# Working Programme for 2015/16 for the Nordic Working Group on Demography and Welfare

The work for the NCM on the subject of Demography and Welfare has been undertaken, so far, according to three red threads:

- (1) *identifying* the key demographic challenges and their implications for the welfare system and labour markets in the Nordic countries, especially as regional and municipal authorities have a strong role in the provision of services of general interest
- (2) exemplifying possible solutions to these issues: a two-fold focus was on local initiatives and as well on national policy-mixes framing regional attractiveness -> projects A & C
- (3) *monitoring* evolutions of demographic trends in a short-term and long-term perspective -> project B

#### **Members**

Sweden:

Sverker Lindblad (ordförande) Näringsdepartementet

Erik Fransson Tillväxtanalys

Denmark:

René Kusier Ministeriet for By, Bolig og Landdistrikter

Annette Klysner Naturstyrelsen

Finland:

Hanna-Maria Urjankangas Ministry of Employment and the Economy

Leena Anttila Ministry of Agriculture and Forestry

Faroe Islands

Hilmar Høgenni Ministry of Social Affairs

Iceland:

Sigurdur Arnason Byggdastofnun

Norway:

Tore Vabø Kommunal- og moderniseringsdepartementet
Terje Kaldager Kommunal- og moderniseringsdepartementet

Åland:

Linnea Johansson Näringsavdelningen, Ålands landskapsregering

Kenth Häggblom Ålands statistik- och utredningsbyrå, ÅSUB

**Secretariat** 

Alexandre Dubois Nordregio
Lisa Hörnström Nordregio
Liisa Perjo Nordregio

#### Key results from the 2013/14 project activities

The prime objective of the working group (WG) was to establish a shared understanding among Nordic countries of the key demographic challenges and their implications at national, regional and local level with regards to the welfare system and labour markets (e.g. provision of services, employment...). From the finalized and ongoing projects in the WG, we can identify the following results:

#### Local and regional approaches to demographic change (project A):

The aim of the project is to contribute to Nordic exchange of experiences and promote knowledge transfer between local and regional actors. The studied examples include 10 examples of both project-based initiatives and more strategic approaches focusing on different themes. A report and an interactive map have been published on Nordregio's webpage:

http://www.nordregio.se/demographyexamples

The results of the project were also presented at a workshop on Social innovation 16 September 2014.

#### Webmapping tool (project B)

A prototype of the web mapping platform was presented at the WG meeting 17 September and to Nordregio's Board 18 September. A workshop was organized on 11 March 2014 to introduce the work of the WG on a webmapping tool. The workshop enabled to have a first interaction with potential users regarding their expectations for the development of such a Nordic tool. A test version was sent out to the WG members in October 2014 in order to get feedback for the final version that will be delivered before the end of 2014.

#### National policy overview (project C)

Pilot desk studies of Norway and Finland were performed during spring 2014. A revised analytical framework of the project and a new time frame was presented at the WG meeting 17 September. Pilot interviews will be performed during October and November 2014. The project will run until spring 2015.

#### Workshop on social innovation

A workshop was held 16 September with the aim to explore the social innovation concept and how it is understood and used in a Nordic territorial context. Around 40 persons participated in the seminar. After the workshop, the WG commissioned Nordregio to further develop a proposal for a Social innovation project outline for 2015-2016. Reflections from the workshop have been published on Nordregio's webpage: http://www.nordregio.se/socialinnovationworkshop

#### Proposal for future project activities for 2015/16

Based from assessment of the achieved results of the past and current project activities, it is deemed that while there is a need to continue investigating the local and regional implications of demographic change across the Nordic countries, the work needs to be clearly structured with regards to (1) the current state of the art of applied research in the field, and (2) with a clearer aim to deliver outcomes and products that may be directly used by local, regional and national authorities to undertake their work. Hence, a better framing of the project activities from a scientific point of

view would lay the ground for delivering outcome that can better inform future territorial development policies in the Nordic countries.

The proposal is to simplify the project structure for 2015 and 2016 by focusing on three projects. The two first ones, project B and project C will be continuations of the work that have been done in 2013-2014. The third one, project D will be a new project focusing on Social innovation.

- Project B: Webmapping tool focuses on the need for developing a territorial monitoring system for demography and welfare. The policy relevance of this tool vis-à-vis demographic and welfare issues should be consolidated and its use in the policy community should be encouraged through targeted dissemination activities.
- **Project C: Overview of national policies addressing demographic change.** The project was initiated in 2014 and will continue until spring 2015.
- Project D: Social Innovation: Nordic ways of addressing the demographic shift will be a spin-off of the work developed in the framework of project A and project C. This body of work dealing with local initiatives and national policies addressing demographic change should be better connected to both the academic debates and policy objectives. Hence, we propose to use the notion of Social Innovation as an organizing principle for elaborating efficient national policy framework and undertaking concrete actions at lower levels that durably tackle the demographic shift witnessed across the Nordic countries.

## Project B. A webmapping tool for supporting decision making on demographic and welfare issues

#### **Key objective of the project**

To develop a monitoring system that supports Nordic stakeholders in identifying specific territorial dynamics and providing them with a evidence-based platform, a modern tool for supporting decision making on demographic and welfare issues.

#### **Key elements and rationale**

The key benefit of a webmapping tool is its capacity to interact directly with stakeholders, allowing them to engage directly with spatial information. This allows stakeholders to identify territories that are experiencing persistent demographic patterns, i.e. these patterns can take many forms: outmigration of certain age cohorts, overall population growth, etc. By focusing on accessibility patterns, the tool also allows for the identification of possible factors contributing to demographic changes in the Nordic countries. Such tool does not identify possible responses, but it can be used by policy-makers together with previous projects that have provided some examples of local or regional responses to identify how territories deal with their demographic challenges. Hence, the webmapping tool should be combined with other project activities that identify such innovative solutions.

#### Nordic added-value

The webmapping tool should be widely promoted to make its existence aware to potential users in the Nordic countries. Presentation of the tool should focus on its ability for allowing regional development analysts and policy-makers, who may not be well-versed in the capabilities of GIS, the ability to observe territorial trends evolving in the Nordic countries. Dissemination should focus on types of patterns that are observed in the different indicators, as well as the ability to construct a custom analysis of specific regions or specific *types* of regions.

As a means of ensuring that the tool continues to develop and remain as an attractive tool for stakeholders, we intend to update the tool with a version 2.0 in 2015. This should focus on resolving any technical bugs and responding to user feedback. Among other things, this includes data updates, development of new indicators and regional typologies, and inclusion of raster (grid) data on the platform.

#### **Foreseen publications**

Tutorials and presentation packages will be produced to use at seminars and conferences. These documents will have a direct link on the web mapping tool page. A number of policy briefs will be produced to present how the tool can be used, to explain new functionalities, to give concrete examples on the benefit of the tool in a "real" project of regional development and/or demographic changes.

#### Interaction with stakeholder and research communities

Interaction with stakeholder and research will include reaching out to regional and local practitioners by demonstrating the tool and how it can support them in their work for drafting regional development plans and the participation in seminar and or conferences of national importance dedicated to geo-data, GIS-tools, geography and statistics.

When it comes to reaching out to regional and local practitioners different stakeholders conferences and other activities should be used to disseminate the tool. Examples of such conferences can be yearly conferences arranged by RegLab in Sweden and Denmark and activities arranged by national organisations for local authorities (e.g. SKL in Sweden, KS in Norway and the Association of Finnish Local and Regional Authorities).

When it comes to reaching out to the GIS/data community, some suggestions are Kortdage 2015 in Denmark, Position 2015 in Sweden and Geomatikkdagene 2015 in Norway. At the European level the relative low cost and the important number of participants of the European Forum for Geography and Statistics (EFGS, in Austria in 2015) can also be considered.

#### Project C: Overview of national policies addressing demographic change

In this study, the aim is to map and analyze national policies in the Nordic countries addressing the effects of the demographic change. However, in none of the countries there is a specific national policy with an explicit aim to tackle demographic change. The trends of demographic change are underlying developments that will have effects on many different policy areas. The impact of demographic change also varies strongly between regions and municipalities and this variation might even grow stronger in the coming years. The current territorial pattern in the Nordic countries with a relatively high proportion of young people in the urban areas and older people in peripheral and rural areas will persist and even be reinforced in the decades to come. This fact will have an impact

on the welfare systems and thus pose a challenge for service production, not only for the public sector, but also for the private sector and individuals.

#### **Project objectives**

The aim of this study is to map and analyse national policies in the Nordic countries with an implicit (or explicit) aim at tackling demographic change or mitigate negative effects of the demographic development by ensuring regional sustainable welfare development and a stable provision of labour in the Nordic countries. Out-migration from and a disproportionate share of elderly in rural areas is one of the major demographic challenges in the Nordic countries. An important question is what the different Nordic countries are doing to *adapt* to or *mitigate* this development at the national level.

In order to focus the scope of the study the following policy sectors will be investigated:

- Policy/policies for regional development
- Housing
- Higher education
- Health care services
- Employment

### Project D. Social Innovation: Nordic ways of addressing the demographic shift

#### **Project objectives**

Developing durable responses for tackle demographic challenges represents an institutional challenge in the Nordic countries and for the rest of Europe as well. Indeed, such responses need not only to be grounded on a high degree of coordination of national sectoral policies that have an impact on demography (e.g. social security, education, labour-market...), but also on a certain degree of adaptability and flexibility in order to promote different types of local actions and initiatives.

#### What is social innovation?

Social innovations are defined as innovations that are social in both their ends and their means. Social innovations relates to new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations, i.e. using a more participatory approach. They are innovations that are not only good for society but also enhance society's capacity to act and adapt to fast changing environments.

Source: The European Commission's Bureau of European Policy Advisers, http://ec.europa.eu/bepa/pdf/publications\_pdf/social\_innovation.pdf

The Nordic workshop *Social Innovation: new Nordic approaches for solving demographic and welfare challenges* that was arranged by the WG on September 16<sup>th</sup>, 2014, provided new insights for

understanding how regional and local authorities can develop initiatives that may cope more efficiently with demographic change and its local impacts on welfare.

'Welfare' has been defined as one of three main focus areas of the Danish presidency of the NCM in 2015. It is stated that the Nordic welfare systems must not remain static; there is a need for evolvement and improvement. Social innovation can be seen as a way of facing the new challenges of the Nordic welfare systems.

More applied research is needed for understanding how social innovation practices, including economic actors, societal organizations and public authorities, are initiated and sustained over-time and what form(s) these governance arrangements may take in the Nordic rural and small-and-medium-sized-towns regions which tend to be the most vulnerable to demographic change. These demographic challenges have strong implications with regards to welfare provision and labour-market structure at the local level: out-migration of young, educated adults reduces the pool of skilled labour force available for local businesses; ageing population leads to a sharp increase in the demand for certain types of services; the reduction of the tax-base in many municipalities leads to difficulties in the provision of public services with high quality standards; at the same time, tax-payers expect a high level of quality in service provision. In addition, analysis shows that there is a strong gender imbalance with a surplus of men in many rural and peripheral areas in the Nordic countries. In this project the gender aspects of social innovation will also be considered.

The Welfare State is a strong tradition in the Nordic countries and therefore there is also a need to further investigate the possibility to develop social innovation practices that are compatible and complementary to the existing Nordic welfare systems. There is a different tradition of participation, voluntary work and civil society engagement in for example UK and the US and therefore, these countries also tend to have more focus on social innovation. Although the social policies differ, we could still study and learn from their policies and practice. The bottom line is that social innovation and changing behaviour in the provision of welfare services is a long-term objective also for the Nordic countries, regions and municipalities, due to the demographic changes we are facing.

The ambition is to seek synergies and knowledge from other projects on social innovation, especially the SIMPACT project which involves Nordregio researchers. It is also important to coordinate this project with other Nordic initiatives. Contacts have been established with responsible actors for NCM – Sustainable welfare project and EK-Social's working group on social innovation for social inclusion. In addition, the project will seek to interact with the community of Nordic researchers working on the topic of social innovation.

#### Nordic added value

In the Nordic cooperation programme for regional policy 2013-2017 it is stated that projects should "contribute to better use the potential to further develop public and private services, regional and local attractiveness and mobilisation of labour-force". The scope of this project is well in line with this ambition of the programme since it seeks to use social innovation as a framework to understand possible solutions for developing services and enhancing regional and local attractiveness.