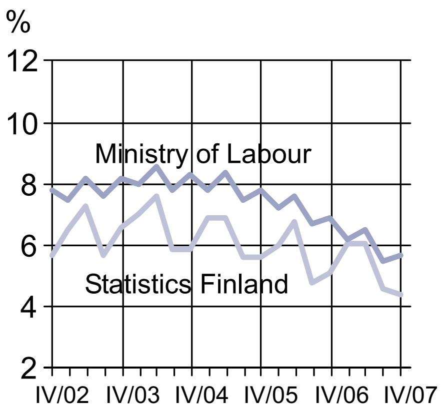
Source: Statistics Finland, Labour Force Survey

Vacant jobs Seasonally adjusted index (1993=100)



Source: Ministry of Labour

Rate of unemployed in the Helsinki Region



Source: Statistics Finland, Labour Force Survey and Ministry of Labour, Labour Exchange Statistics

Fewer vacant jobs

According to the Ministry of Labour (now the Ministry of Employment and the Economy), the long, steady increase in the number of vacant jobs in the Helsinki Region peaked in December 2007, when there were 8,000 vacant jobs, as against nearly 1,000 more a year before. In Finland as a whole the number of vacant jobs was on a level with that a year earlier, i.e. 26,700.

Unemployment rate still falling

The unemployment rate was, according to a survey conducted by Statistics Finland, 4.4 per cent in the Helsinki Region and 6.1 per cent in all Finland in the final quarter of last year. The decrease was 0.7 percentage points in the Helsinki Region and 1.2 in the country as a whole. The Helsinki unemployment rate was 5.1 per cent and the decrease on the previous year was of the same magnitude as the decrease in the entire region.

According to data supplied by the Ministry of Labour, unemployed persons accounted for 5.7 per cent of the Helsinki Region labour force in December, as against 8.4 per cent in Finland as a whole. This represents a drop of about one percentage point on December 2006. The unemployment rate in the Helsinki Region had decreased by a similar amount. In Espoo unemployed persons represented 4.6 per cent of the labour force and in the surrounding municipalities 4.7 per cent. The unemployment rate for Helsinki was 6.3 per cent and for Vantaa 6.6 per cent last December.

The unemployment rate stood at the same level for men and women in the Helsinki Region and was the same magnitude as the overall unemployment rate. The unemployment rate for men was slightly lower than for women in the country as a whole, being 5.9 per cent for men and 6.3 per cent for women. The opposite prevailed in Helsinki, where the unemployment rate was 5.5 per cent for men and 4.7 per cent for women.

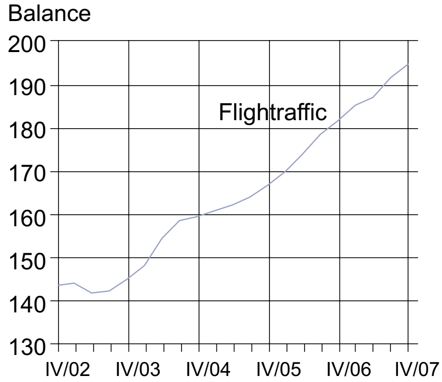
The marked decrease in both youth and long-term unemployment continues, and more strongly in the Helsinki Region than in Finland as a whole. There was an equal drop in both in the Helsinki Region, i.e. by one quarter on December 2006. In the country as a whole long-term unemployment fell over the corresponding period by 19 per cent and youth unemployment by 15 per cent.

TRANSPORT

Number of air passengers still rising

Last year about 13 million passengers passed through Helsinki-Vantaa Airport, setting a new record in the airport's history. The increase was just over seven per cent on the previous year, when there were 870,000 fewer passengers. The number of passengers in the last quarter of 2007 totalled 3,165,000, and this again represented an increase of nearly seven per cent on the corresponding period the previous year.

Number of air passengers in Helsinki-Vantaa Airport
Seasonally adjusted index (1993=100)



Source: Finavia

WELL-BEING

Number of recipients of living and housing allowance still falling

During the last quarter of 2007 there were on average 41,170 persons per month in receipt of living allowance in the Helsinki Metropolitan Area. This was two per cent fewer than in the corresponding period a year before. The decrease was three per cent in Vantaa, two per cent in Helsinki and just under one per cent in Espoo. Living allowance was paid to 4.3 per cent of the population of the Helsinki Region. The percentage was highest in Helsinki, 4.7, and was 4.6 in Vantaa and 2.9 in Espoo.

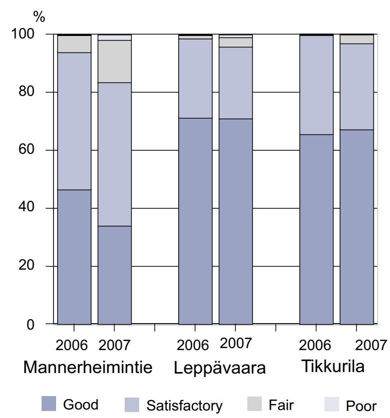
The number of persons in receipt of housing allowance totalled 33,690 in the Helsinki Region at the end of 2007, representing 6.9 per cent of households. The percentage for Helsinki was 7.3, the number of housing allowance clients standing at 21,560. The percentage was approximately the same in Vantaa, where there were 6,250 recipients. In Espoo 5.6 per cent or 5,790 households received housing allowance. The number of housing allowance recipients had fallen in all three cities and the decrease in the Helsinki Metropolitan Area as a whole was 5.4 per cent on the last quarter of 2006.

ENVIRONMENT

Air relatively clean in the Helsinki Region

The air in the Helsinki Metropolitan Area was quite clean in the autumn. For a good 80 per cent of the time the air quality was good or satisfactory. The quality of the air registered at the monitoring station on Mannerheimintie, a busy thoroughfare, was reduced to fair or poor for about 360 hours during Oc-

The quality of the air in the Helsinki Metropolitan Area
Q42006 and Q42007



Source: YTV, Helsinki Metropolitan Area Council tober-December. In October and November there were about 160 and 100 hours of fair and poor air quality. There were few hours of fair or poor air quality, about 90, at Leppävaara in Espoo in the last quarter of 2007, and approximately the same number at Tikkurila in Vantaa. The air in the background areas was extremely clean, because there was little long-range transboundary air pollution during the autumn. Air quality has been monitored by mobile stations this year on Unioninkatu in the heart of Helsinki, in the centre of Espoo and at Helsinki-Vantaa Airport.

PROPERTY MARKET

Lively property market

Business premises are of three types: office, retail and production. In the statistics retail premises also include restaurants. Production comprises working, industrial and warehouse premises.

Business property construction has displayed a marked increase throughout Finland over the past year. There has been a boom in the building of retail premises all over the country. New office premises are above all being built in the Helsinki Metropolitan Area and will be completed at an annual rate of hundreds of thousands of square metres in the next few years.

The construction of logistics premises has also been boosted by the Vuosaari Harbour Project scheduled for completion in Helsinki this year. New logistics centres are being planned and some are already being built in the immediate vicinity of the harbour and along the Helsinki approach roads to the east and north.

The number of building permits issued in Helsinki was one third higher in 2007 than in the previous year. Permits were issued for a total of 870,000 floor square metres, of which business premises accounted for 614,000. The floor area under construction totalled 752,000 square metres, of which business premises accounted for 510,000. At the end of last year Helsinki had 614,000 square metres of business premises under construction. The floor area of retail and office premises under construction increased 73 per cent on the end of 2006. New business premises were completed to a total of 162,000 square metres. Three-quarters of the square metres in the completed business premises were in retail and office buildings.

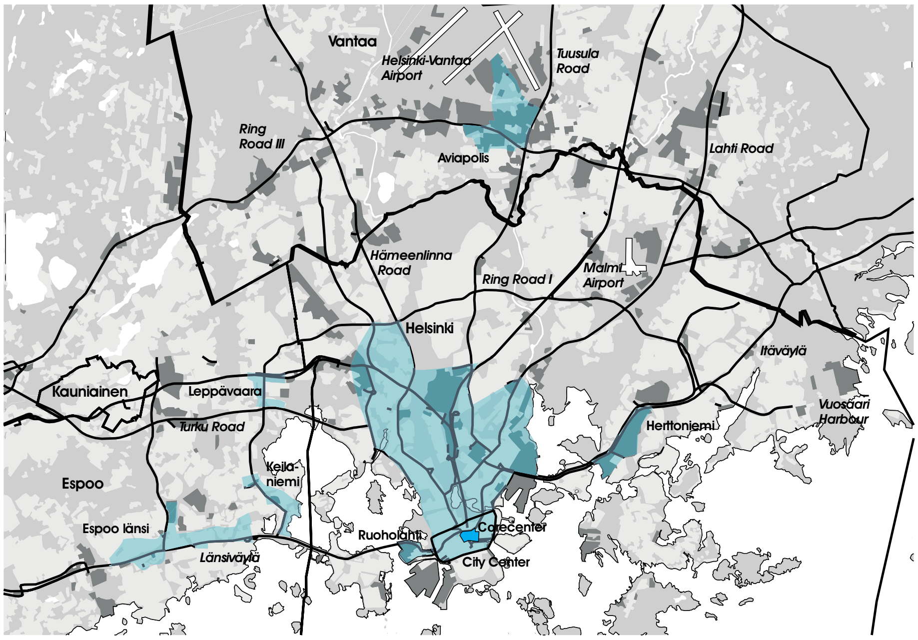
The vacancy rate of Helsinki business premises was, by international comparison, average last year, about 8 per cent. In Amsterdam and Dublin a good 12 per cent of offices were vacant. The vacancy rate in Stockholm was also higher than in Helsinki. By contrast, the office premises in Oslo and Copenhagen were in more efficient use than in Helsinki.

Contracted office rent agreements, average rent, median, upper and lower quartile in EUR per square metre in six Finnish cities in autumn 2007

	Average	Median	Lower quartile	Upper quartile
Helsinki	17.02	16.26	12.47	20.33
Espoo	14.02	14.00	10.95	17.36
Vantaa	11.94	10.52	9.67	13.95
Tampere	11.71	12.00	10.67	12.77
Turku	9.60	10.48	8.62	11.13
Oulu	10.12	10.88	7.09	11.77

The average monthly rent under contracted office rental agreements in Helsinki last year was about EUR 17 per square metre. Less than half the new agreements were made at a monthly rent of over EUR 16 and the remainder at a rate higher than this. A quarter of the agreements were for less than EUR 12.50 and a quarter for EUR 20.33 or more.

The office premises in the Helsinki Metropolitan Area, 2007



Source: Catella Property Oy

Article

Aku Alanen, Senior Statistician
Statistics Finland

The network village of design services lies in southern Helsinki

Employees in the fields of architecture and advertising want to work in the same areas, which are mostly located in southern Helsinki. Industrial designers have spread out slightly more within Helsinki. Close connections and an atmosphere rich with ideas are the key benefits of a village-like network in all three fields of design.

In the metropolises of the world most culturally charged economic activities . both the market-based and the public as well as those based on civic activism . have converged to certain locations. Often even marketbased activities and public cultural activities are located in the same neighbourhoods. This applies e.g. to Manhattan in New York, not to speak of smaller areas.

Reviewing statistical data proves the same situation prevails also in Helsinki, Finland.s only metropolitan city. Design service activities in Finland are quite strongly concentrated in the area inside Ring Road III and more specifically in the southern side of Pitkäsilta. This phenomenon can very well be called the development of a network village of modern design business activities.

Why is design business activity concentrated in southern Helsinki?

A very large part of Finnish culture and design business activity is accumulated in Helsinki. The single establishments of many public cultural institutions are located in the capital city and education in the field of culture is also rather Helsinki-based. Furthermore, the head offices of many customer organisations are located in Helsinki.

But what gives rise to the special attraction of southern Helsinki, where rents charged for office space are relatively high? One explanation could be that southern Helsinki is the only Finnish location with a genuinely urban atmosphere. Perhaps the magnetism of the urban experience provided by the village-like city culture draws design services even if technically they could be located elsewhere just as well, unlike the fields of culture which offer services directly to consumers.

Another explanation is based on the idea that design services are an essential addition to other business service industries and their concentration results from the need of close contacts. Innovations in design services, communicating tacit knowledge, learning and development all require a constant and close contact with all business service industries.

Does geographical distance between designers and the users of design cause a qualitative or cultural distortion? A younger than 30-year-old advertising professional in southern Helsinki creates advertisements and graphic designs for products and services which are used mainly completely elsewhere in Finland. The same question can be asked as regards architectural design: is it possible that what is created are fallacies and non-marketable design? In industrial design separating the locations of creating and using does not give rise to these types of questions, as it does not entail the kinds of risks outlined above.

Architects want to work in the centre

The most important areas for architectural services are the centre of the city, Lauttasaari and Eira. If Eira and Punavuori are combined, the area, together with certain city centre blocks, houses nearly 40 per cent of the architectural service activities in Helsinki. City centre and Lauttasaari are also the only more significant areas which in the last few years have managed to grow at a rate which is clearly higher than the whole country.s average growth of 16.9 per cent. Eira, Punavuori and a few blocks in the city centre house nearly 40 per cent of the architectural activity in Helsinki.

Table 1. Architectural services in Helsinki 2005 and change in turnover 2001–2005, %

	Establishments	Staff	Turnover	Change in turnover
City centre	12.5	17.9	19.6	132.8
Punavuori	7.8	7.7	6.0	2.2
Eira	10.1	12.0	10.1	13.5
Southern Helsinki	63.6	74.2	69.8	10.8
Helsinki	100	100	100	11.0

Advertising activities grow fastest in Ruoholahti

Graphic designers have found a good niche in the advertising industry. The location of advertising agencies can be regarded as a relatively good indicator of graphic design activity. Advertising people often want to be where trends are created. They tend to regard locations appropriate if they have plenty of other cultural business activities which can help in combining the visual and verbal manifestations. Presumably they also find the street views in these locations interesting. This may be a good thing in some respects, but it can also alienate them from the everyday . the conditions in which most of the people live in. But it may, however, be that the advertising industry places primary importance on the scouting for new trends. Hardly in any other field is the word creativity used as often, and in advertising it is taken to signify something like sniffing the winds for signs of new trends.

Table 2. Advertising services in Helsinki 2005 and change in turnover 2001–2005, %

	Establishments	Staff	Turnover	Change in turnover
City centre	15.1	22.8	18.3	–23.3
Punavuori	5.0	7.2	14.9	–37.2
Eira	7.8	10.5	5.1	–29.4
Southern Helsinki	55.2	75.1	88.6	–1.3
Helsinki	100	100	100	–1.9

Source: Statistics Finland, Business Register special report

Longing for a village community?

The choice of location for establishments in the field of advertising seems to be influenced above all by the need to be close to one another. This need appears to be more pressing than proximity to customers. This seems to be the case also internationally. Especially London has been the subject of very many studies into the field of advertising. The background for this is probably that Great Britain is seen as the undeniable centre of advertising in Europe and the GDP share of advertising is higher there than elsewhere. In London the majority of activity in the field concentrated in the Soho area.

Employees in the field of advertising change agencies more often, on average, than employees in other fields. Agencies bloom and wither away in a fast cycle. In the field the ranking list of both agencies and individual employees is updated nearly every week. If everyone knows everyone, lives in the same neighbourhood and even the offices are located close to one another, changing jobs and scene is easy to execute also in physical terms. The situation is similar also elsewhere in the world. Soho in London, Söder inStockholm etc. In this sense it can even be said that establishing an advertising agency in Punavuori or nearby is rather conventional: many agencies go there, as that is where they are expected to be.

The role of intra-industry competitions is exceptionally visible in this industry, at least in terms of media coverage. Quite another thing is whether the media hype or success in competitions influences an agency's success in real life. It may also be that many customers with a longer-term orientation even shun agencies too strongly involved in the media hype.

Creative atmosphere and close contacts are important in a network village

The vast majority of architectural and advertising services are located in southern Helsinki. During this millennium their proportion has remainder roughly unchanged at their high level. Continuing change has, then again, taken place within locations in southern Helsinki, where some areas have gained and some have lost. Only about one half of industrial design activities are done in southern Helsinki. The proportion has shrunk over the past few years and has moved first and foremost to central Helsinki, mostly around Kallio.

Apparently the providers of design services have a great need for geographical proximity with each other, even if it is technologically not necessary. Proximity in terms of location is, however, very important for atmosphere and contacts.

The village of modern design activities adds confidence and competition

Soho in London has been called the advertising village. We might also ask if southern Helsinki is also a modern village of all design services. In a traditional village everyone knew, or at least knew of, each other. In Finland, and especially in southern Helsinki, everyone within an industry knows, or knows of, each other. Postal code areas are not functional units, but they can be seen as representing parts of a larger village without clear borders. For instance Punavuori, Eira and the Kamppi side of the city centre no longer have clear structural borders.

Competition and creative destruction do exist in the design village. These phenomena are especially strong in advertising. In architecture it may be that an agency does not close up shop after having lost in competition, but remains quietly alive and restarts active work after a while. In fact, proximity may strengthen competition. The village character promotes the right kind of competition and enables the emergence of different models of operation instead of simple price competition.

Entrepreneurs in all design industries have regarded the long-term benefits of a village network to be much greater than the losses brought on by the competition brought on by such close proximity. The emergence of networks adds confidence and the members meet one another easily both in work and other contexts. Inside the village connections have been created between different actors especially because of the project character of work in the design industries. Transaction costs stay small due to the village set up. Clear diversity and tolerance to those thinking or working differently prevails in the modern design village.

The organisational forms of the agencies may also show wide variety. Flexibility is created by the fact that the basic livelihood of many agency owners comes from some other source such as teaching.

The modern village setup generates a certain kind of voluntary interaction (reflexivity). There may not necessarily be a centre of small areas or even a centre of the village. Businesses in the postal code areas of the centre of Helsinki do not guide the development of the other areas. We are looking at a kind of selfcontrolling ecosystem.

The production of design services is, on the one hand, a cultural exchange of experiences and, on the other hand, normal business serving activity. Southern Helsinki hosts more other enterprises offering services to businesses than design services. The area is, however, also internally specialised. In 2005 the proportion of design services of all enterprises serving businesses in southern Helsinki was slightly below one third of all establishments, about one fifth of staff, and nearly 40 per cent of turnover. In Punavuori the proportions were slightly higher, that is, 34 per cent of establishments, 29 per cent of staff and 63 per cent of turnover. Other areas in Finland do not have this absolute proportion or even nearly this kind of relative proportion of all establishments of design service businesses.

Table 5. Share of Helsinki of different design services 2005, Finland=100

	Establishments	Staff	Turnover
	%		
Architectural services	31.3	38.9	41.3
Advertising services	45.8	56.2	75.0
Industrial design services	27.3	35.7	37.2

The author is a Senior Statistician at Statistics Finland.s Economic statistics Department.

Table 6. Share of southern Helsinki of inhabitants and total employment 2006, %

	Inhabitants	Employment
City centre	2.9	12.3
Punavuori	1.1	2.8
Kaartinkaupunki	0.3	3.8
Kaivopuisto	1.4	0.7
Eira	1.5	1.6
Katajanokka	0.7	1.7
Kruununhaka	1.2	2.7
Ruoholahti	2.2	4.6
Lauttasaari	2.6	0.9
Vattuniemi	1.0	1.7
Taka-Töölö	1.9	2.0
Keski-Töölö	0.9	1.8
Southern Helsinki	17.8	36.6
Helsinki	100	100

Sources:

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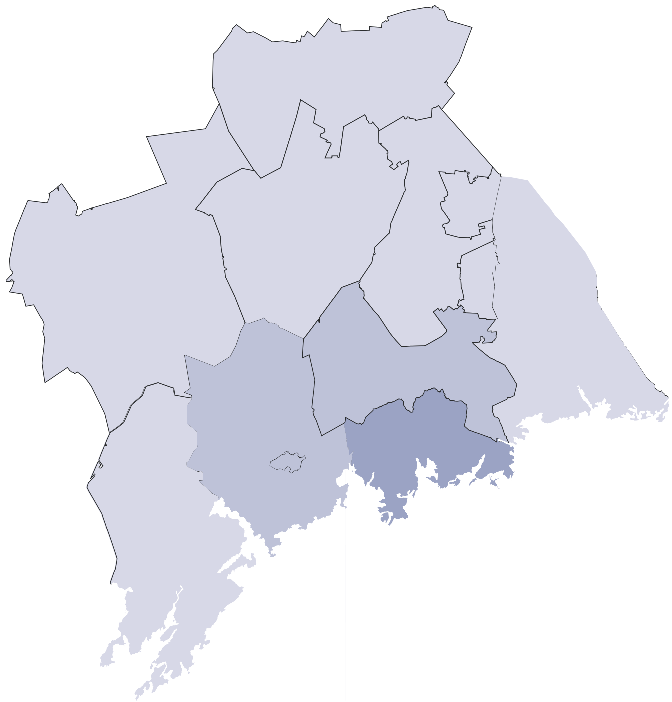

Info

Regions

The Helsinki Metropolitan Area consists of Helsinki, Espoo, Kauniainen and Vantaa.
The outer ring consists of Hyvinkää, Järvenpää, Kerava, Kirkkonummi, Nurmijärvi, Sipoo, Tuusula and Vihti.
The Helsinki Region consists of the Helsinki Metropolitan Area and the outer ring.
Uusimaa consists of the Uusimaa Region and the Itä-Uusimaa Region.

Concepts

Output: Finland – Predictor of output by Statistics Finland; Helsinki Region – predictor constructed on the basis of data on net sales and aggregate payrolls by sector. Data for the latest quarter are a forecast estimated by Seppo Laakso.

Balance: The balance figures are obtained by deducting the weighted proportion of negative answers from that of positive answers. The balance figures and the confidence indicator can range between –100 and 100. A positive balance figure denotes an optimistic and a negative balance figure a pessimistic view on the economy.

The consumer confidence indicator is the average of the balance figures for four questions concerning the next 12 months: own and Finland's economy, unemployment and households' saving possibilities.

The Labour force survey: The survey follows the recommendations of the International Labour Organisation and the practices required by the Statistical Office of the European Communities. A person is classified as unemployed if he or she is aged 15 or over, does not have a job, has actively sought employment in the past four weeks and would be available for work within two weeks.

The Labour exchange statistics: The statistics are based on legislation, administrative regulations and on a job applicant register. It describes the situation on the last weekday of the month. The figures of the Labour Force Survey and the Labour Exchange statistics differ: the unemployment rates shown by the former are 2–3 percentage points lower.

	Helsinki	Helsinki region	Year
• total area km^2	686	4,693	1.1.2008
• land area km^2	186	3,091	1.1.2008
• population	559,500	1,306,100	29.2.2008
• population density inh./km^2 of land area	3,005	401	1.1.2005
• population projection 1.1.2040	616,200	1,621,100	1.1.2005
• finnish-speaking	84.9	86.7	1.1.2005
• swedish-speaking	6.1	6.3	1.1.2008
• others	9.0	7.0	1.1.2008
• population (15-year-olds and over) that has attained tertiary education, %	34.5	33.7	31.12.2004
• total number of jobs	404,000	722,000	*2007
• employment rate, % (15-64 years)	74.0	75.3	2007
• unemployment rate, %	6.1	5.3	2007
• proportion of one-person households, %	48.9	41.2	1.1.2005
• proportion of dwellings in blocks of flats, %	87.2	69.8	2003

*Preliminary data

HELSINKI TRENDS

HELSINKI REGION TRENDS contains current information on short-term trends in the Helsinki Region, covering the economy, population, labour market, housing market, property market, environment and well-being. Helsinki Trends is available in printed format and on the internet at **www.hel2.fi/tietokeskus/eng.**

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Publisher: City of Helsinki Urban Facts
P.O.Box 5500
FI-00099 City of Helsinki
Finland
www.hel2.fi/tietokeskus/eng
Tel. +358 9 310 1612*
Fax +358 9 310 36601

Editor: Leena Hietaniemi
City of Helsinki Urban Facts
Tel. +358 9 310 36404
leena.hietaniemi@hel.fi

Figures: Jukka Noponen
City of Helsinki Urban Facts
Tel. +358 9 310 36395
jukka.noponen@hel.fi

Translations: Susan Sinisalo

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