Helsinki's present state and development 2019

Helsinki

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Content

Summary

Helsinki's population and well-being

At the turn of 2018/19, Helsinki's population numbered 648,000. During the term of the current City Council, the city's population has increased by 10,000 residents. The pace of the population growth, however, slowed down particularly in late 2018. At the same time, the population growth of the entire metropolitan area is continuing more or less as before, with the cities of Espoo and Vantaa attracting a large share of the total migration to the region. As a result of plenty of construction, population growth in Helsinki is expected to continue, if a little slower than in recent years.

Of the population growth, almost 70% consists of growth in the non-native population (people with a mother tongue other than Finnish or Swedish). 102,000 Helsinki residents – a little under 16% – speak a foreign language as their mother tongue, and their number has been increasing on average by 5% per year. In recent years, the growth in the number of children under school age is explained by the increase of foreign-language speakers, as the number of Finnish- and Swedish-speakers in this age range has declined. Furthermore, all the growth in the working-age population (18–64-year-olds) has come from people of foreign background. People with a foreign background born in Finland are a rapidly growing group within the population of Helsinki. Most of them are still children and adolescents, but many are just transitioning to working life.

The well-being and health of Helsinki residents are on a good level in many respects. According to several health indicators, people in Helsinki are healthier than those living elsewhere in Finland. The life expectancy of men in Helsinki, in particular, has increased in recent years.

Nonetheless, Helsinki exhibits typical characteristics of urban life in that there are considerable differences between population groups in terms of welfare and health, education, income and employment. Socio-economic health differences in Helsinki are therefore comparatively large. In particular, mortality among the less well educated and the manual workers is considerably greater in Helsinki, especially among those of working age, than in corresponding groups elsewhere in the country.

Every tenth Helsinki resident lives at least occasionally in poverty. In this group, one in five has faced prolonged poverty. The proportion of people on long-term basic income support has, however, decreased slightly. The homeless number more than 2,000, one-quarter of whom have a social or health problem fundamentally hindering their housing prospects. At the greatest risk of exclusion are those facing the accumulation of multiple socio-economic problems.

Economy and employment

Economic growth in Finland and the Helsinki region has been strong. The number of companies and the size of the total workforce have increased strongly in Helsinki in recent years. The number of companies is increasing most rapidly in the financial services sector. In terms of number of employees, the largest sector – and the one that has grown the most – is administrative and support services. Trade remains a large sector, but in recent years its employee numbers have declined considerably.

Employment has developed positively, although the decline in unemployment has slowed slightly. Last year, the number of youth unemployed decreased the most in relative terms.

Disposable household income in Helsinki is greater than the national average, and in recent years it has increased more quickly in the capital than in Finland as a whole. On the other hand, income inequality has also increased in Helsinki more quickly than average.

Social transfers received by households are a little smaller in Helsinki than nationally. In recent years, they have increased at the same pace as the Finnish average. Housing allowances received by households have increased particularly strongly.

Household debt is greatest in Helsinki and, in recent years, has increased considerably faster than the Finnish average. In Helsinki, the proportion of debt to disposable income has also increased much more rapidly than elsewhere in the country. Mortgages constitute almost three-quarters of all debt.

The immigrant unemployment rate is higher than that of the native-born population, and the employment rate is lower. There are notable differences between immigrant groups based on their regions of origin; the lowest employment often occurs among people from countries from which Finland receives many asylum seekers and refugees. Employment is higher among those who have lived longer in Finland. Favourable development is also reflected by increased earned income and homeownership.

Residential and commercial construction activity has been strong, as a large number of dwellings are under construction and the planning reserve has increased. The tenure status distribution for new housing has not turned out quite as intended, and the average surface area of dwellings has decreased. At the same time, the housing situation for special groups has improved and rental housing has become more common. The use of the housing stock has diversified, for example through housing funds, real estate investing by private persons, and housing rental services.

Safety

Helsinki is considered a safe city, and surveys show that the safety situation is better than ever before. At the same time, differences in terms of perceived security persist between neighbourhoods, although these differences have narrowed down in the past few years.

In terms of geographical segregation, Helsinki is in a good situation in national and international comparison. Segregation in Helsinki is, in general terms, not pronounced but some worrying signs are evident. According to different indicators, Helsinki's socio-economically least advantaged districts have diverged somewhat from the city average. In some areas, increase in the population with foreign background has been much faster than average. The degree of segregation varies considerably between people originating from different countries.

Environment

In spring 2019, Helsinki was the first city in Europe and the second in the world to report to the UN on its city-level progress towards achieving the Agenda 2030 targets for sustainable development. The first part of the reporting examines how Helsinki City Strategy objectives are linked with the targets of Agenda 2030.

Two-thirds of Helsinki residents report that they are worried about climate change and, according to the Helsinki Security Survey, this question is the greatest single cause of concern for residents. The proportion of those concerned about the climate has increased notably since the previous survey three years ago.

The so-called Climate Partners network, co-established by the City of Helsinki and the local business community, has more than 80 large companies working together with the city to mitigate climate change. There are also signs that the importance of the circular economy is growing in Helsinki and is likely to emerge as a significant factor in the construction sector. In Helsinki, this has been visible in recent years particularly in the systematic coordination of surplus excavation material.

The Carbon-neutral Helsinki 2035 action plan was completed during 2018 and approved by the City Board in December 2018.

Photo: Helsinki Marketing/Jussi Hellsten

1. Population structure and development

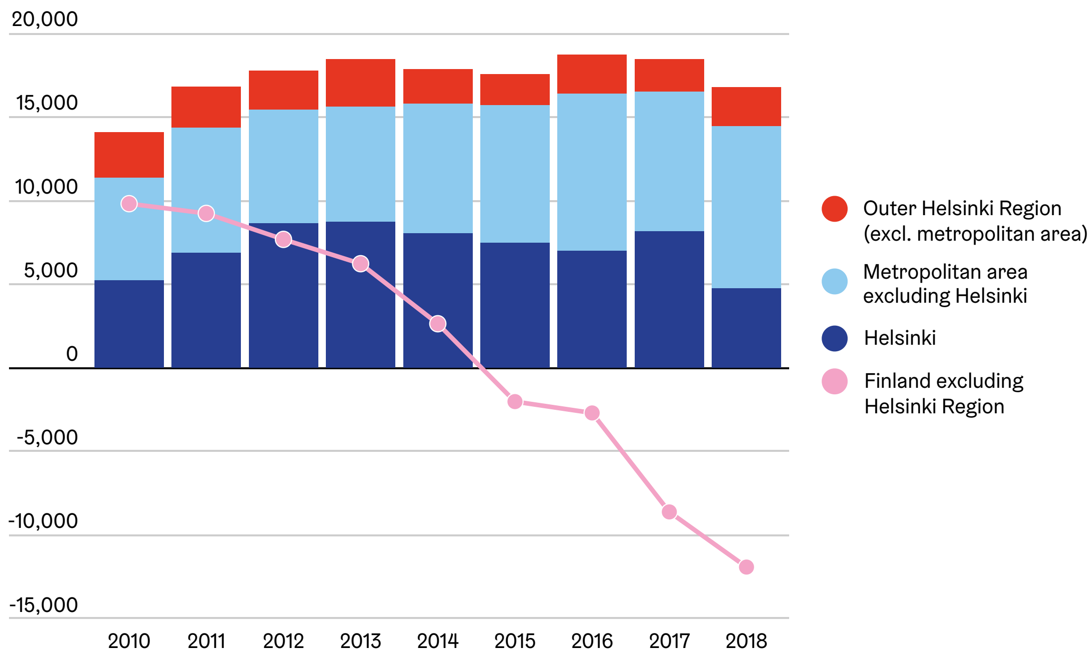
- At the end of 2018, the population of Helsinki was 648,048. Since the beginning of 2016, the population has grown by 20,000, or an average of 6,600 residents per year, which corresponds to an annual growth rate of 1.05%.
- Of this growth, almost 70% – 13,700 residents – is due to the increase in the number of people speaking other mother tongues than Finnish or Swedish. There are already 102,000 Helsinki residents (almost 16%) speaking a foreign language as their mother tongue, and their number grew annually by an average of 4,500, or 5%.
- The number of children in early childhood education increased by 1,000, and the number of children in comprehensive school by 4,600. The increase in the number of children under school age is completely down to foreign-language speakers, as the number of Finnish and Swedish speakers in this age range declined. The number of people of retirement age increased by 6,200 residents. The number of working-age people – 18-64-year-olds – increased by 8,600 and, in this group, the entire increase came from people of foreign background.
- During the present council term so far, 1 June 2017–30 April 2019, the population of Helsinki has increased by 10,000 residents.

Population development during the council term

At the turn of 2018/2019, the population of Helsinki was 648,048. The growth of the city has slowed down somewhat. In the period 2012–2017, the population increased by an average of 8,000 residents per year, but in 2018 the increase was 4,800 (Figure 1.1). During the last six months, Helsinki has grown by only 1,500 residents. The slowing in growth is particularly a result of an increase in migration loss to neighbouring municipalities (Figures 1.2 and 1.3).

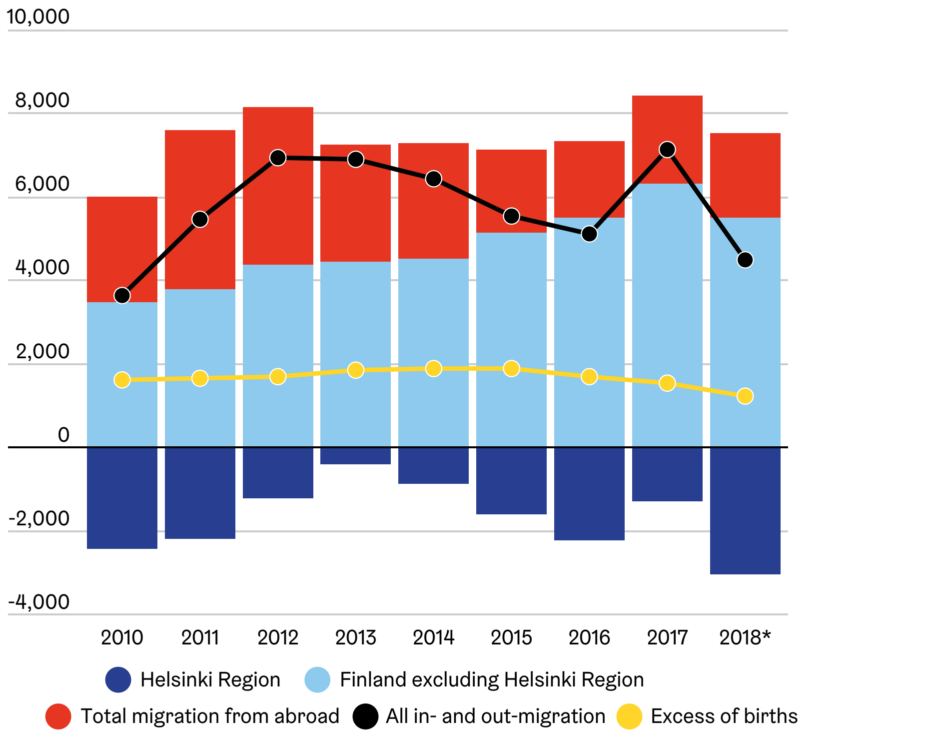
Last year, however, Helsinki's population increase was as large as the increase in Finland as a whole. The concentration of the Finnish population in the metropolitan area has increased during the council term: whilst in 2015 the Finnish population outside the Helsinki region decreased by 2,000, last year the reduction was 12,000 (see Figure 1.1). Helsinki's growth is projected to continue, if slowing somewhat towards the end of the decade. The city's latest Master Plan prepares for the eventuality that Helsinki will continue growing even after the 2030s at almost the present rate.

Figure 1.1. Population growth in the Helsinki Region and the rest of Finland in 2010–2018.



Source: Statistics Finland.

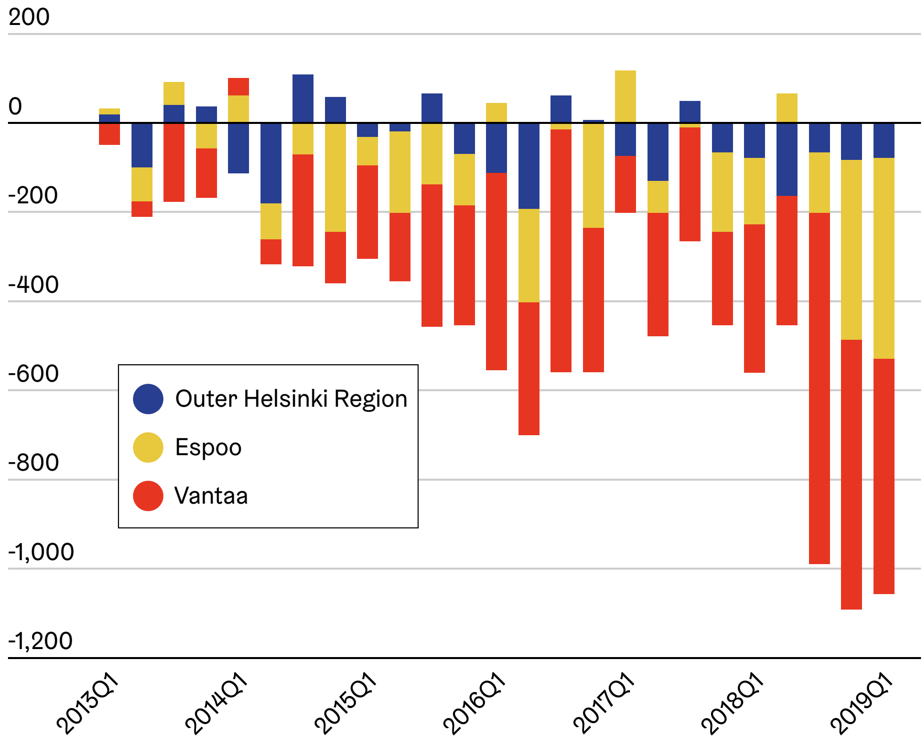
Figure 1.2. Helsinki migration gain and loss by destination/source area in 2010–2018



*Migration data for 2018 is preliminary.

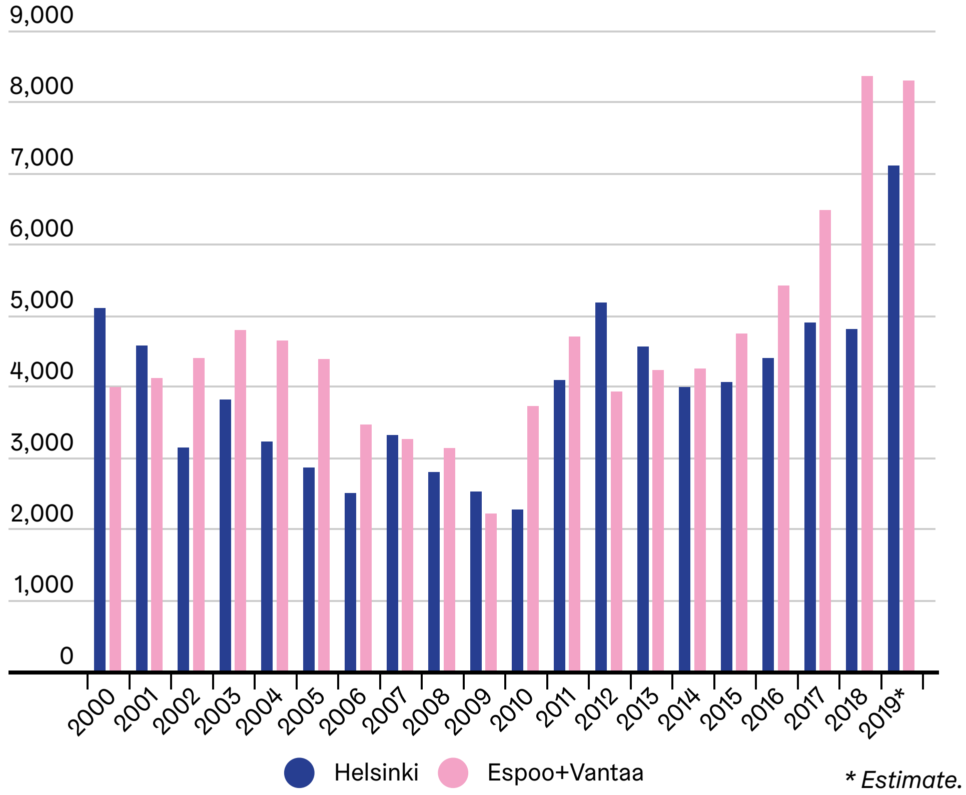
Source: Statistics Finland.

Figure 1.3. Helsinki migration loss to other municipalities in the Helsinki Region, 2013–2019, by quarter



Source: Statistics Finland.

Figure 1.4. Completed dwellings in the metropolitan area in 2000–2018 and an estimate for 2019



Source: Helsinki Region Environmental Services Authority HSY.

Four significant factors are evident in the slowing of the population increase:

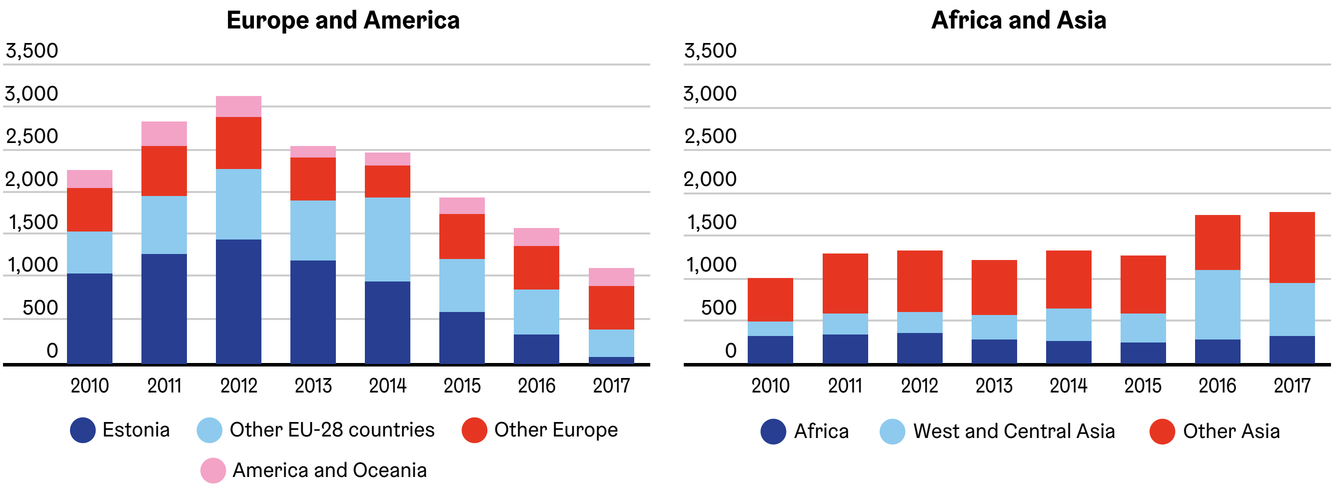
1. Helsinki's migration loss to Espoo and Vantaa has doubled in the past year (Figure 1.3). In Espoo and particularly in Vantaa, housing production has increased considerably in recent years (Figure 1.4). Incoming migration to Helsinki has decreased and outgoing migration has increased notably during the past year.
2. Migration gain, particularly from Estonia but also from other EU countries, has decreased considerably in recent years. Although there has been increasing migration from Western and Central Asia, the total international migration to Helsinki of persons of foreign origin has declined (Figure 1.5). A significant part of the increase in Helsinki's population of people of foreign background is a result of internal migration.
3. At present, the birth rate has also clearly fallen in Helsinki. While the total fertility rate – an indicator used for monitoring the rate of births – was 1.30 as late as 2015, last year it was just 1.13, and the number of births at the beginning of 2019 was lower than a year earlier (Figure 1.6).
4. The population register usually contains a significant number of people – mostly foreign citizens – who have moved out of Finland without submitting a notice of move. At the end of each year, Statistics Finland removes from the population statistics all persons whose whereabouts are unknown. A total of 1,900 people were removed from the statistics in Helsinki for this reason at the turn of 2018/2019.

Migration gain from elsewhere in Finland has also decreased from previous years, but the significance of this change is as yet unsure. In 2016–2017, the amount of migration was affected by the fact that a considerable number of asylum seekers who had arrived in Finland in 2015 relocated to Helsinki.

The foreign migration gain from Estonia peaked at almost 1,500 in 2012. However, the trend has shifted and preliminary data for 2018 shows migration loss. The improvement in the Estonian economy and employment and the rapid contraction of age groups reaching working age has reversed the migration flows back to Estonia from elsewhere in Europe, too. Net migration to Helsinki from other EU countries in 2017 was just a little over 300, whereas in 2014 it was almost 1,000 (Figure 1.5).

Asylum seekers who arrived in Finland in 2015 began to receive residence permits in 2016 and 2017. Those coming through Helsinki reception centres were then recorded as immigrants, which doubled the net migration of this group. People who received a residence permit elsewhere in Finland and subsequently moved to Helsinki have been classed as internal migrants. Last year, only 2,400 asylum applications were submitted to Finland.

Figure 1.5. Net migration of foreign-born persons to Helsinki from outside Finland, 2010–2017

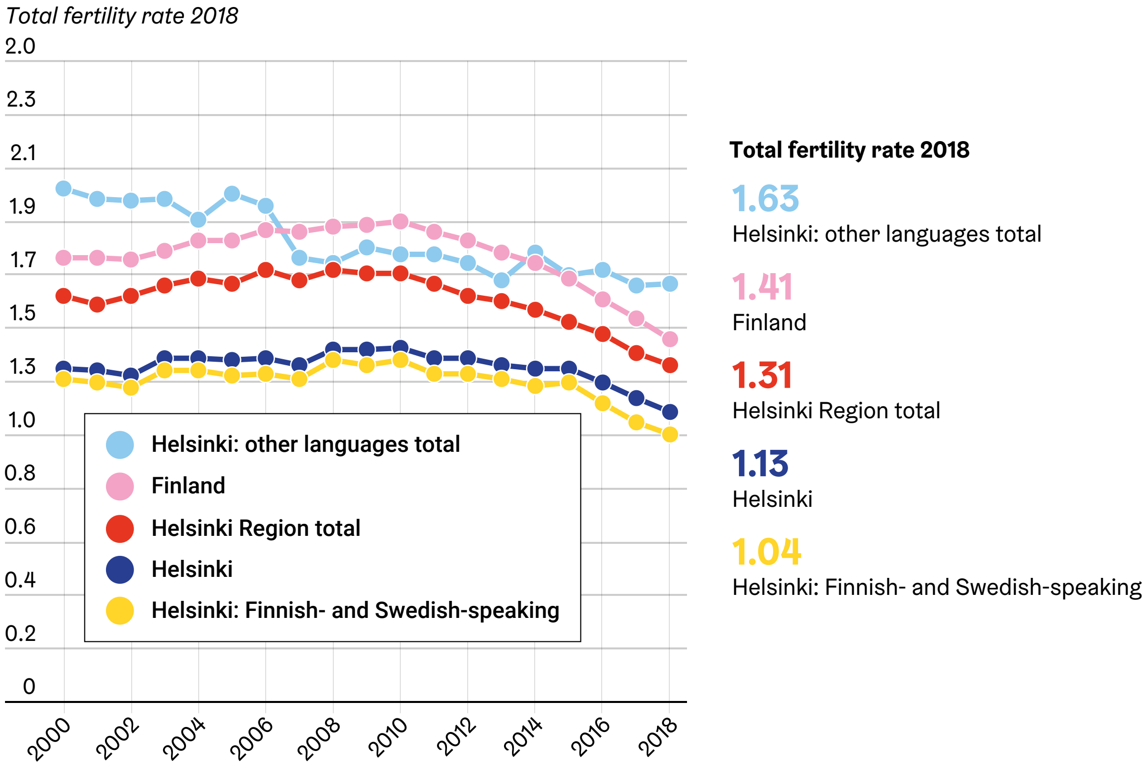


Source: Statistics Finland.

Over the past three years, the number of births has decreased even though the population is increasing. In 2018, 630 fewer children were born than in 2015. The number of children born to mothers under the age of 30 has been declining since 2010 but, since 2015, the number of children born to older age groups has also been decreasing.

Elsewhere in the Helsinki region and in Finland as a whole, the fall in the birth rate began already at the beginning of the 2010s, but it was not significant in Helsinki until after 2015. Although those with a foreign background have higher fertility than the native population, this has not greatly slowed down the fall in the birth rate. The population groups in which fertility is significantly higher than in the native population gave birth to 8% of the children born in Helsinki (Figure 1.6).

Figure 1.6. Birth rate in Helsinki, the Helsinki Region and Finland 2000–2018



Source: Helsinki City Executive Office, Urban Research and Statistics.

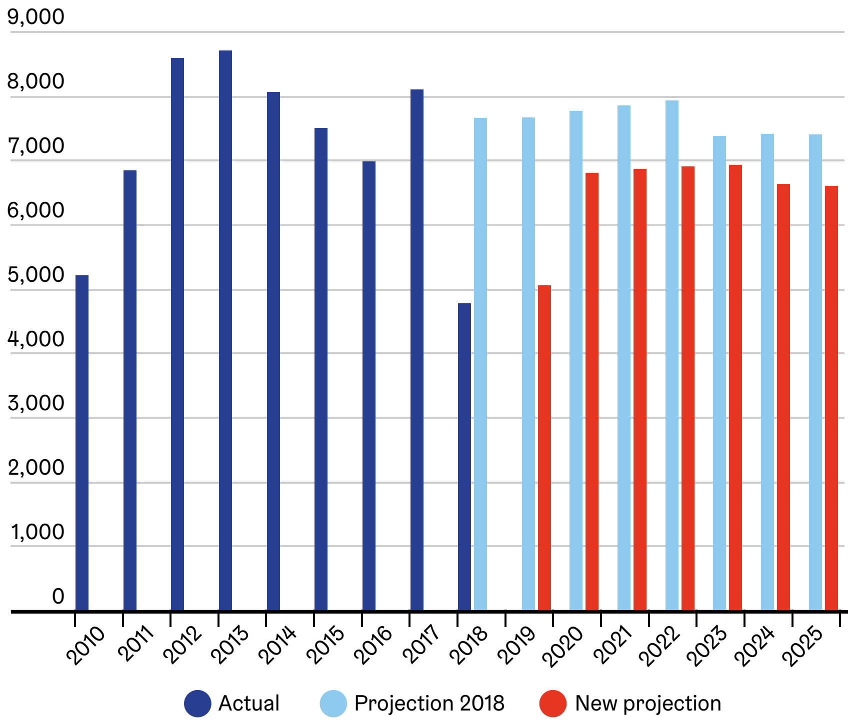
Population projection and development by age group

The City of Helsinki recently produced new population projection to support the city's financial planning for the period 2019–2025. This projection was firmed up in June as the migration statistics for 2018 became available.

The population of Helsinki is expected to grow by a total of 12,000 residents in the period 2019–2020, which is 3,500 fewer than in the previous projection (Figure 1.7). The annual increase is expected to be 6,000 residents on average, which equates to an annual increase of 0.9%. The population of Helsinki is projected to reach 700,000 by 2027.

The main part of the population increase in Helsinki is expected to result from international migration, although some of the migrants will also come to Helsinki having first settled elsewhere in Finland. The population is expected to increase by 80,000 by 2030 and, of this increase, it is assumed that 60,000 will be of foreign background.

Figure 1.7. Population of Helsinki on 1 January 2010–2018 and projection until 2025 (according to projections prepared in 2018 and 2019, basic projection scenarios)

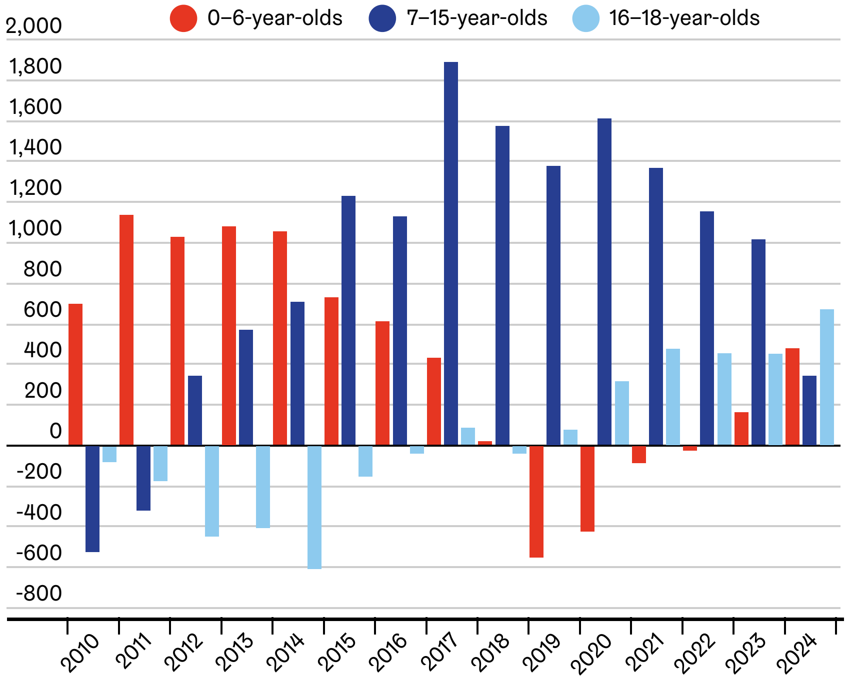


Source: Helsinki City Executive Office, Urban Research and Statistics.

The most significant change from before in Helsinki's population development is the effect of the fall in the birth rate on the number of children of early childhood education age. At the beginning of the 2010s, the number of 1–6-year-olds was growing annually by about 1,000, but last year saw an increase of not more than 17. According to a new population projection, the number of children in this age group will decrease by a total of 1,000 in the period 2019–2022 (Figure 1.8).

The number of children of comprehensive school age will, however, continue to increase by an annual average of 1,300 until 2023. The number of children in the upper secondary age group of 16–18-year-olds is now also starting to increase (Figure 1.8).

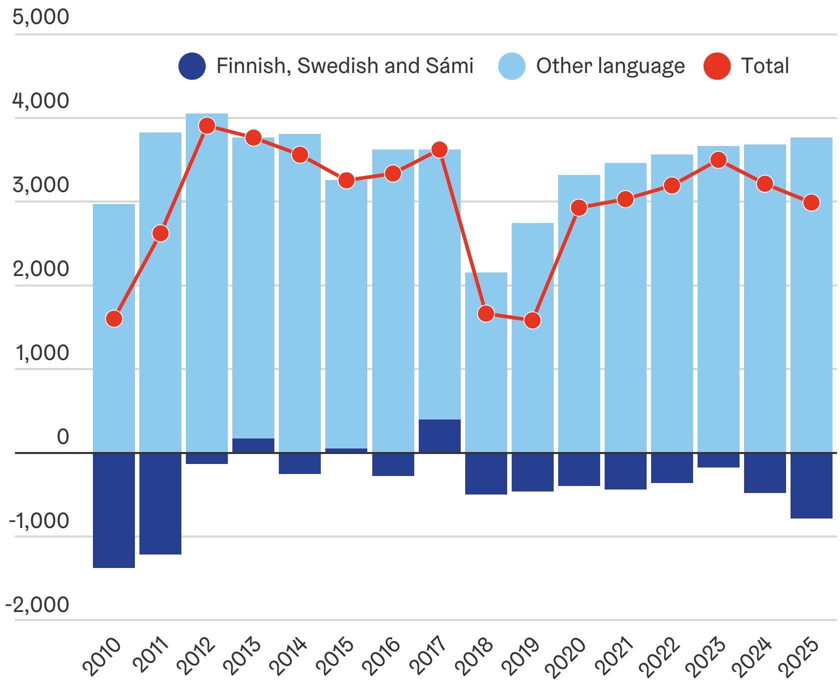
Figure 1.8. Number of children aged 0–18, by age group, change 2010–2018 and projection until 2024



Source: Helsinki City Executive Office, Urban Research and Statistics.

The number of working-age people (aged 18–64) has increased in recent years by an average of 3,000 per year. It is, however, noticeable that the increase in the working-age population consists almost completely of people of foreign background. It is estimated that the number of people of working age speaking Finnish and Swedish as their mother tongue will decline to some extent in coming years, but immigration from abroad will increase the size of this age group by almost as much as a decade earlier (Figure 1.9).

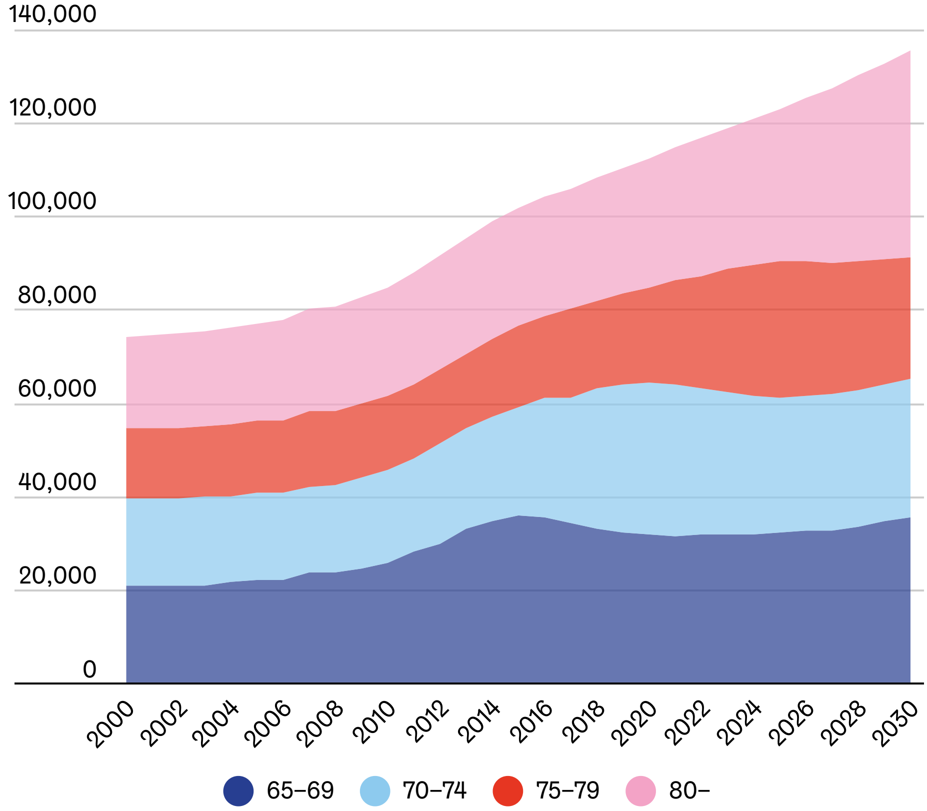
Figure 1.9. Working-age people (18–64-year-olds) by mother tongue, change 2010–2018 and projection until 2025.



Source: Helsinki City Executive Office, Urban Research and Statistics.

The baby-boom generation began retiring at the beginning of this decade, and the number of 65–70-year-olds increased rapidly. At present, this increase in the youngest retirement-age groups is already over, and growth has begun to occur in older age groups. The number of 65–74-year-olds will hardly increase at all in the period 2019–2030, but the number of over-75-year-olds is set to increase by about 24,000 (50%). By the end of the 2020s, growth will be focused on people over the age of 80 (Figure 1.10).

Figure 1.10. People of retirement age 1 January 2000–2019 and projection until 2030



Source: Helsinki City Executive Office, Urban Research and Statistics.

Immigrant population

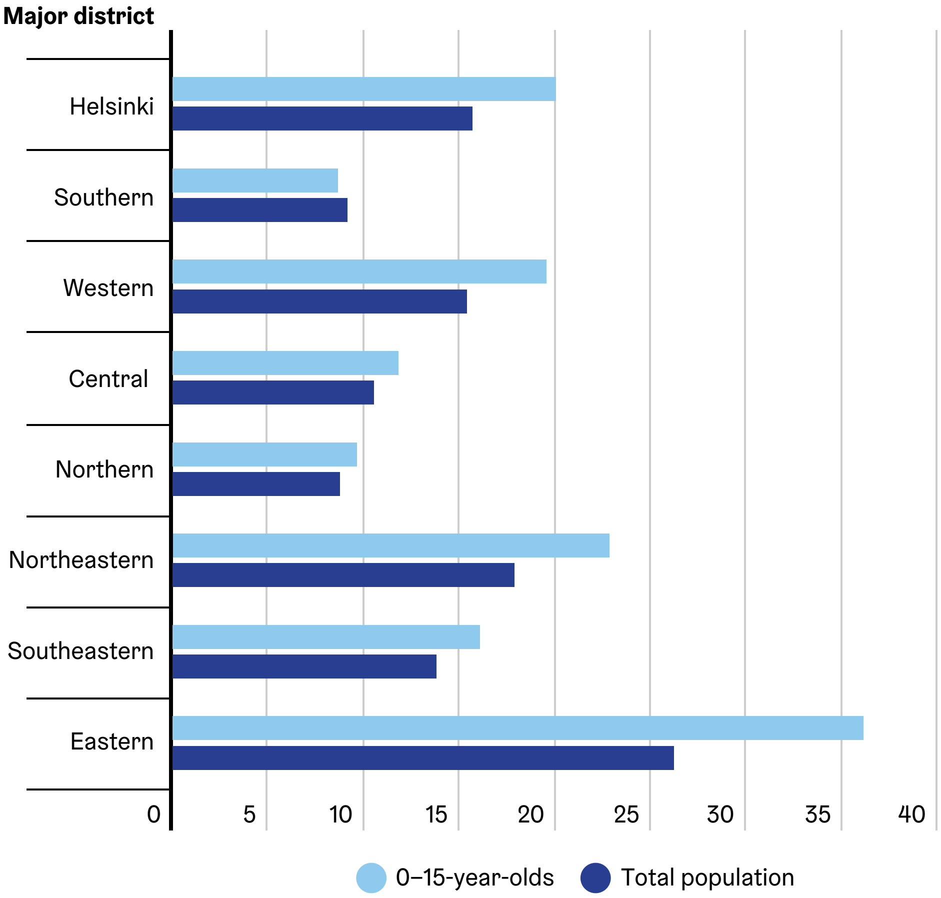
Two-thirds of the population growth of 2017–2018 (totalling 12,800) was due to immigration. The number of Helsinki residents speaking a mother tongue other than Finnish and Swedish exceeded 100,000 during 2018. This represents 15.7% of the entire population of the city. Of all Helsinki residents with a foreign background, 18% were born in Finland and thus belong to the second generation of immigrants.

More than one-quarter of Finland's immigrants live in Helsinki. Almost half of all immigrants in Finland live in the Helsinki metropolitan area. In particular, the population of African origin is concentrated in the metropolitan area. 40% of the people in this group live in Helsinki and two-thirds in the metropolitan area.

The number of people from foreign backgrounds has also increased rapidly in Espoo and Vantaa, where their share of the population has already overtaken that of Helsinki.

The immigrant population is concentrated in suburban areas dominated by blocks of flats, particularly in eastern Helsinki where more than one-third of the residents in several districts speak a mother tongue other than Finnish or Swedish (Figure 1.11). Compared to the suburbs, immigrants occupy a smaller share of the population of inner Helsinki. Of the immigrants living in the inner parts of the city, those with European backgrounds represent a bigger share than in the suburbs.

Figure 1.11. Population with a mother tongue other than Finnish or Swedish, roportion (%) of 0–15-year-olds and total population, by major district, 1 January 2019



Source: Statistics Finland.

Photo: Helsinki Marketing/Jussi Hellsten

2. Well-being

2.1. Well-being and health

- The majority of Helsinki people are doing well, but there are considerable differences between population groups in terms of well-being and health, education, income and employment. At the greatest risk of exclusion are those facing the accumulation of multiple socio-economic problems. According to surveys, for example, the abuse of alcohol, loneliness and long-term dependency on income support are connected to many other aspects of low socio-economic status.
- Every tenth Helsinki resident lives at least occasionally in poverty. In this group, one in five has faced prolonged poverty. The share of people dependent on long-term basic income support has, however, fallen slightly from the previous year. The homeless number more than 2,000, and one in four has a social or health problem fundamentally hindering their housing prospects.
- The feeling of loneliness and mental stress has slightly decreased among the adult population from the situation of a couple of years ago. Instead, feelings of anxiety amongst young people have increased to some extent compared to 2013.
- According to many health indicators, Helsinki people are healthier than those living elsewhere in Finland, and the difference in mortality between Helsinki and the rest of the country has also narrowed. The life expectancy of men in Helsinki, in particular, has increased in recent years.

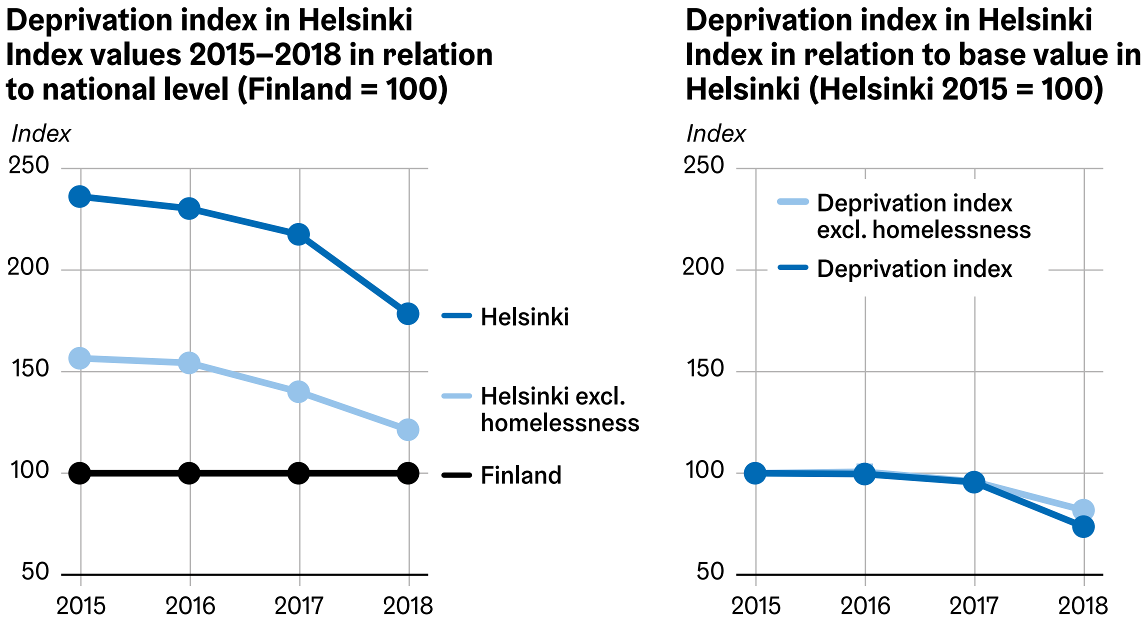
- **Although the possible impacts of the major reform of the Alcohol Act in 2018 are not yet visible in terms of mortality, latest surveys indicate that the abuse of alcohol and binge-drinking have clearly declined in Helsinki.**
- **Socio-economic health differences are great in Helsinki. In particular, mortality among the less well educated and manual workers is considerably greater in Helsinki – especially among people of working age – than in corresponding groups in the rest of Finland. While alcohol abuse is more common among people in low socio-economic status than in other groups, it is positive that binge-drinking, for example, has decreased more rapidly in this group and the relative difference between population groups has narrowed.**

Well-being is a multi-dimensional phenomenon. The key factors that determine it are related to material and perceived well-being, quality of life and health. Various indicators reveal that the majority of Helsinki residents seem to be doing well and feeling fine. In 2018, more than 60% of Helsinki residents aged 20 or older considered their quality of life to be good. 70% felt that their state of health was good, 77% were satisfied with their human relationships and more than 80% believed that they would be able to continue working until retirement age. The share of Helsinki residents satisfied with their quality of life increased by four percentage points from the period 2013–2015, when the National Institute for Health and Welfare last gathered information in a population survey about the health and well-being of Helsinki people.

There are, however, considerable differences between population groups in terms of to health and well-being, education, income and employment. These indicators show Helsinki as a fairly polarised city in Finnish comparison, and it is home to both the most affluent and the most disadvantaged people in the country. In Helsinki, the share of people with a higher education degree is significantly greater than in the rest of the country, but, at the same time, the share of people without any post-comprehensive qualification is above the national average. Helsinki residents earn more than the average Finn (17% of Helsinki residents belonged to the highest income decile in 2017, compared to 10% nationally), but the share of children living in low-income households, for example, was on the same level as the national average. Similarly, the employment rate in Helsinki is higher than the national average, yet the city's unemployment rate is on the same level as the national average, and the share of long-term unemployed among job seekers is clearly greater than the Finnish average.

The state of well-being is often examined through welfare deficits. According to studies, welfare deficits accumulate in certain population groups, and this is a major challenge in terms of preventing social exclusion. At the greatest risk of exclusion are those facing the accumulation of multiple socio-economic problems. When income-related difficulties, for example, are compounded by substance abuse or mental health problems, the risk increases of being simultaneously excluded from many arenas of life. Although individual indicators do not directly reveal the accumulation of problems associated with low socio-economic status, it has been noticed that there are clear links between certain phenomena. Studies show, for example, that the abuse of alcohol, loneliness and long-term dependence on income support are connected to many other aspects of low socio-economic status – that is to say, other welfare deficits occur alongside them. (Figure 2.1)

Figure 2.1. Change in deprivation index in Helsinki, 2015–2018, and four component indicators in 2018



Sub-indices in Helsinki in 2018:

2.8 homeless people per 1,000 residents

8.8% binge-drink

8.5% feel lonely

4.1% live in households receiving long-term basic income support

Source: Housing Finance and Development Centre of Finland (ARA); National Institute for Health and Welfare (THL); Social Insurance Institution of Finland (KELA).

Every tenth Helsinki resident lives at least occasionally in poverty

An adequate income is a prerequisite for well-being. In 2018, every tenth Helsinki resident had feared that they would run out food before they could afford to buy more. Every fifth said that they had had to compromise on food, medicines and doctor's appointments because of lack of money. In the same year, every tenth Helsinki resident had had to rely on basic income support for at least one month in order to be able to provide themselves or their family with necessary income. Certain groups were overrepresented among the recipients of basic income support: people living alone (particularly men), children and young people, single-parent families, those without fluency in Finnish or Swedish, and the unemployed.

The long-term use of income support, in particular, indicates poverty. In 2017, almost 32,000 people in Helsinki (40% of benefit recipients and 5% of all residents) received basic income support on a long-term basis, that is, for at least 10 months during the year. Receiving long-term benefits was most common among families with children that received income support – almost 45% of these families received the support on a long-term basis. Of all families with children in Helsinki, 5% were dependent on long-term benefits. The proportion of people living on long-term basic income support has been declining since 2016, and this change can largely be explained by an improving employment situation.

Of the Helsinki recipients of basic income support, almost 30% (more than 7,000 households in November 2018) earned no taxable income at all. Being without income is common among young people, in particular. The prevalence of those without income can be explained, above all, by the waiting time for unemployment benefit (along with qualifying periods), but other reasons such as substance abuse and homelessness also contribute to it. The share of people without income in Helsinki is slightly greater than in Finland as a whole or in other municipalities in the metropolitan area.

Helsinki has over 2,000 homeless persons

One of the most extreme aspects of low socio-economic status is homelessness. Finland has actively worked to reduce and prevent homelessness, and the number of homeless people has in fact declined. Of all the homeless people in Finland, almost 40% live in Helsinki. In 2018, Helsinki had approximately 2,100 homeless people, including 130 children. Homelessness does not always equal 'rough sleeping': for most homeless people in Helsinki and Finland, it means staying temporarily with friends and relatives for varying lengths of time. It is estimated that Helsinki has approximately 500 homeless people who have a social or health problem that makes it fundamentally difficult to house them (e.g. problems with debt, substance abuse or mental health) and whose homelessness has become or risks becoming prolonged. The number of homeless people in Helsinki has declined since 2017 from 3,800 to 2,100. However, this can be primarily explained by a change in the methodology of compiling homelessness statistics.

Almost 10% feel lonely and 13% experience mental stress

Approximately 9% of Helsinki residents aged 20 or older felt lonely in 2018. This share decreased slightly from 2013–2015 when almost 11% had reported feeling lonely. Among children in lower comprehensive school, only 3% said that they often felt lonely, while on the upper level the figure was 11%. On the lower level, almost everybody has at least one good friend, but in the upper level one in ten report having no close friends at all. It is more common for boys to be without a close friend, but girls experience loneliness more often. Studies show that the quality of life deteriorates as the feeling of loneliness intensifies, and people in this situation feel that their state of health is also below average. People who feel lonely are often also more susceptible to risk factors related to health behaviour, unhealthy lifestyle habits and depression. Moreover, such effects may be permanent.

Almost 13% of Helsinki residents aged 20 or over felt mentally stressed in 2018. This percentage was slightly greater than the national Finnish average. Both in Helsinki and all of Finland, the situation has, however, improved slightly compared to the situation in the period 2013–2015. With regard to children, girls experience stress or tiredness, exhaustion from school and headaches more than boys do. Girls also experience symptoms of anxiety much more than boys. Feelings of anxiety have increased among young people to some extent compared to 2013.

Helsinki residents healthier than other Finns – mortality gap narrowing slightly

Good health is a fundamental element of well-being. According to many indicators, residents of Helsinki are healthier than the national average. The morbidity index comprising three different indicators and based on register data is lower in Helsinki than elsewhere in Finland. This result is supported by Helsinki residents' assessment of their own state of health. Of Helsinki residents aged 20 or over, only 30% consider their state of health to be average or below, whilst the corresponding figure for all of Finland is 3 points higher.

Looking at mortality instead of health and morbidity, the picture is somewhat different. In 2018, the life expectancy at birth was 78.7 years for men and 84.1 years for women. The life expectancy of Helsinki residents has consistently increased, but it is still slightly lower than for the nation as a whole. According to the latest data, the difference between the national level and that of Helsinki is 0.2 years for both men and women. The gap was at its widest in the early 1990s: almost 1.5 years for men and slightly under 1 year for women.

What explains the dissonance between mortality and the general healthiness of the population? It results, on the one hand, from difficulties in measuring health and, on the other hand, the fact that the socio-economic and socio-demographic differences in morbidity and mortality in Helsinki are greater than in the rest of Finland. Higher mortality in Helsinki does not apply to all population groups. Amongst the highly educated, as well as professional and managerial staff, there is virtually no difference in the mortality rate between Helsinki and the rest of the country. On the other hand, the mortality rate among the less well educated and manual workers is considerably greater in Helsinki than in similar groups elsewhere in Finland, particularly among people of working age. Mortality from alcohol-related illnesses and lung cancer among Helsinki residents without a post-comprehensive degree is particularly elevated. Differences in the mortality rate between different districts of the city are also considerable.

With regard to mortality, however, the trend has been positive. Between 2004–2007 and 2014–2017, the life expectancy of Helsinki men increased by three years and, for women, by 1.5 years (Figure 21). The greatest fall was recorded in death from coronary and vascular diseases, but deaths related to accidents, violence and alcohol are also fewer than before. Statistics on causes of death in 2018 are not yet available, and it is not yet known how alcohol-related mortality has developed as a result of the comprehensive reform of the Alcohol Act. According to preliminary data from the National Institute for Health and Welfare, the reduction in alcohol consumption witnessed in recent years has now halted, with consumption in 2018 slightly greater than the previous year.

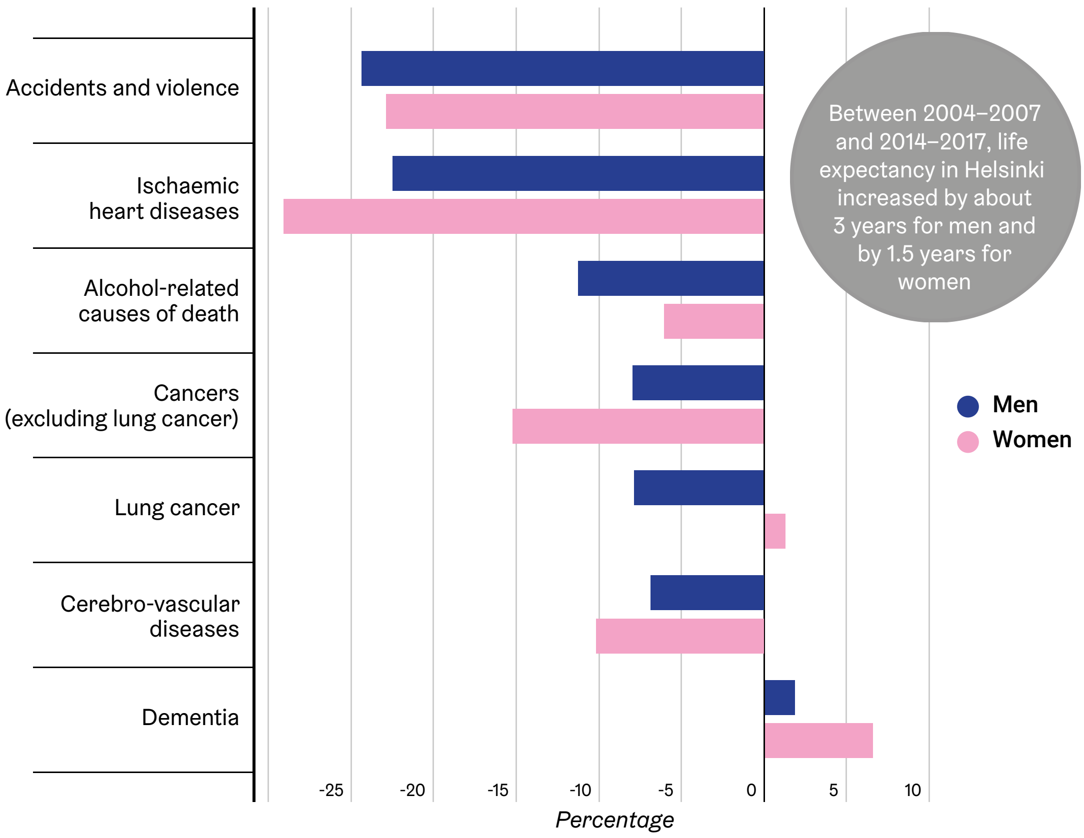
The use of alcohol has previously been considerably more frequent in Helsinki than the national average, and this has also been reflected in greater mortality from alcohol. According to the latest data, the situation seems to be changing. Alcohol abuse and binge-drinking have clearly declined in Helsinki. As regards people of working age, there are actually no longer any differences in the use of alcohol between Helsinki and Finland. However, senior citizens in Helsinki consume more alcohol than the corresponding age group elsewhere in Finland. Among young people, the proportion of those who are teetotal in Helsinki has increased in accordance with the national trend. In 2017, 64% of students at grades 8–9 of comprehensive school were teetotal, and among students in upper secondary education the figure was one-third. Binge-drinking is equally common among young people in Helsinki as it is in the rest of the country, with the exception of upper secondary students who binge-drink more often than the national average for their age group.

Alcohol abuse in Helsinki is more common among those in low socio-economic status than in other groups. From the perspective of socio-economic health differences, it is positive that binge-drinking, for example, has decreased more rapidly in this group and that the relative difference between population groups has narrowed. If this trend continues, socio-economic differences in morbidity and mortality might narrow slightly in the future, although they have seemed rather stable.

Among men, mortality from lung cancer has also declined as a result of a sustained reduction in male smoking. The mortality of women from lung cancer, on the other hand, has continued to increase because of the later rise in popularity of women's smoking.

Daily smoking is less common in Helsinki than the national average, and the share of smokers among the population has continued to decrease in recent years. In 2018, approximately 10% of Helsinki residents smoked. Socio-economic differences in smoking are substantial. In particular, those with a high level of education now smoke only rarely (the share in 2018 was less than 6%).

Figure 2.2. Effect of different causes of death on the change in life expectancy between the periods 2004–2007 and 2014–2017 (proportion, %, of each cause of death in total life expectancy)



Source: Statistics Finland.

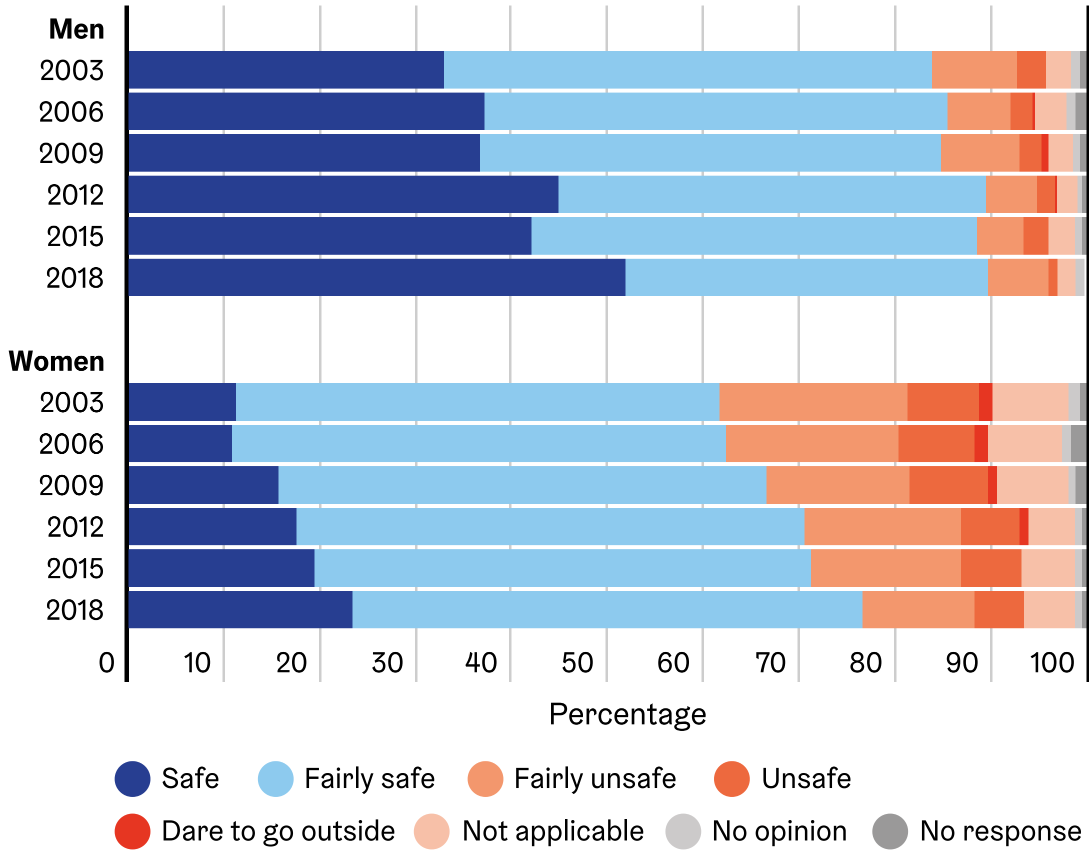
Photo: Helsinki Marketing/Julius Konttinen

2.2. Perceived safety

- According to the Helsinki Security Survey of 2018, Helsinki residents feel safer than ever in both their own neighbourhood and the city centre, as well as on public transport. This trend has been positive for both men and women, although feelings of insecurity remain clearly more common among women (Figure 2.3).
- Many other indicators also point to positive developments in terms of safety: for example, people see less violence in their own neighbourhood than in the early 2000s, and safety concerns related to their own neighbourhood have decreased.

Safety situation better than ever before

Figure 2.3. Perceived safety in the respondent's own neighbourhood late on weekend evenings, by gender (%) 2003, 2006, 2009, 2012, 2015 and 2018, Finnish- and Swedish-speakers aged 15–74



Source: Helsinki Security Survey 2018.

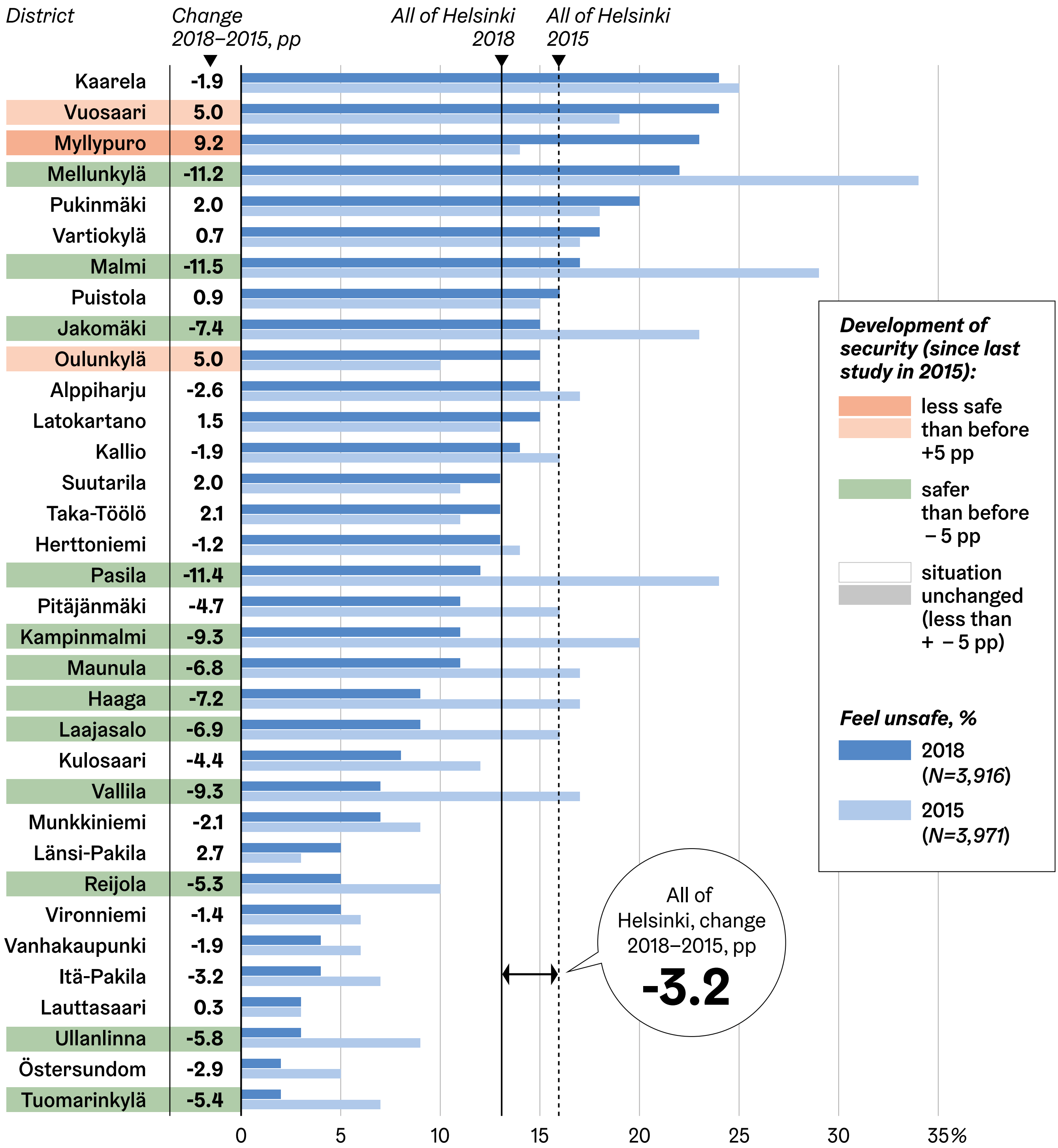
About one in eight Helsinki residents (13%) consider their own neighbourhood to be unsafe on weekend evenings. Area-based differences in the proportion of people feeling unsafe narrowed down between 2015 and 2018. In 2015, the gap between the highest and lowest area in terms of perceived insecurity was 31 percentage points, while in 2018 it was down to 22 points (Figure 2.4).

The ranking of the areas, however, has remained almost the same. Among the 10 districts considered the safest, nine were the same in 2015 and 2018. Likewise, among the 10 districts considered the least safe, eight were the same in both survey years.

The shares of those feeling unsafe remained almost the same in 20 of the 34 districts (59%). In other words, changes in those areas have been less than five percentage points in one direction or the other. Twelve areas (35%) have witnessed positive development. Perceived insecurity has decreased the most in areas where the situation was exceptionally weak in 2015.

Only in three of the districts did the proportions of people feeling unsafe increase between 2015 and 2018 and, of those, only in one by a significant amount. These are Myllypuro (increase of 9%), Vuosaari (5%) and Oulunkylä (5%). Therefore, it can be argued that only Myllypuro registers a clearly 'negative' trend (a change of more than 5 percentage points) – or rather, that district sees a return to its 2009 level after a bump.

Figure 2.4. Perceived insecurity (response options “unsafe” and “fairly unsafe”) in the respondent’s own neighbourhood late on Friday and Saturday evenings, by district, 2018 and 2015, all respondents aged 15–74



Source: Helsinki Security Survey 2018.

Concern about the local environment in areas considered unsafe

Between the last two surveys (2015–2018), safety concerns related to one's own neighbourhood have decreased. The issues that Helsinki residents are most concerned about are the social exclusion of people (39% are very concerned or fairly concerned), vandalism or tagging (37%) and loss of green areas (36%). The survey questionnaire inquired about 15 potential topics of concern related to the respondents' daily environment.

There are area-based differences within Helsinki with regard to the residents' top concerns. In areas with generally higher perceived insecurity, people are particularly worried about anti-social behaviour, street violence, crime, substance abuse, drug dealing and conflicts between people of different languages and cultures. Concerns related to traffic behaviour and the loss of green areas are common in all types of city districts, and the respondents' concern about these issues does not correlate to perceived neighbourhood safety to the same extent.

Photo: Helsinki Marketing / Jenna Pietikäinen

3. Residental segregation

- **Segregation in Helsinki is generally not severe, but some worrying signs are present.**
- **According to different indicators, Helsinki's socio-economically most disadvantaged areas have diverged somewhat from the city average.**
- **In some areas in Helsinki, the growth in the population of foreign origin has been considerably faster than average. Notable differences in the degree of segregation exist between groups according to country or region of origin.**

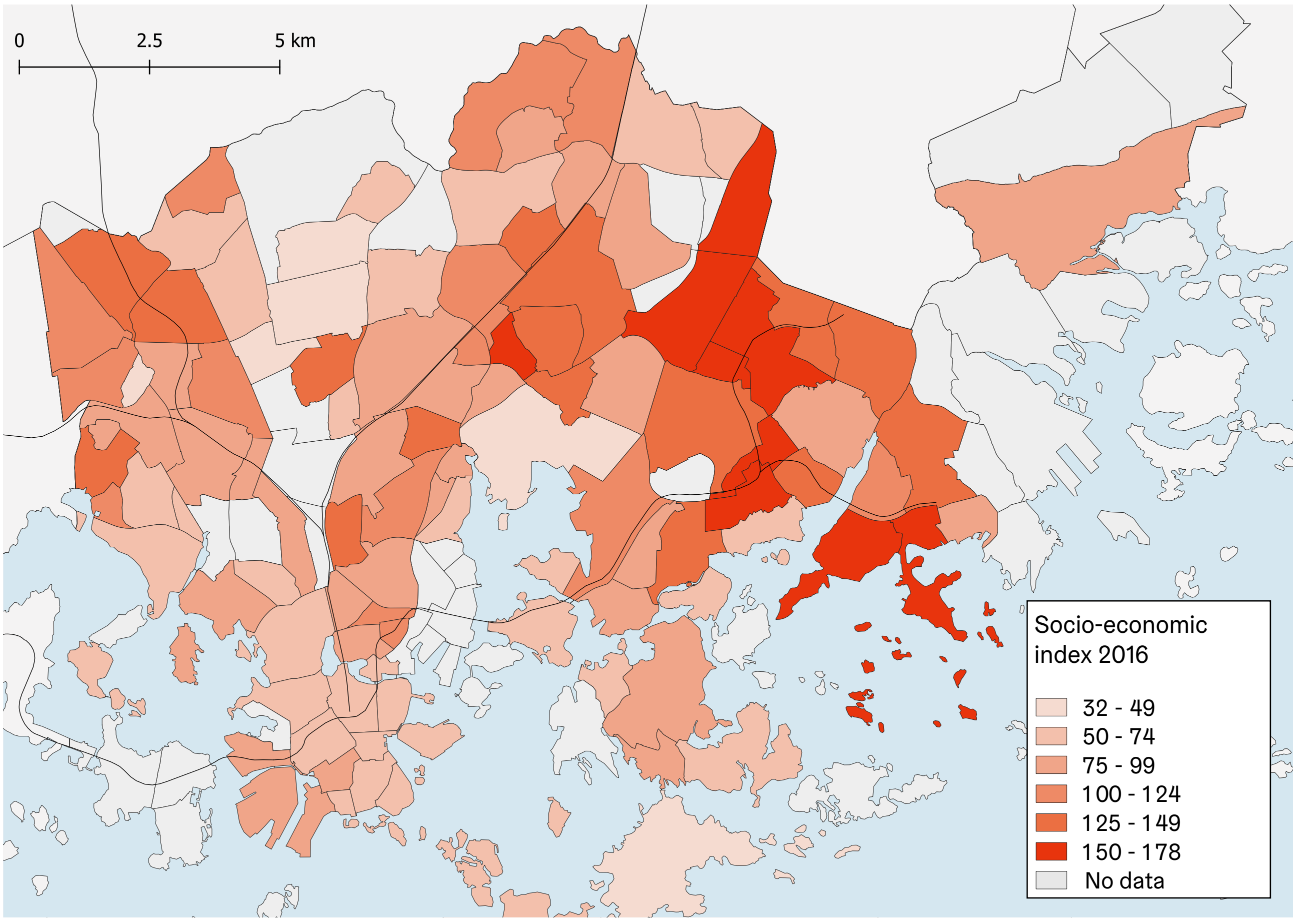
Residential segregation refers to differentiation in the population structure of city areas. Segregation may be demographic, socio-economic or ethnic. These phenomena also often overlap if, for example, low-income immigrant families are concentrated in their own residential areas.

The City of Helsinki aspires to be a European model in the prevention of segregation and has had a fair amount of success regarding this objective. By international comparison, Helsinki is considered a city of relatively low level of segregation, but worrying signs are visible in Helsinki, too. While Helsinki has no districts with socio-economic decline in absolute terms, the welfare development in the most advantaged districts has been faster than in other areas, and this has increased the disparities inside the city. At the same time, area deprivation has become more complex than before – for example, low income levels, unemployment and lack of education are increasingly concentrated in certain areas in the city.

Socio-economic segregation

Figure 3.1 illustrates the differences between Helsinki districts using a composite index calculated from three key socio-economic variables: share of low-income households (those in the lowest income quintile), unemployment rate and proportion of low-educated persons in the workforce. Both these three variables and the composite index derived from them are compared to the city average, represented by an index value of 100. Thus, if the value is above 100, the area in question is socio-economically more disadvantaged than the city average, and similarly in areas with a value under 100, the socio-economic structure is better than average.

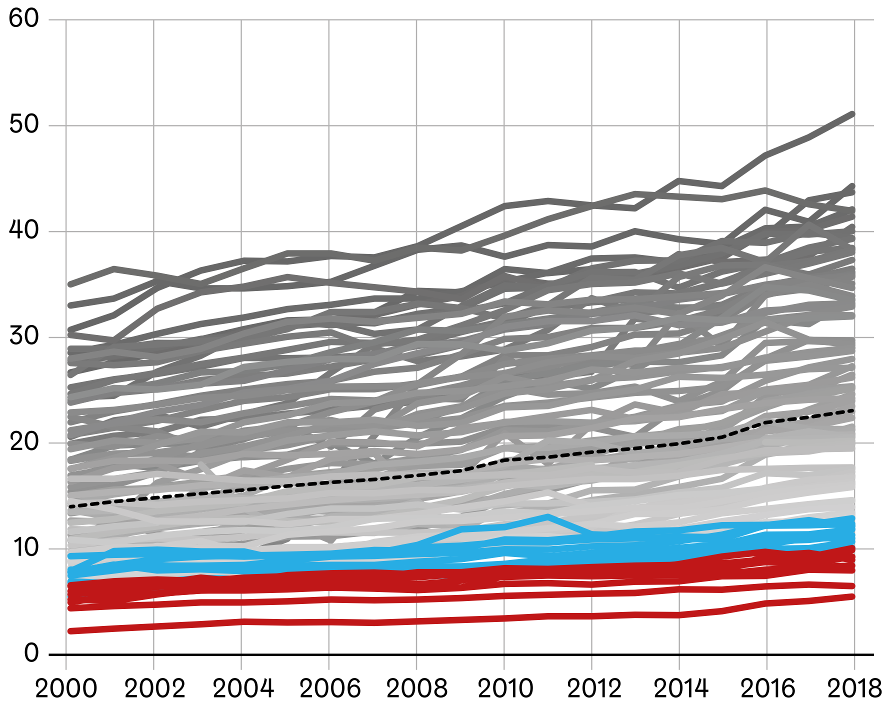
Figure 3.1. Area differences in the socio-economic structure of Helsinki districts, 2016



The map analysis shows that the socio-economically least advantaged areas are mainly located in eastern and north-eastern Helsinki. The least advantaged areas diverged, to some extent, from the city's average during the period 2010–2016 – they fell slightly behind the pace of development. This becomes particularly evident if the change over time is examined all the way from the year 2000. The development paths of these disadvantaged areas have also diversified to some extent. In some of the areas, the index value has hardly changed at all, and in others, the development trend has clearly fallen behind the average for the city. There are, however, also areas such as Myllypuro where the socio-economic structure has improved as a result of active infill construction.

A slight increase in area-to-area differences is also visible in individual indicators. Figure 3.2 shows the development of differences in educational attainment (share of those with higher education degree) in the period 2000–2018. The distribution has polarised to some extent during this period. The share of over-25s with a higher education degree exceeds 35% in many areas whilst remaining at just 5–10% in other areas.

Figure 3.2. The share (%) of over-25s with a higher education degree in Helsinki, by sub-district, 2000–2018. Each line depicts one sub-district. Helsinki's average is shown by the dotted line

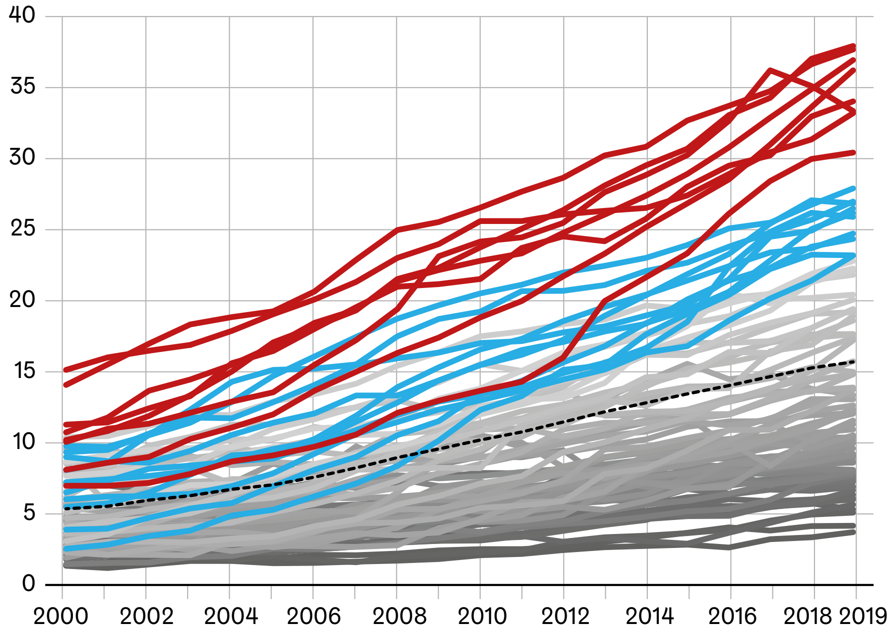


Ethnic segregation

By international comparison, ethnic segregation in Helsinki is relatively modest compared, for example, to Stockholm or Copenhagen. However, an increase in the levels of segregation has been evident over the past 10 years. The share of immigrants and their Finnish-born children in the Helsinki population has increased considerably since the turn of the millennium (see chapter Population), and at the same time major changes have occurred in the population structure in individual districts.

Figure 3.3 illustrates the change that has taken place in the share of foreign-language speakers in the districts of Helsinki. Helsinki's average is shown in the figure by the dotted line. 'Foreign-language speakers' refers to those residents whose registered mother tongue is other than Finnish, Swedish or Sámi. 10 years ago, the highest shares of foreign-language speakers in Helsinki districts were around 20–25%; by 2019, these have risen to 34–38%. In 2019, the areas with the lowest share remained at around 5%, a level that has hardly increased in the past 10–15 years. Figure 3.3 shows a group of eight areas (red lines) in which the share of foreign-language speakers is considerably higher than in other areas and has mainly increased fairly rapidly. The dispersion of the areas has thus clearly increased.

Figure 3.3. Share of foreign-language speakers (%) in Helsinki, by sub-district, 2000–2019. Each line depicts one sub-district. Helsinki's average is shown by the dotted line



Differences between areas appear even greater if we examine the proportion of children. In some areas, the proportion of children speaking a foreign mother tongue already exceeds 50%. In other areas, it remains at the level of just a few percent. In particular, the ethnic segregation of children under school age has been growing. It must be noted, however, that most foreign language-speaking children also speak Finnish or Swedish as their second language.

There are great differences in the intensity of ethnic segregation between different immigrant groups. The ones most strongly segregated from the native population include the Somalis, Nepalese, Bangladeshis, Afghans and Kosovans. There is less segregation between the native population and, for example, people from other EU countries, Russians, Chinese and Thais. Many reasons contributing to differences in the intensity of segregation have been identified, including the level of income and position in the labour market. Many people of foreign background also have a Finnish spouse, but it is customary in some immigrant groups to marry a partner from the same ethnic background.

There is no great difference between Helsinki and its neighbouring cities in terms of the immigrant population's share of the total population. At the beginning of 2019, Vantaa had the most foreign-language speakers (19%), with Espoo on 17% and Helsinki on 16%. The three cities are relatively similar as regards the countries of origin of the immigrant population: despite minor differences in the profiles, people of Russian and Estonian backgrounds formed the two largest groups in Helsinki as well as Espoo and Vantaa.

Effects of residential segregation

Area-to-area differences in the socio-economic structure of the population are reflected in differences in morbidity and self-perceived well-being (see also chapter Well-being and Health). This results in different needs for services between the city areas. The classroom composition of schools and day care centres is markedly different from one area to another. The area-to-area differences are also reflected in perceived safety (see chapter Safety). Studies show that segregation development also affects residential choices as well as the differentiation of housing prices and school performance. Moving within the city can contribute to intensifying segregation, if the movers begin to make their choices with a strong emphasis on area characteristics, favouring some areas and avoiding others.


Photo: Helsinki Marketing / Antti Pulkkinen

4. Economy and labour market

4.1. Economic development and business activity

- Economic growth in Finland and the Helsinki region is still strong but the growth is predicted to slow in the coming years. Consumer confidence and the economic outlook for companies have already been declining for some time.
- The number of companies and the size of the total workforce have increased strongly in Helsinki in recent years. The number of companies increased most rapidly in the financial services sector.
- In terms of number of employees, the largest sector – and the one that has grown the most – is administrative and support services. Trade remains a large sector, but in recent years its employee numbers have declined considerably.

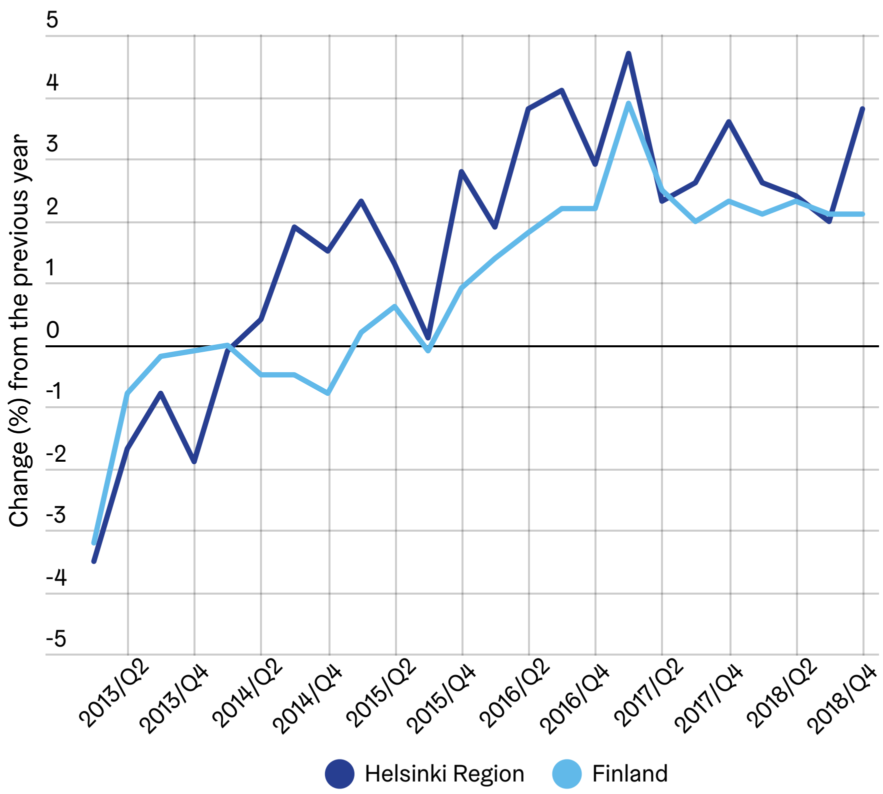
Economic growth still strong but expectations weaken

The economy of Finland and the Helsinki region. The Finnish economy has reacted more quickly than expected to the weakened outlook in the euro area and increased uncertainty in the international economy. In spite of slowing down, the Finnish economy still grew last year by 2.3%, which is faster than the average in the euro area. According to the latest forecast by the Bank of Finland, economic growth will continue in Finland but will slow down further. GDP is expected to increase by 1.9% in 2019 and by 1.7% in 2020. The Bank of Finland identifies several signs of slowing economic growth. The slowing of growth in the global market and the euro area will increasingly be reflected in the development of Finnish exports, the growth of which has indeed already started to decline. Housing construction remains on a high level, but it is also beginning to lose its upward trend. Growth in the investments in machinery and equipment, as well as that of industrial production, has also slowed.

The growth in private consumption has been slowing in Finland more rapidly than expected. Consumer purchasing power has improved due to positive employment trends but, in many sectors, the growth in employment is already quite modest. Shrinking labour supply in some sectors and the general slowing of economic growth may have already partly contributed to the slowing in employment growth.

In recent years, however, production in the Helsinki region has grown more strongly than the Finnish average, and growth remains strong (Figure 4.1).[1] In the last quarter of 2018, production was 4% higher than a year earlier. The companies in the region are also doing well. At the end of last year, turnover increased strongly in manufacturing and construction. Since the end of last year, positive trends have also continued in many of the region's service sectors, with turnover increasing clearly in business services, the information and communication sector, the hotel and restaurant sector, trade as well as transport and warehousing.

Figure 4.1. Indicator predicting total production, Helsinki Region and all of Finland 2013–2018

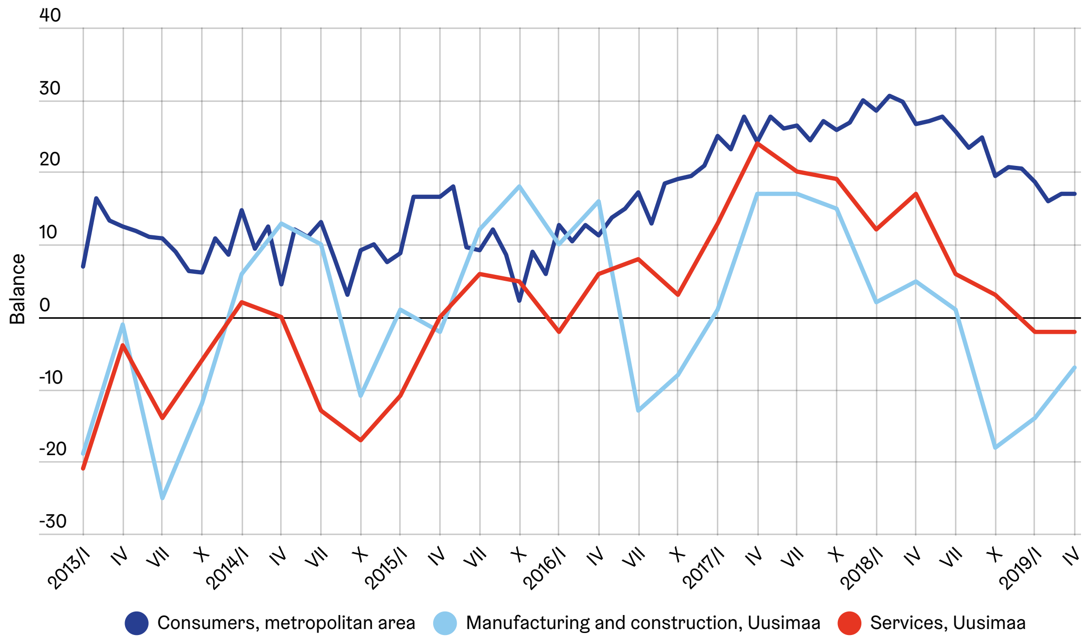


Source: Statistics Finland, Urban Research TA.

1 Information concerning production and company turnover from the Helsinki Region Sector Review (1/19) edited by Urban Research TA Ltd and published by the Helsinki Region Chamber of Commerce.

Although the actual economic growth figures are still good, the expectations of both consumers and companies about economic development have already been declining for some time (Figure 4.2).[2] In the Uusimaa region, the business outlooks of manufacturing, construction and service companies have been declining since the second half of 2017, and have even become negative in the service sector. The consumer confidence in the economy of the metropolitan area remains strong, but it too has clearly declined from the peak figures at the beginning of 2018. The expectations of consumers and companies have declined nationally more slowly than in the metropolitan area and Uusimaa.

Figure 4.2. Consumer confidence in the metropolitan area and the business outlook of companies in Uusimaa 2013–2019



Source: Statistics Finland; Confederation of Finnish Industries (EK).

Business premises market in Helsinki. The last five years have been busy in the Finnish property investment market. In 2018, 61% of all of Finland's property transactions were carried out in the metropolitan area. This is explained by factors such as favourable economic development as well as net yield levels which were somewhat more attractive than in comparison countries.[3] The net yield levels for commercial and office premises in the centre of Helsinki had been declining almost continuously since as far back as 2009, but showed a slight increase in the spring 2018 RAKLI-KTI commercial property barometer survey. In autumn 2018, net yield requirements for Helsinki's high-quality office premises were on the same level as, for example, London, Madrid and Milan or the other Nordic capitals.

2 Information concerning consumer confidence is from a consumer barometer by Statistics Finland.. Information concerning the economic outlook for companies is from a barometer of economic conditions by the Confederation of Finnish Industries (EK).

3 'Net yield requirement' refers to the required yield calculated by dividing the income return from the real estate's market rent by the real estate's price, which the investor sets as a condition for the investment . It indicates, among other things, the assumed risk level of the market.

During the last two years, the strong economic situation has also stimulated the leasing market for business premises. Demand for office premises, in particular, has increased, which is manifested by the rising rent levels in the metropolitan area's best districts, and in the improvement in occupancy rates. Helsinki's rents per square metre are on an average level by European comparison: as high as in Berlin or Madrid. Developments in the commercial premises market have also been largely positive so far. The number of vacant office premises remains quite high in the metropolitan area despite lively demand, because new construction has been brisk and facilities are in more efficient use. In Helsinki – and particularly in the city centre – there is less vacant space than the average level for the metropolitan area. Nonetheless, the underutilisation rate for office premises is among the highest in Europe.

Strong increase in the number of businesses and total personnel

In the period 2013–2017, the number of enterprises in Helsinki increased by 6.8%.[4] Nationally during the same period, the number of enterprises increased by 2.3%. Of Finland's six largest cities, the number grew more rapidly only in Oulu at 7.6%.[5] Quantitatively speaking, the greatest number of enterprises in 2017 was in the professional, scientific and technical fields, commerce and real estate. In the period 2013–2017, the number increased most rapidly in financial services, real estate and sports services. In 2018, more new enterprises were established in Helsinki than in previous years; thus the stock of enterprises is likely to increase both in absolute terms and in relation to population.

The number of personnel in enterprises increased in Helsinki in the period 2013–2017 by a total of 6%, in the metropolitan area by 2.9% and nationally by 1.6%.[6] In terms of personnel numbers, the greatest rises occurred in the administrative and support service sector. This includes, above all, staffing services that allow client firms to hire temporary employees, but also enterprises offering security services. Trade remains the second largest sector in terms of employee numbers, but the number has been declining every year (Figure 4.3). The next biggest sectors, information and communication, and professional, technical and scientific operations, all represent moderate growth.

A boom in the construction business has increased the personnel numbers of Helsinki construction companies, but this trend also contributes to a visible growth of business activity in sectors including staffing services, building and landscape management, technical consulting, transport, and energy and water supply. At the same time, it is to be noted that the changes in personnel numbers in some sectors may be explained by an increase of more than 50% in personnel hired through supplementary staffing firms. A number of enterprises increase the flexibility of their operations by using hired labour.

In the period 2013–2017, the value of the turnover in Helsinki-based enterprises did not grow as fast as the number of enterprises and the number of employees. Growth was 4.2%, which is on a par with the growth in turnover of enterprises in all of Finland. In large cities outside the Helsinki metropolitan area, the increase in the value of turnover

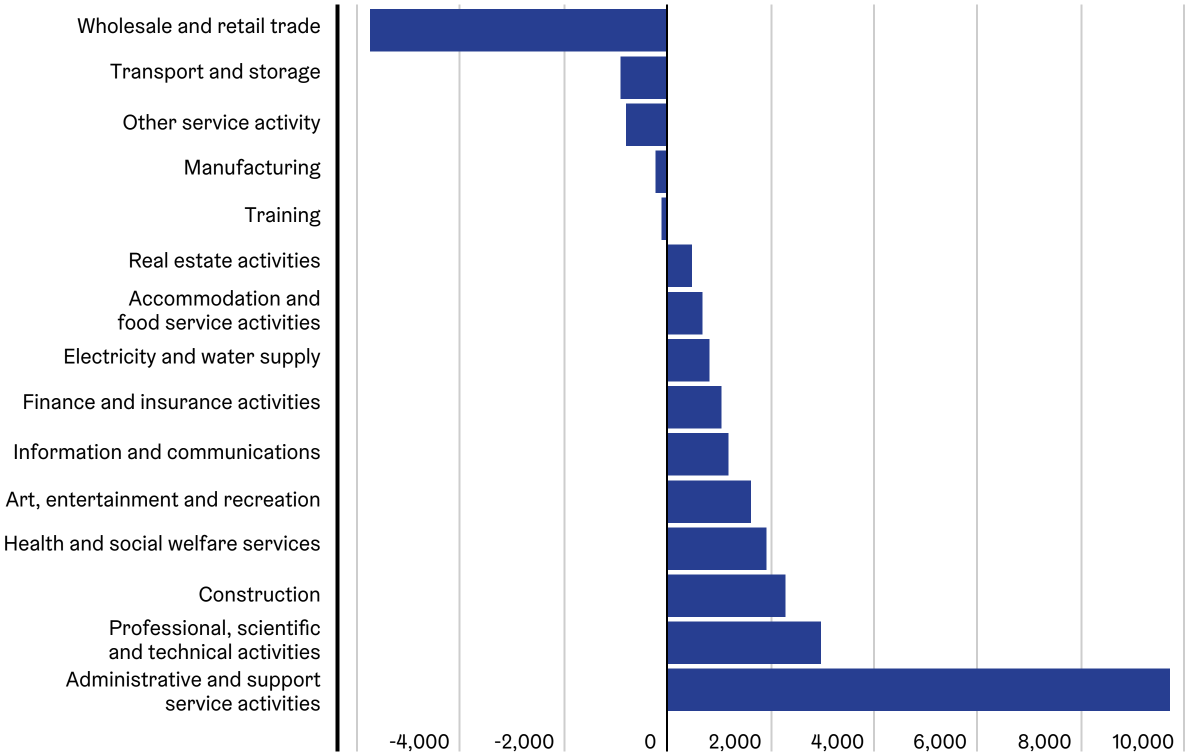
4 Information concerning companies is from Statistics Finland's Business Register. It includes all companies with a business ID registered with the Tax Administration, private traders, public corporations and non-profit organisations. The data sources of the Business Register are several administrative records and Statistics Finland's direct inquiries to enterprises.

5 Of the other Nordic capital cities, growth in Oslo at the same time was 13.2% and in Stockholm 7.8%.

6 The number of employees includes both salary earners and business owners. Salaried personnel have been converted into full-year jobs so that, for example, a half-day employee equals half a person and two half-year employees equal one full-year employee.

was considerably stronger than in the metropolitan area. In Turku growth was 21%, in Tampere 11.8% and in Oulu 8.4%. Among enterprises in Helsinki, turnover increase was greatest in the manufacturing, real estate and construction sectors. In the period 2013–2017, the value of turnover only declined in the trade, transport and warehousing sectors.

Figure 4.3. Change in the number of enterprise personnel by main sector in Helsinki 2013–2017



Source: Statistics Finland, Business Register

4.2. Jobs, employment and unemployment

- **The industrial structure of Helsinki jobs is dominated by services.**
- **The number of jobs has increased most rapidly in the professional, scientific and technical sectors.**
- **The growth in employment in Helsinki continues to be good, but the fall in unemployment has already slowed down a little. Last year, the number of youth unemployed decreased the most in relative terms.**
- **The number of employed persons increased by more than 3% in the period Q1 2017–Q1 2019. The employment rate rose by 2.3 percentage points and was 73.9% in the first quarter of 2019.**
- **The number of unemployed fell by one-fifth (7,900 people) in the period 2017/3–2019/3.**

Service jobs dominate Helsinki economy

Jobs. In 2018, there were 434,400 jobs in Helsinki.[7] In 2018, the number of jobs increased in the Helsinki Region and all of Finland more rapidly than in Helsinki, where the growth was 1.9%. Of all jobs nationally, 17% were situated in Helsinki and 32% in the Helsinki Region.

Helsinki's industrial (sectoral) structure is quite stable. It is dominated by the service industries, whose share of the total jobs is almost 90%. The share of trade and other market services was 62%, while public administration and well-being services accounted for 26%. The share of jobs occupied by the processing industries (manufacturing, energy/water supply and construction) was 11%. Helsinki's largest individual sectors in terms of job numbers – each occupying a 10–13% share – were health and social services, professional, scientific and technical operations, information and communications, and trade. The combined share of the overall number of jobs occupied by these sectors was 46%.

The number of jobs in Helsinki increased in total by approximately 4% in the period 2013–2018. In quantitative terms, growth has been quickest in the professional, scientific and technical sectors, as well as information and communications, finance and insurance and construction. As described above, this growth has also been reflected in the personnel numbers in these sectors. New jobs in the ICT sector were created especially in 2018, and the sector has now overtaken trade in terms of job numbers. In the period 2013–2018, in particular, jobs were lost in wholesale and retail trade as well as transport and warehousing in Helsinki.

Positive employment growth, but decline of unemployment slowing down

Employment. The employment situation in Helsinki has improved in recent years.[8] This is in line with the trend for the whole of Finland. In 2015, the number of employed in Helsinki fell – for the only time in the 2010s – but has since then increased each year. In 2018,

7 Information concerning jobs is from a labour survey by Statistics Finland, in which the annual number of jobs is calculated as an average of the quarters. For Helsinki, the information should be treated as indicative only. The latest register-based statistics for employment are from 2016. According to them, Helsinki has 388,000 jobs whilst the labour survey puts the figure at 421,500.

8 Information concerning employment is from a labour survey by Statistics Finland.

the employed in Helsinki numbered 336,900, which was approximately 6.5% more than in 2015. In the light of preliminary data, the year with the fastest growth was 2018. In the metropolitan area and Helsinki Region, growth has been brisker than in Helsinki. Nationally the growth has been more moderate than in Helsinki.

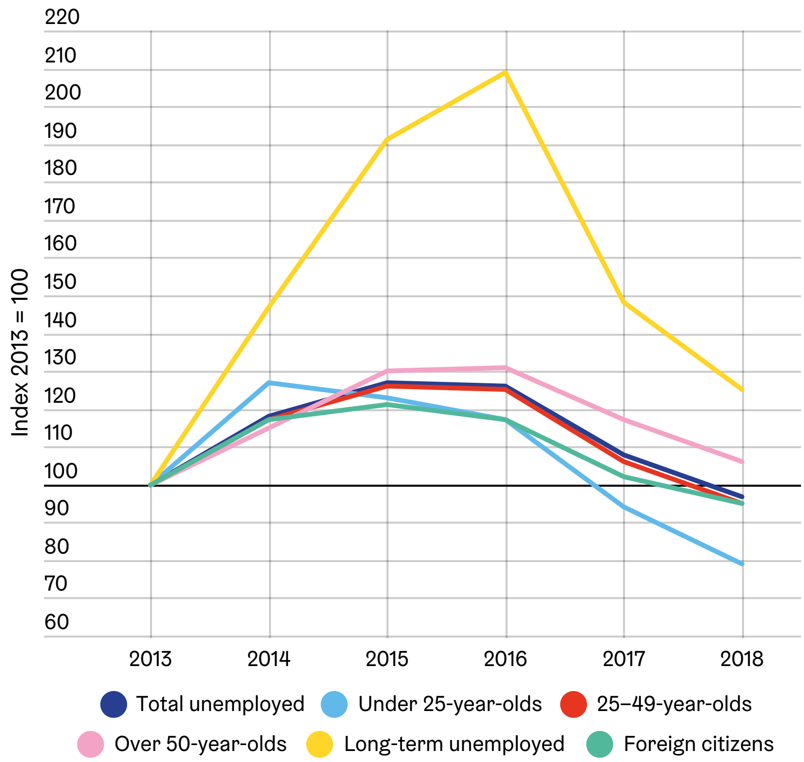
In 2018, Helsinki's employment rate was 74%. The employment rate of the Helsinki Region was slightly higher than this at 74.3%, but the national employment rate of 71.7% was somewhat lower than Helsinki. Since 2017, employment rates have increased significantly throughout the country – by 1.6 percentage points in Helsinki. The employment rate is calculated for the population aged 15–64.

The number of employed increased in Helsinki by more than 3% in the period 2017/1–2019/1. In the first quarter of 2019, the employment rate in Helsinki is 73.9% (up 2.3% since 2017/1).

Unemployment. The number of unemployed began falling in 2016 (Figure 4.4).[9] Unemployment fell most strongly in Helsinki in 2017, when the number of unemployed job seekers decreased by 14%. At the end of 2018, Helsinki had 31,830 unemployed job seekers, which was 10% less than a year earlier. Compared to neighbouring municipalities, the numbers of unemployed in Vantaa have fallen relatively more quickly than Helsinki, whilst the number of unemployed in Espoo has decreased at a more moderate speed than in Helsinki. In 2018, Helsinki's unemployment rate was 9.2%, according to Employment Service Statistics from the Ministry of Employment and the Economy. The unemployment rate in the Helsinki Region was somewhat lower at 8.4%.

The number of unemployed fell by 21% – more than one-fifth – over the period 2017/3–2019/3. In absolute terms, the number of unemployed has fallen by 7,900. At the same time, the unemployment rate has fallen by 2.5 percentage points to 8.8% in March 2019.

Figure 4.4. Unemployed job seekers in Helsinki 2013–2018



Source: Ministry of Employment and the Economy.

9 Information concerning unemployment is from labour exchange statistics from the Ministry of Employment and the Economy.

Last year, the number of unemployed young people fell the fastest. Changes in the number of long-term unemployed (people continuously unemployed for more than one year) have been noticeable in Helsinki. Their number increased strongly in Helsinki until 2016 but began a brisk decline in 2016. In December 2018, Helsinki had 10,600 long-term unemployed, which was 7,200 fewer than at the end of 2016 when the number was at its highest. The share of long-term unemployed of all unemployed people fell to 33%. Even so, their number in 2018 was greater than in 2013.

An important explaining factor as to why the number of long-term unemployed declined faster than overall unemployment was, in all likelihood, a set of updates made to the job seeker register. Data in the register was refreshed as a result of so-called periodic interviews with the unemployed, and persons who were no longer unemployed job seekers were deleted from the statistics. Furthermore, part of the long-term unemployed were entered in the register as new unemployed after a temporary interruption to their unemployment period. The 2018 information is assumed to denote the actual numbers of unemployed. The number of people unemployed for a very long period even increased slightly last year.

Owing to the previous strong increase in unemployment, the overall number of unemployed is still at a fairly high level. One reason for this may be structural changes in the labour market. Digitalisation and automation are having an impact on office and customer service jobs, among other things, and new jobs increasingly require the employees to be able to adapt their skill sets. At the same time, Helsinki's population growth is largely due to the increasing number of people from immigrant backgrounds. The origin groups differ greatly in terms of their labour market success, but on average, the unemployment rate amongst people from foreign backgrounds is 2½ times higher than that of the native population.

In Helsinki, too, a lack of skilled labour may be an obstacle to the growth in employment and fall in unemployment. The number of vacant jobs has increased rapidly, and many employers report recruitment difficulties. In March 2019, there were 89% more vacancies logged at the TE Office in Helsinki than in the corresponding period in 2014. Although the educational and professional backgrounds of the unemployed are diverse in Helsinki, it still seems challenging to find suitable unemployed candidates for part of the vacancies.

4.3. Immigrant employment

- **An increasing share of Helsinki residents of working age are immigrants. The immigrant unemployment rate is higher and the employment rate lower than in the native population.**
- **Considerable differences exist among the different country-of-origin groups with regard to employment. Finding employment is often most challenging among people from countries from which Finland receives many asylum seekers and refugees.**
- **Employment is better among those who have lived longer in Finland. This favourable trend is also manifested as increased earnings and homeownership.**
- **People with a foreign background born in Finland are a rapidly growing group within the population of Helsinki. Most of them are still children and adolescents, but many are just transitioning to working life.**

Majority of Helsinki immigrants are working-age adults

Approximately 15.5% of Helsinki's population are from immigrant backgrounds (see also chapter Population structure and development). At the beginning of 2018, Helsinki had 81,975 foreign-background residents born abroad (immigrants), and 17,933 were people born in Finland to foreign parents (second-generation immigrants, first-generation Finns). Most immigrants are of working age. An overwhelming majority (86%) of second-generation immigrants are still under the age of 20.

Integration is a wide-ranging phenomenon, which includes, for example, learning the language and adopting the culture, identifying with the local community and society and forming a social network extending to different population groups. Employment is usually considered to be a key part of structural integration. In addition to this, the monitoring of integration often also examines, for example, achievement in education, living conditions and political participation.

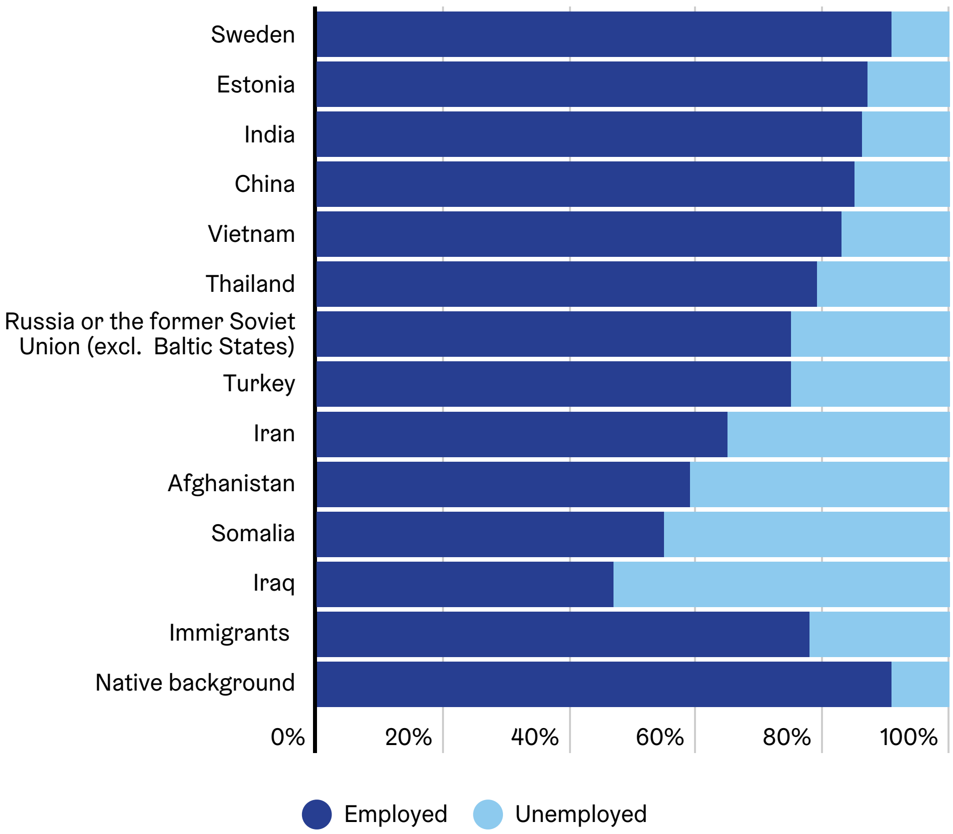
According to employment statistics, the employment rate in Helsinki for immigrants aged 20–64 was 53.1% in 2017, and the unemployment rate was 21.6%. The difference from the native population was notable, as the employment rate among people of Finnish background was 76.7% and their unemployment rate 8.6%. It should be noted, however, that register-based data may exaggerate the difficulties in the immigrants' labour market integration, because the population information system also includes people who, in reality, have moved away from Finland.

Major differences in immigrants' labour market performance

People of foreign background who have moved to Finland differ from each other in many ways. The rates of employment and unemployment vary greatly according to the country of origin (Figure 4.5). On average, there are major differences between origin-country groups with regard to education, language skills and previous work experience. Of the major immigrant groups, people of Estonian origin – who are often labour migrants – are in a position in the labour market that is close to the situation of the native population.

By contrast, the unemployment rate among people of Somali, Iraqi and Afghan background is significantly higher than that of the native population, and their employment rate is lower. People from these countries have often come to Finland as refugees through the asylum-seeking process or as a result of family reunification. These country-of-origin groups are also characterised by a low employment rate for women, particularly in their first years of living in Finland. Among Helsinki's immigrants, entrepreneurship is particularly common with people of Turkish background.

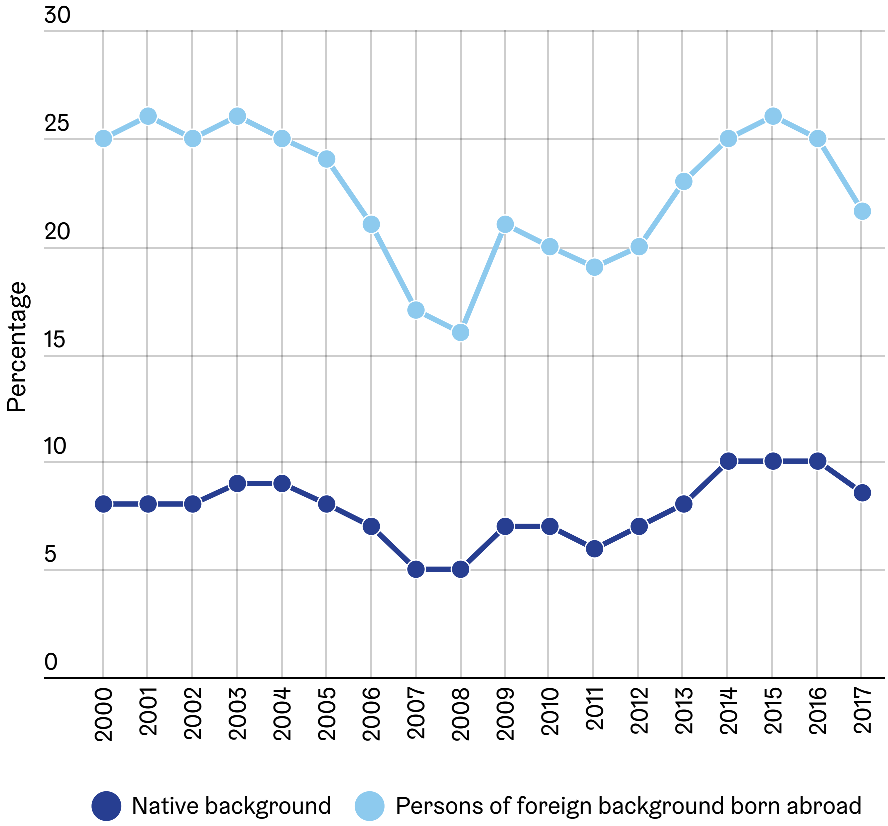
Figure 4.5. Main type of activity of 20–64-year-old immigrants in the workforce, those living in Helsinki by country of origin, 2017



Source: Statistics Finland.

The situation of immigrants in the labour market follows the general economic trend. Changes in both positive and negative directions are steeper than for those in the native population (Figure 4.6). Many people from immigrant backgrounds work in temporary employment and in sectors sensitive to economic conditions. When examining development over time, the effect of changes migration patterns on employment and unemployment figures should also be taken into account. During an upward trend, a larger share of all immigrants are migrant workers, which – statistically – leads to an increase in immigrant employment rates.

Figure 4.6. Unemployment rate of 20–64-year-old immigrants and native residents living in Helsinki in 2000–2017



Source: Statistics Finland.

Helsinki immigrants work in many different sectors

Immigrants enter employment in a variety of industries in Helsinki. In 2016, almost one-fifth (18.8%) of Helsinki's immigrant workers born abroad were employed in the administrative and support service sector, which includes general, routine and often short-term support services such as cleaning. The next most common sectors were health and social welfare services (11.5 %) and accommodation and food service activities (11.2 %).

There are also significant differences within the country-of-origin groups: the ways in which immigrants are employed in different sectors are strongly gendered. In 2016, more than one quarter of employed persons with an Estonian background worked in the administrative and support services sector, while men are dominant in the construction industry, in particular. Many people of Somali background, on the other hand, worked in health and social services (particularly women) and the logistics sector (particularly men). Nearly one-half of those born in Turkey were employed in the accommodation and food services sector, whereas slightly more than one-quarter of Indian-born immigrants worked in the information and communications sector.

The patterns by which Finland's immigrant population is placed in various occupations is also reflective of the substantial differences in immigrants' positions in the labour market. The largest individual occupational group among immigrants in 2016 was service and sales workers, which included almost 8,000 foreign-born workers. This was followed by highly educated specialists and the group 'other employees', the latter involving supportive tasks that are routine in nature or require little training or education.

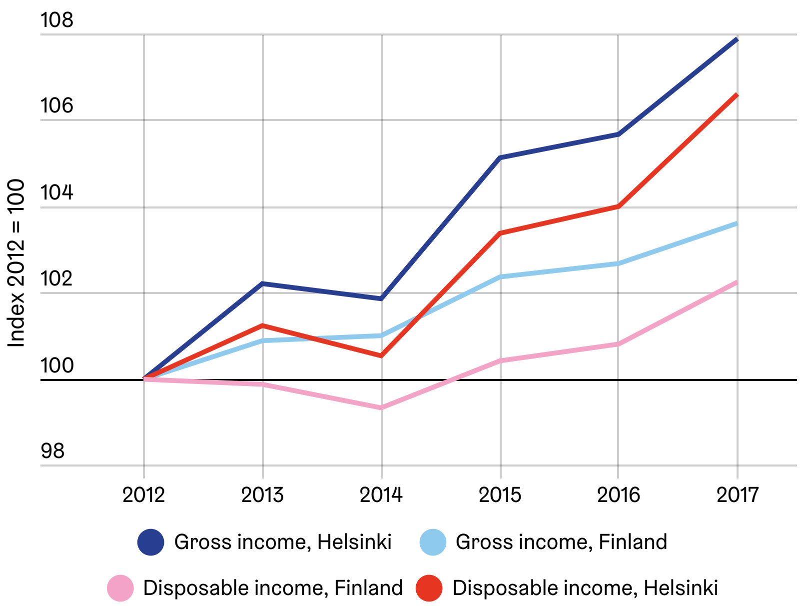
4.4. Income levels and income inequality

- Disposable household income is greater in Helsinki than in all of Finland, and in recent years it has increased more quickly than the Finnish average. On the other hand, income inequality has also increased in Helsinki more quickly than average.
- Transfers received by households are little smaller in Helsinki, but in recent years have increased at the same pace as the Finnish average. Housing benefits received by households have increased particularly strongly.
- Household debt is greater in Helsinki and, in recent years, has increased much faster than the Finnish average. In Helsinki, the proportion of debt to disposable income has also increased considerably more quickly than elsewhere in the country. Mortgages constitute almost three-quarters of debt. In addition to these, housing company loans and consumer credit, for example, have increased the level of debt.

Income, transfers and household debt on the increase in Helsinki

Income levels and income inequality. As a result of an improvement in the general economic and employment situation, gross earnings and disposable income in Helsinki have increased more rapidly than in the rest of the country (Figure 4.7).[10 11] In 2017, gross earnings per household in Helsinki averaged €61,600, that is, 2% higher than the previous year. Nationally the figure was €53,200 – approximately €8,400 lower than in Helsinki. Disposable income in Helsinki households averaged €45,100, or approximately €5,000 more than the national average and 2.5% more than the previous year.

Figure 4.7. Gross earnings and disposable income per household in Helsinki and nationally 2012–2017



Source: Statistics Finland.

10 Information concerning household-dwelling unit income is from Statistics Finland, overall statistics for income distribution. The household income trend is shown as fixed prices deflated to the level of the consumer price index in 2017.

11 Gross income is the sum of salary income, entrepreneur income, income from assets (excluding income from housing) and current transfers received (excluding income from housing). Disposable income is calculated by subtracting from gross income a) compulsory charges paid (direct taxes), b) social security payments, c) compulsory pension and unemployment insurance contributions and d) child maintenance support paid.

Helsinki people are more commonly among the higher income classes than Finns in general. In 2017, 17.2% of Helsinki's dwelling population belonged to the highest income decile, whereas nationally that figure was 10%. In 2012, the share of Helsinki people belonging to this income group was a little lower at 16.7%. The disposable income of households belonging to this income group averaged €103,900 in Finland in 2017. The share of Helsinki residents belonging to the lowest income decile was 9.2% in 2017. This figure fell from 9.9% in 2012 and it does not significantly differ from the national average of 10%. The average disposable income for households in this income group was €12,900 in Finland in 2017, which equals approximately one-eighth of the income of those in the highest decile.

In Helsinki, the Gini coefficient that depicts relative income inequality calculated from disposable income was 33.5 in 2017 and 27.7 nationally. In Helsinki, income is therefore distributed more unevenly than the average in Finland. Since 2012, the Gini coefficient has increased in Helsinki by 1.6 percentage points and nationally by 0.8 percentage points, in other words the income of higher earners has increased more rapidly than that of lower earners in recent years.

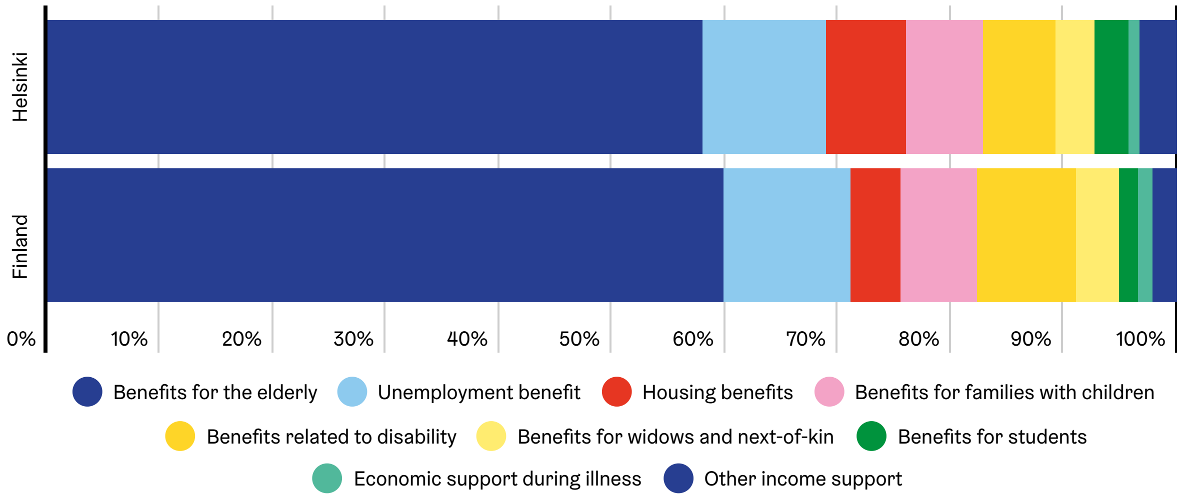
Municipal tax. As with income, the development of Helsinki's municipal tax take has been positive.[12] In 2017, municipal tax paid in Helsinki totalled €2.56 billion, an increase of 0.1% over 2016. Annual growth in the previous year had been 1.7%. Average municipal tax per resident, however, fell by about 1% from 2016 to stand at €4,037 in 2017. The average municipal tax paid by municipal taxpayers was €5,657 in 2017, which represented hardly any change from the previous year. Municipal tax paid by taxpayers increased slightly only in the upper deciles, but the municipal tax median decreased by 2.7% and, in the lowest decile, it fell by 3.6% compared to 2016. In 2017, there were 453,165 Helsinki taxpayers, which was about 0.2% more than the previous year.

Current transfers received. In 2017, average transfers per Helsinki household amounted to €14,500, while the national figure was somewhat greater at €15,200.[13] Compared with 2012, transfers per household increased by 11% in Helsinki and by 10% nationally. Approximately 58% of transfers received by Helsinki households are related to benefits for the elderly, amounting to approximately €8,400 per household in Helsinki in 2017. This figure has increased since 2012 by about 20% (Figure 4.9). Unemployment benefit constitutes approximately 11% of the average transfers received by households in Helsinki, or about €1,600 per household in 2017. This figure fell slightly from 2015 and 2016 as a result of a decrease in unemployment, but still remained at quite a high level. In 2017, Helsinki housing benefits per household were slightly over €1,000, or approximately 7% of transfers received by households. The amount of housing benefits has increased sharply (56%) over 2012, whilst nationally the increase was 42%.

12 Information concerning municipal tax is from statistics by the Tax Administration and the Association of Finnish Local and Regional Authorities. Municipal tax and changes to it are presented at current prices in accordance with general convention.

13 Information concerning household income transfers is from Statistics Finland's overall statistics for income distribution. The development of household income transfers is presented as fixed prices deflated to the level of 2017 in the consumer price index.

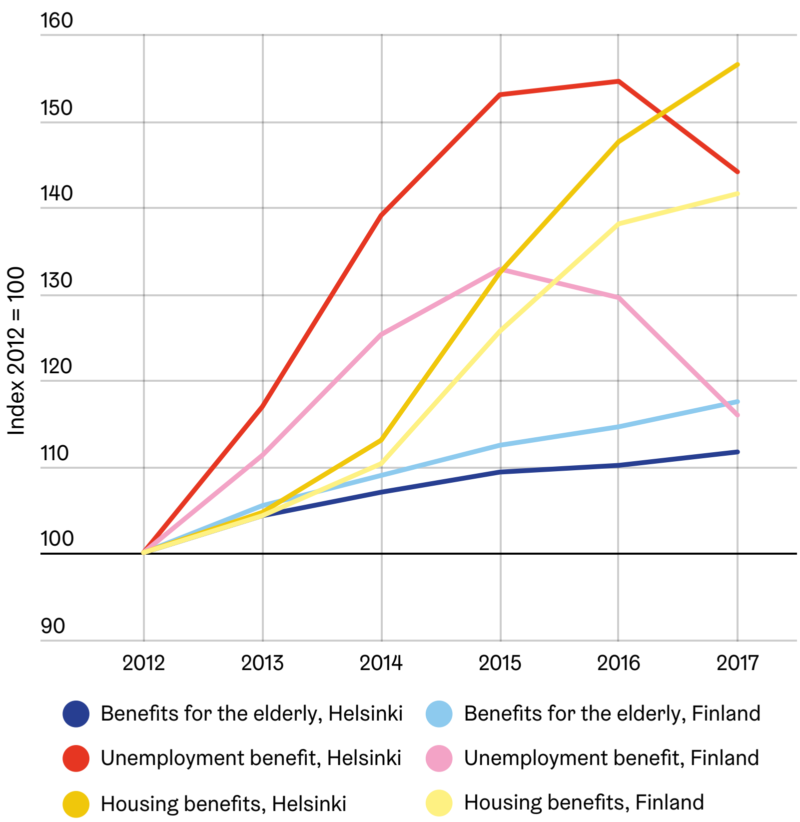
Figure 4.8. Average transfers received by households in Helsinki and nationally 2017



Source: Statistics Finland.

Benefits for families with children constitute approximately 7% of the average transfers received by households in Helsinki. The share of disability benefits of average transfers was more than 6%, and shares related to student benefits and other income security were each about 3%. Benefits for families with children and student benefits per household have decreased in Helsinki by 5–6% and disability benefits by 14% since 2012. On the other hand, other income security – including income support – has grown by 7%.

Figure 4.9. Benefits for the elderly, unemployment benefit and housing benefits per household in Helsinki and nationally 2012–2017

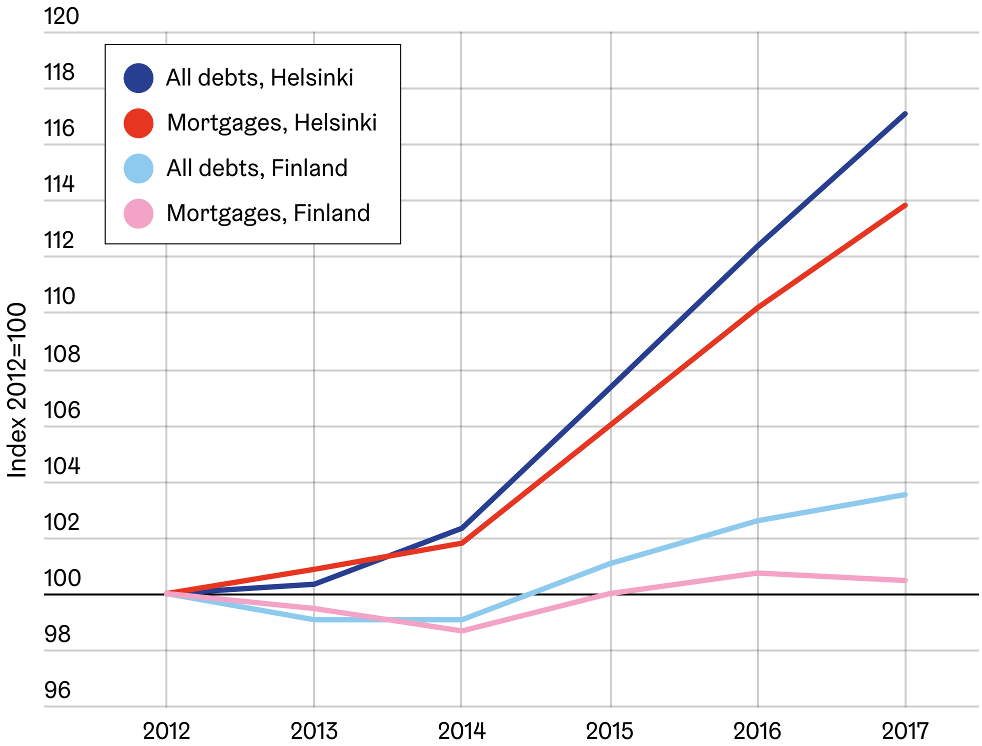


Source: Statistics Finland.

Debts. In the same way as current transfers received, household debt has also increased in the 2010s.[14] The growth in the debt-to-income ratio of all households was particularly strong in Helsinki where, in the period 2012–2017, it increased from 102.4% to 111.9%. During the same period, the debt ratio[15] increased nationally only slightly from 111.2% to 112.4%. The debt of Helsinki residents per household increased significantly from 2012 by 17%, amounting to approximately €50,400 in 2017 (Figure 4.10). The national average of household debt was approximately €45,100 in 2017, having increased by almost 4% since 2012.

In Helsinki and nationally, mortgages constitute 72–73% of all household debt. According to the Bank of Finland, not only mortgages but also housing company loans and consumer credit have increased in recent years. Digitalisation and new actors in the financial sector have expanded the opportunities for household indebtedness. The increase in debt is a risk both to households and to the national economy at large. In an economic downturn, indebted households strongly decrease their consumption and, as a consequence of reduced demand, companies reduce their production and rationalise their employee numbers. Prolonged recession drives companies in economically sensitive sectors into bankruptcy, which in turn causes credit losses for financiers and weakens the solvency and lending power of banks.

Figure 4.10. All debt and mortgages per household in Helsinki and nationally 2012–2017



Source: Statistics Finland, debt statistics

14 Information concerning household debt is from Statistics Finland's debt statistics. The development of household debt is presented as fixed prices deflated to the level of 2017 in the consumer price index.

15 'Debt ratio' is the relationship between debt and disposable income.

5. Housing and construction

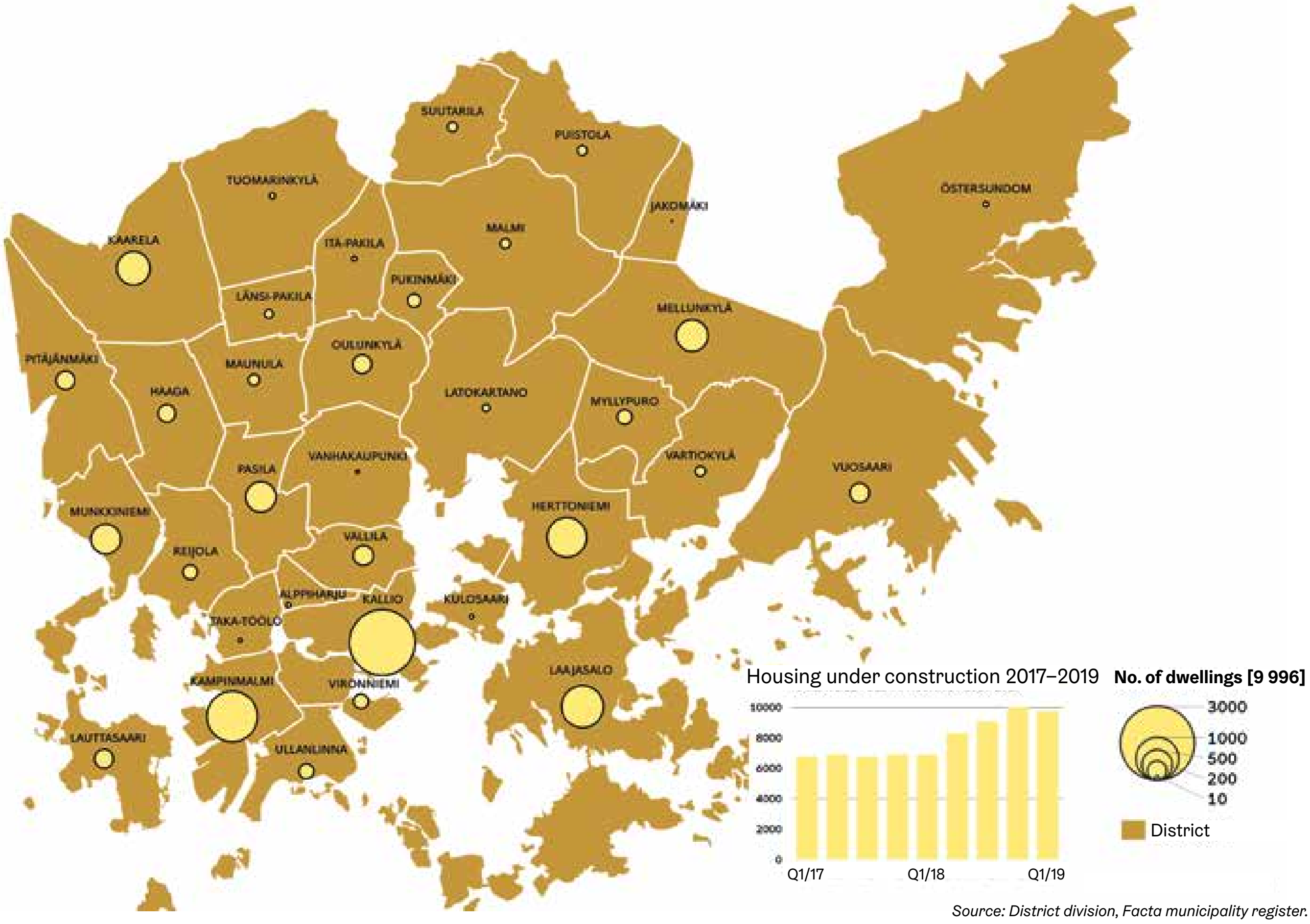
- **During the present council term, residential and commercial premises construction in Helsinki has gathered pace commendably. At the beginning of 2019, a total of 1.23 million floor square metres were under construction. In 2018, 4,843 dwellings were completed, and approximately 10,000 were under construction. The city planning reserve for housing has also increased.**
- **The housing situation of special groups has improved and rental housing among Helsinki residents has become slightly more common. However, the distribution of tenure statuses of new dwellings has not been achieved quite as targeted. The average area of dwellings has decreased.**
- **Housing prices and rents have continued to increase. Price trends are characterised by more and more differentiation between city districts but, regarding the development of rents, differences between areas have narrowed.**

Brisk pace of construction, increase in city planning reserve

Since 2014, construction of housing and commercial premises in Helsinki has increased significantly. At the beginning of 2019, a total of 1.23 million floor square metres of residential and premises construction were under way.

As regards the construction of premises, major public projects have been completed such as the New Children's Hospital, the Kalasatama Health and Well-being Centre, the first stage of the Myllypuro campus of Metropolia University of Applied Sciences and commercial projects like the Redi shopping centre in Kalasatama. The Tripla shopping centre in Pasila, among others, is also under construction.

Figure 5.1. Housing under construction on 29 April 2019

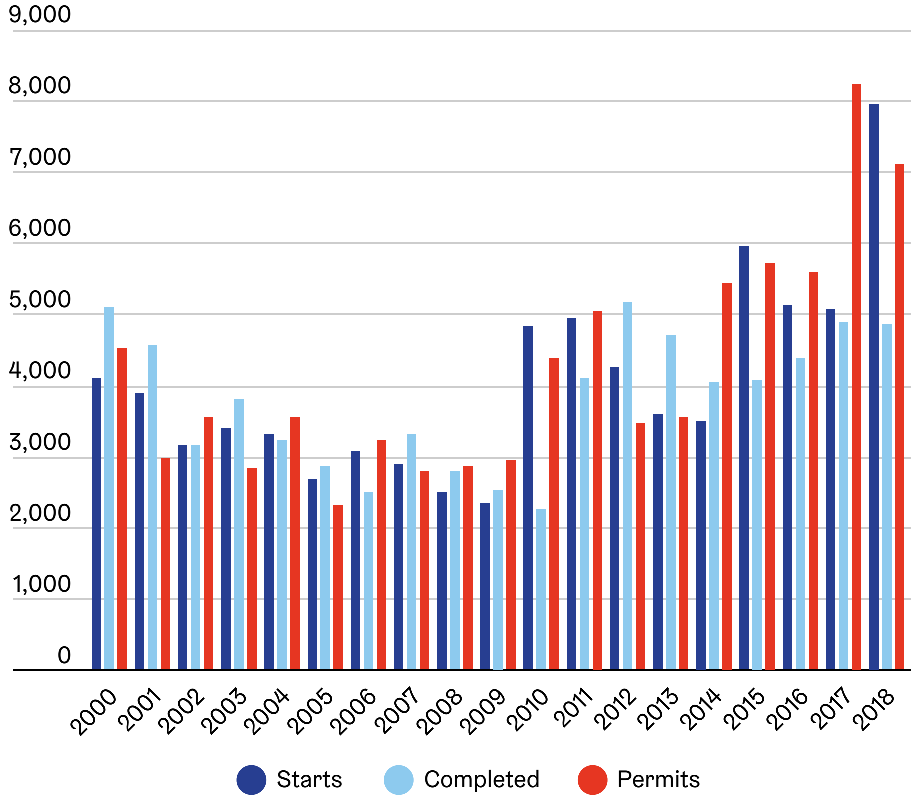


Source: District division, Facta municipality register.

Housing production has increased to the level targeted in the Helsinki Housing and Land-Use Programme. The number of building permits granted for housing production rose to a peak in 2017 and, in 2018, an exceptionally large number of new housing projects were started (Figure 5.1). The number of dwellings under construction increased from 7,000 to approximately 10,000, which meant an increase of almost 60% compared to the average in the 2010s.

In 2018, a total of 4,843 dwellings were completed and construction was started on 7,943 more. Building permits were granted for more than 7,000 dwellings, so the pace of construction will remain strong (Figure 5.2). 40% of the new dwellings have been built in recent years for major project development areas, and more than half for infill development in different parts of Helsinki.

Figure 5.2. Building permits, building starts and completed dwellings 2000–2018



Source: Helsinki Chief Executive Office and Municipal Register.

The construction situation throughout the Helsinki Region is strong. Large numbers of dwellings have been built in Espoo and Vantaa. The completion of the West Metro and Ring Rail Line and the introduction of a zone ticket reform are significant changes. These factors together have influenced the accessibility and attraction of Espoo and Vantaa, which has strengthened population growth in these cities, with net migration to Helsinki at the beginning of 2019 lower than before.

At the end of 2016, Helsinki City Council approved a new Master Plan, which came into effect on 5 December 2018. Helsinki Administrative Court and the Supreme Administrative Court rejected some parts of the master plan. During the present council term, the city planning reserve has increased and most of this growth has been in development rights for blocks of flats.

In housing production, the distribution of tenure statuses has not met the intended targets. According to targets for forms of tenure and financing, the share of non-regulated, owner-occupied and rental housing in the housing stock to be built annually should be 45%, the share of ARA (subsidised) rental dwellings 25% and other types (e.g. regulated, right-of-occupancy), 25%. Of housing completed in 2018, half was non-regulated housing production, part of which consisted of non-subsidised rental housing. Completed ARA rental housing subsidised by the state comprised 22%, and Hitas-regulated, price-controlled and right-of-occupancy housing made up 28%. Approximately 70% more right-of-occupancy dwellings were completed than the average for the 2010s. Most of these were built at the initiative of the City of Helsinki.

There is plenty of demand for the City of Helsinki's own housing production, and it has been possible to meet the demand with rising production figures. In 2018, a total of 1,453 completed dwellings had been produced by the City itself, 39% of which were ARA rental apartments, 38% right-of-occupancy housing and 23% Hitas- or price-controlled, owner-occupied housing.

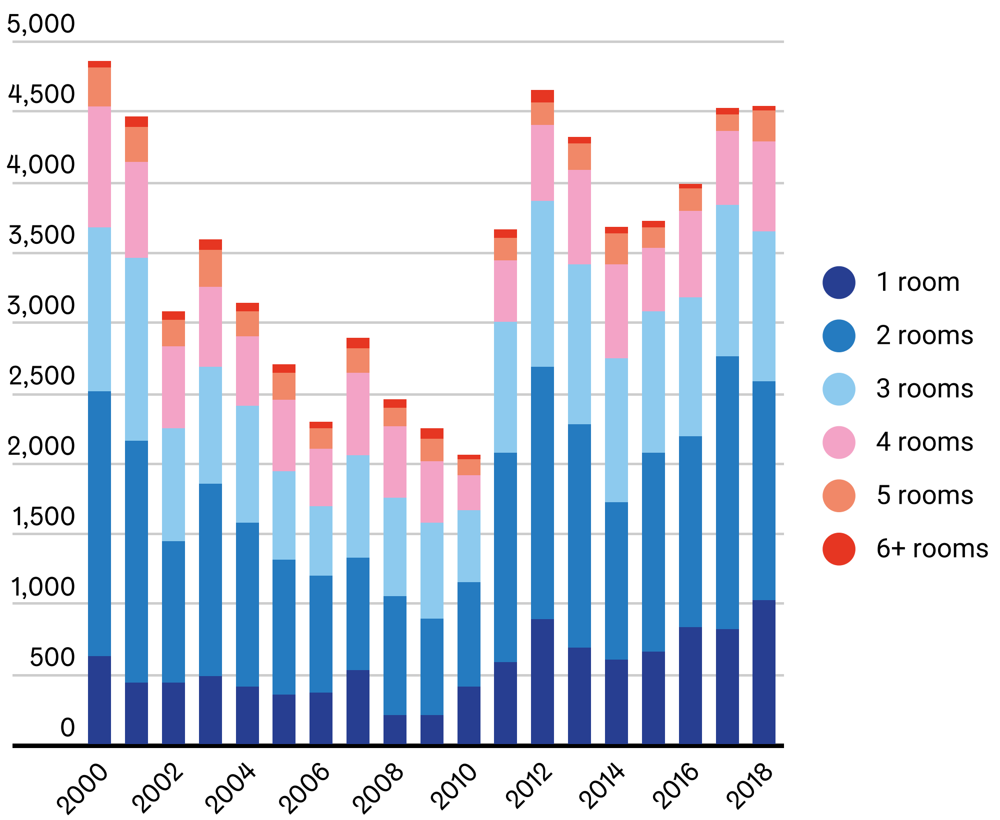
Decrease in average floor area for new housing, more diverse use of existing stock

86% of Helsinki's total housing stock is in blocks of flats, and a corresponding share of housing production has been built in the form of flats. Helsinki had approximately 360,000 dwellings at the end of 2017, 23% of which were single-room and 36% two-room flats.

The average floor area of flats completed in Helsinki has decreased, and it averaged 54.7 m^2 in 2018. While 2018 saw the completion of the largest number of single-room units in the new millennium, family housing was characterised by a reduction in average floor areas. The average floor areas for 3–4-room flats has decreased in five years by almost 10 m^2. In five-room dwellings, average floor areas have declined by as much as 20 m^2. Helsinki has, however, maintained a suitable distribution between types of dwellings. (Figures 5.3 and 5.4.)

The uses of the existing housing stock have diversified. The role of housing funds, individual residential properties owned by private investors, as well as the short-term rental of dwellings (Airbnb), has been growing in the housing market.

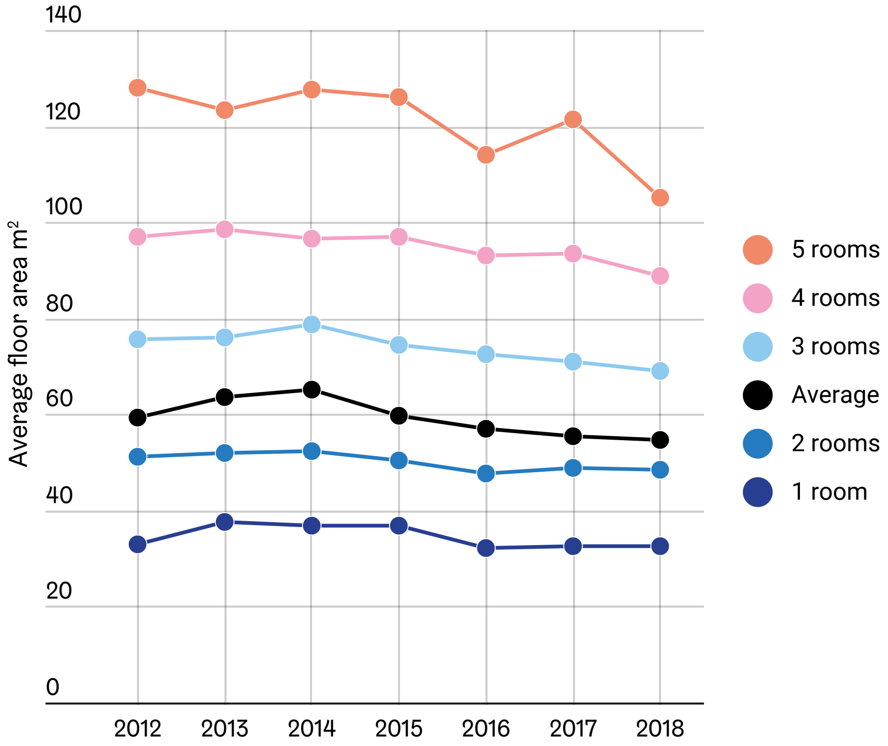
Figure 5.3. Dwellings completed in 2000–2018, by number of rooms*



*The figures do not include changes to purpose of use.

Source: Helsinki City Executive Office and Municipal Register.

Figure 5.4. Average floor area of flats completed in 2012–2018, by number of rooms*



* Dwellings with six rooms or more are not included.

Source: Helsinki City Executive Office and Municipal Register.

Increase in rental living

Forty-nine percent of Helsinki residents live in rented accommodation. Young people form the largest group of renters. On average, people move into owner-occupied housing at the age of 40, and no great changes have taken place in this respect over the years. In the period 2010–2017, the group of people living alone increased most in the rental sector where living choices increasingly tended towards free-market rental housing.

Improved housing situation for special groups

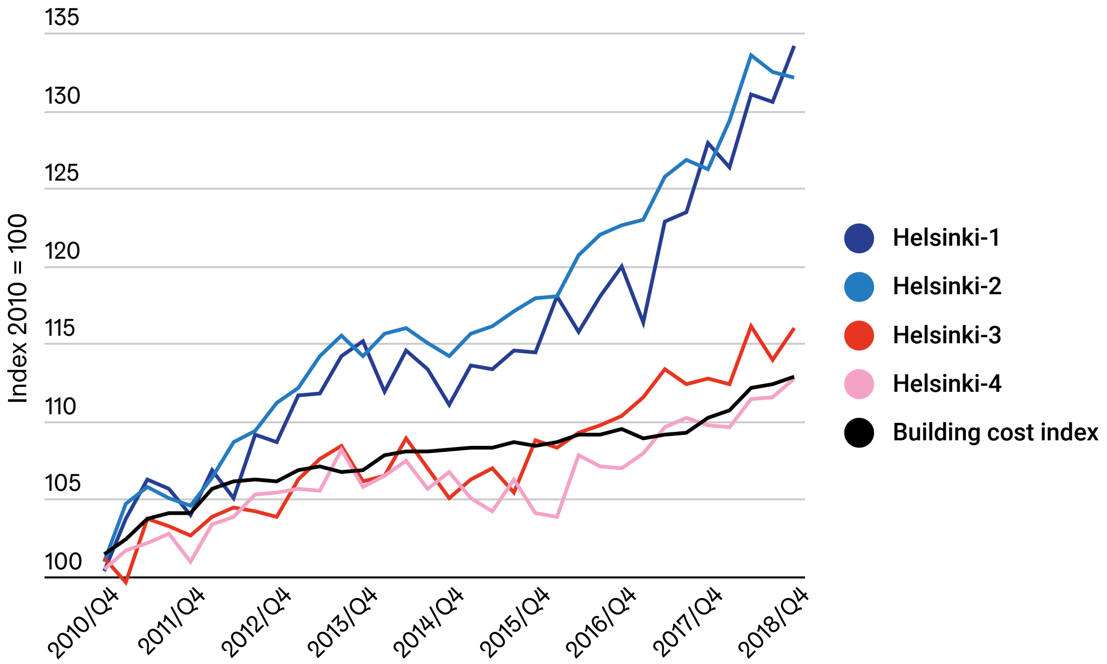
The institutional care of persons with developmental disabilities in Helsinki ended ahead of schedule at the end of 2018, when the last residents subject to institutional care moved into other suitable forms of housing including group homes run by the city. The objective is to completely phase out institutional care for these groups in Finland by 2020.

The quality of homelessness statistics was developed during 2018. Based on calculations with increased accuracy, Helsinki had a total of 2,114 homeless people on 15 November 2018. In this group, there were 1,818 single-dwellers, 59 couples and 75 families. Altogether, Helsinki thus had 1,952 homeless households. In the previous year, 2017, the total number of homeless people was 3,760, a figure partly based on an estimate.

Continued rises in the prices of housing and rents

The prices and rents for old non-subsidised flats and terraced houses have continued to rise in Helsinki (Figure 5.5). The strong differentiation of housing price trends for different districts has been particularly evident in high-cost areas Helsinki-1 and Helsinki-2, where the prices of homes have increased significantly more rapidly than in the less expensive parts of the city (Helsinki-3 and Helsinki-4). Contrary to this price trend, rents of dwellings have increased the most outside the centre of Helsinki and other less expensive areas.

Figure 5.5. Xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx



Average price per square metre, €/m². Q4 2018

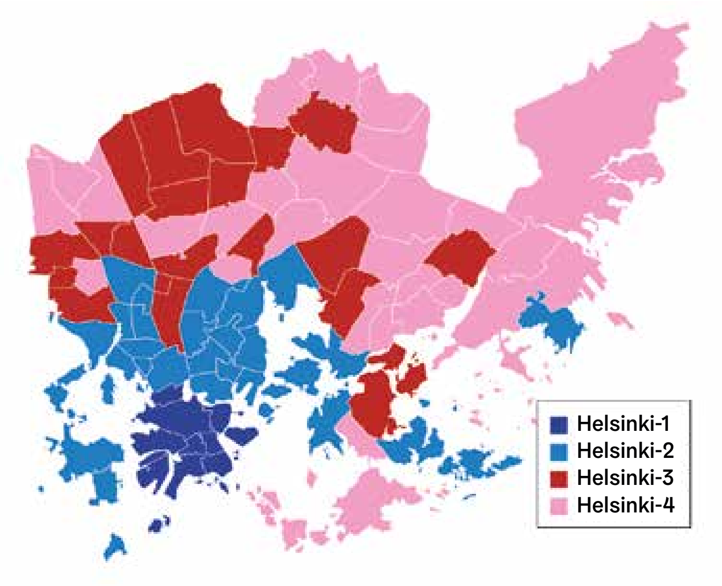
7,159
Helsinki-1

5,397
Helsinki-2

3,713
Helsinki-3

2,894
Helsinki-4

Sub-areas by housing cost



6. Environment

- **In spring 2019, Helsinki was the first city in Europe and the second in the world to report to the United Nations on the city-level progress towards the Agenda 2030 targets for sustainable development. The first part of the reporting examines how Helsinki City Strategy objectives are linked with the targets of Agenda 2030.**
- **Two-thirds of Helsinki residents report that they are worried about climate change and, according to the Helsinki Security Survey, this question is the greatest single cause of concern for residents.**
- **The so-called Climate Partners network, co-established by the City of Helsinki and the local business community, has more than 80 large companies working together with the city to mitigate climate change.**
- **The importance of the circular economy is growing and it forms a central part of the Carbon-Neutral Helsinki 2035 action plan.**

Environmental management requires cooperation

Cooperation in environmental issues is an asset for a city. In autumn 2018, a record number of new partners joined the Climate Partners network formed by the city and the business community. The network includes more than 80 large companies working in cooperation with the city to help mitigate climate change. In addition to companies, climate change is also a concern to the city residents. According to a security survey conducted by the city in 2018, 66% of respondents are worried about climate change.

The proportion of those concerned about the issue has increased considerably since the previous survey three years ago. Climate change was a shared concern of respondents regardless of their age. However, the greatest increase in the number of respondents worried about this issue has occurred among the young. This is also evident in the nation-wide Youth Barometer 2018, which showed that concern about climate change has steeply increased.

Attention to sustainable development is also strongly evident in Helsinki's City Strategy. In September 2018, Helsinki decided to commit to reporting to the UN on its city-level progress towards the Agenda 2030 targets for sustainable development, according to the model outlined by New York City. In spring 2019, Helsinki was the first city in Europe and the second in the world to publish such a report. The first part of the reporting examines how Helsinki City Strategy objectives are linked with the targets of Agenda 2030.

The voluntary reporting of Agenda 2030 implementation allows the city to highlight responsibility in sustainability issues as a concrete guiding principle in its activities. The first part was published in April 2019, followed by a complete report released in June and handed over to the UN in July.

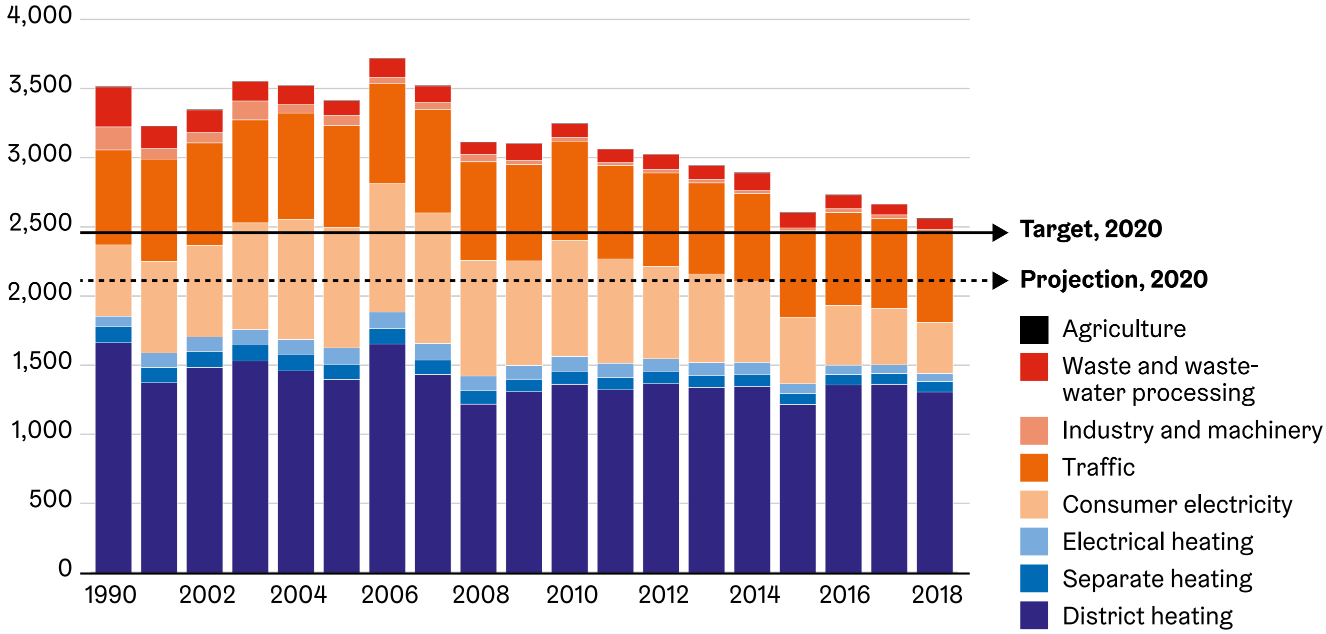
Carbon neutrality requires fast action

According to a report published in October 2018 by the Intergovernmental Panel on Climate Change (IPCC), the average temperature of the Earth has risen by 1 °C above pre-industrial levels. If warming continues at the current rate, a rise of 1.5°C will be exceeded by 2050, which will cause significant risks to humankind and to nature. To prevent this rise, emissions must globally be steered to a downward trend which allows net emissions to fall to zero by mid-century. Emission reductions alone are not enough, and it must also be possible to remove carbon dioxide from the atmosphere, for example using carbon sinks and carbon capture. The message is clear. The ambition of climate policy must be raised since the national emission reduction promises made under the Paris Agreement so far are insufficient to limit the rise in temperature to 1.5 °C.

Helsinki's aim is to be carbon neutral by 2035. The Carbon-Neutral Helsinki 2035 action plan was completed during 2018 and approved by the City Board in December 2018. 147 measures with responsibilities and timetables have been recorded in the plan, and its implementation will be openly monitored. The transparent and open preparation, decision-making and monitoring processes are aligned with the strategic goals of Helsinki in terms of openness, participation and the utilisation of digital solutions.

In 2018, total greenhouse gas emissions caused by Helsinki residents, services and industry amounted to 2,572,000 tonnes of CO2-eq., which is the lowest ever recorded (–27% since 1990). The fall in omissions can mainly be explained by the cleaner production of district heat and electricity. Emissions from the district heating provided by city-owned utility Helen Oy have decreased as the use of coal in the production processes has been gradually replaced by natural gas. The utilisation of air heat pumps and bioenergy also increased in the production of district heat. Emissions per resident (3.96 tonnes/year) were 45% less than in 1990.

Figure 6.1. Helsinki's total emissions 1990–2018 (1,000 tonnes of CO_2-eq.)



Climate change also requires adapting

Regardless of mitigation measures and their importance, the climate is changing. Therefore, adaptation to climate change has become an equally important issue. Adaptation refers to a variety of responses by which the harm caused by a changing climate can be reduced and any possible benefits can be enjoyed.

In March 2018, an assessment report of the climate risks facing Helsinki was prepared with the Finnish Meteorological Institute. According to the report, the key risks are storm water runoff, overflowing of waterways, slippery conditions, extreme and abnormal winter conditions and seasonal affective disorder caused by polar twilight, as well as heatwaves, drought and eutrophication of the Baltic Sea.

The city's policies for adapting to climate change were approved by the City Board in May 2019. The adaptation policies have been drawn up for the city's planning needs and for the preparation of the city's strategic objectives. The proposed measures will be adopted in land-use planning, preparedness and contingency planning, the storm water management programme and flooding strategy as well as in the city programmes for green area development, nature conservation and nature maintenance. Conserving and building green infrastructure and avoidance of urban soil sealing can help improve storm water management, forestall the heat-island effect, increase the diversity of habitat, and prevent the discharges of nutrients and impurities into waterbodies.

Reduction in traffic emissions requires comprehensive approach

Helsinki's objective is, by 2035, to reduce greenhouse gas emissions from traffic by 69% from the 2005 level. Of the 147 measures in the Carbon-Neutral Helsinki 2035 action plan, 30 concern reductions in traffic emissions. Helsinki's population is growing and its land use is intensifying, so the mitigation of the harmful impacts of traffic is becoming increasingly important. Key issues include land-use planning, the promotion of the public transport system and more generally sustainable modes of transport, as well as the progress towards the introduction and implementation of a pricing system for vehicle traffic. It is also necessary to create prerequisites for the proliferation of low-emission vehicles, as well as to improve the efficiency of city logistics and to utilise digitalisation to develop methods of smarter traffic information and traffic management and help citizens make sustainable transport choices based on data.

Limit values for air quality to be reached as soon as possible

Helsinki's air quality has improved and it is fairly good by international comparison. However, the annual limit value for nitrogen dioxide specified in the EU air quality directive is still exceeded in the street canyons of the city centre. The reason for this is traffic exhaust emissions, particularly from diesel vehicles. Street dust constitutes another risk factor. In low-rise neighbourhoods, the burning of wood in fireplaces and sauna stoves impairs air quality.

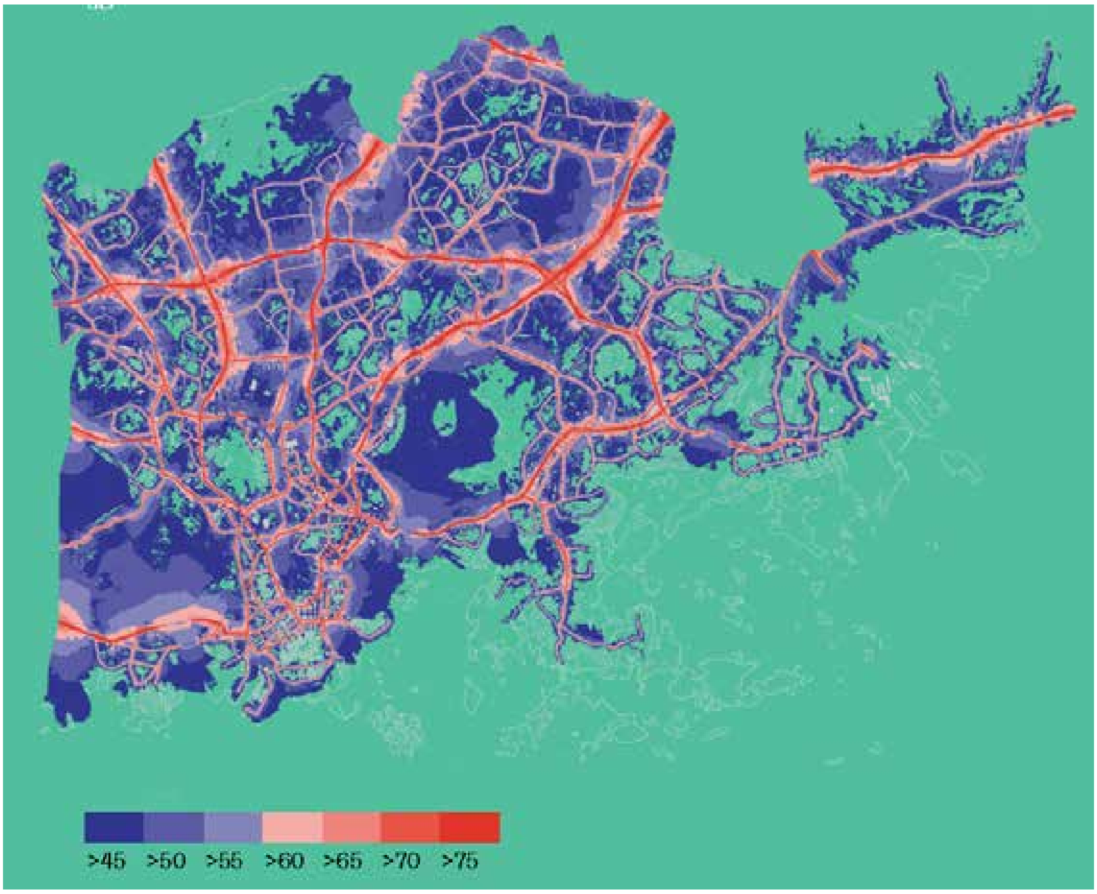
The city's Air Quality Plan that came into effect at the beginning of 2017 aims to reduce nitrogen dioxide emissions from traffic so that the output could fall back within the limit range as soon as possible. In addition to exhaust emissions from traffic, street dust and household fuelwood use are factors significantly affecting Helsinki air quality.

The plan contains 48 measures to be implemented between 2017 and 2024. In future, exhaust emissions from vehicle traffic will decline, but the reduction of the levels will be slowed by growing traffic volumes, denser urban structure and slow vehicle fleet renewal. The choice of winter tyres and street dust prevention are important factors. Emissions from fuelwood will continue to impair air quality in low-rise suburbs, due to the increasing use of biofuels, densification of residential areas and slow renewal of fireplaces.

More attention must be paid to noise prevention

Environmental noise is a significant factor adversely affecting the quality and attractiveness of the living environment in Helsinki. The greatest noise disturbance is caused by road traffic. 37% of Helsinki residents live in areas where the noise level caused by road traffic exceeds the reference value of 55 dB in the daytime. Noise is also caused locally by, for example, construction and repair work, public events and restaurants. Large infrastructure projects such as the renovation of Hämeentie will continue in Helsinki. Major area development projects (including in the Jätkäsaari and Kalasatama districts) will also continue for many years. As a result of the increase in the population, traffic volumes are increasing, and therefore stronger focus must be put on noise prevention.

Figure 6.2. Helsinki noise map, 2017 (average daytime noise level, dB)



Source: Helsinki noise survey, 2017.

Maritime Strategy to strengthen marine protection

Helsinki and Turku's Baltic Sea Action Plan 2014–2018 included 80 action points or measures, 24 of which had been started by the end of 2018, 40 were ongoing and 9 had been completed. In particular, actions concerning littering prevention, shipping, leisure boating and communications have been boosted. During 2018, many incomplete items in the Baltic Sea Action Plan were transferred under the new storm water programme, and they are part of the systematic measures concerning the use of sea areas, falling within the scope of the Maritime Strategy. Perspectives on the marine environment and the state of the sea were included in the preparation of the Maritime Strategy.

During 2018, the third Baltic Sea Action Plan was prepared for the period 2019–2023. The City Board approved the plan in October 2018. The new plan has almost 120 measures. In accordance with the Maritime Strategy, the conservation and monitoring of underwater nature in Helsinki's sea area will be improved by mapping the occurrence of threatened natural underwater biotopes. Scattered loading, consisting of discharges from the city area to the seawater, will be studied in the storm water programme, which will also support the implementation of the action plan for the Baltic Sea Challenge.

Implementation of Helsinki nature conservation programme to be speeded up

In order to nurture Helsinki's valuable nature and increase the diversity of urban nature, the city launched in 2018 a project to update its action plan for safeguarding biodiversity. Residents were invited to contribute to the work via a map-based online questionnaire.

According to the responses, people are fascinated by the diversity of nature in Helsinki and appreciate the fact that nature is near. Vallisaari, Vanhankaupunginlahti and Keskuspuisto were considered to be nature spots that are particularly representative of Helsinki's environment.

The fragmentation of forest areas caused by construction was a cause for concern to the respondents. It was considered important for different kinds of forests to be situated in the city area, such as groves, small local forests and coniferous, deciduous and mixed forests. Forest biodiversity can be developed, among other things, by increasing the amount of coarse woody debris and by keeping forest management activities as light as possible. The sea, shorelines, rivers and streams were also considered important elements of Helsinki's nature. Helsinki residents themselves are also prepared to act to safeguard biodiversity, and interest in voluntary restoration work is great.

In the future, the implementation of Helsinki's nature conservation programme will be accelerated, and the objectives of the Maritime Strategy will also be taken into account in its implementation. Ways will be sought to strengthen the network of forests and other ecological networks, and guidelines will be prepared. A nature monitoring plan will be drawn up utilising, among other things, new information about threatened biotopes in Helsinki. An accessibility tool for green areas will also be introduced.

Circular economy emerging as a significant theme

The circular economy has emerged as a significant target of development as a result of the City Strategy. Of the 147 measures in the Carbon-Neutral Helsinki 2035 action plan, 14 concern the circular economy. The topics of these measures include increasing expertise in climate issues and circular economy, reducing food waste and utilising waste food, encouraging the reuse of materials and products and promoting a sharing economy.

The circular economy is also emerging as a significant factor in the construction industry. In Helsinki, this has been visible in recent years particularly in the systematic coordination of surplus excavation material. In 2018, a total of 734,800 tonnes of excavated material and mineral aggregates was used in the construction of public spaces. Thanks to this, approximately €4.5 million and 840,000 litres of fuel were saved, and emissions were reduced by 2,093 tonnes of CO2 eq. During 2018, a work group coordinating the use of excavated earth prepared drafts on the principles and an action plan for managing the materials. These included not only soil but also demolition waste.

The greatest opportunities for the circular economy in Helsinki can be found in construction activity, the sharing economy and sustainable biological circulation in the food chain and energy production. The circular economy perspective should be taken into account in the planning and zoning of areas. In construction, transitioning to the circular economy will enable a reduction in emissions throughout the lifecycle of buildings, while curtailing the need to consume virgin natural resources. With regard to construction, key materials include steel, aluminium, cement and plastic.