2020

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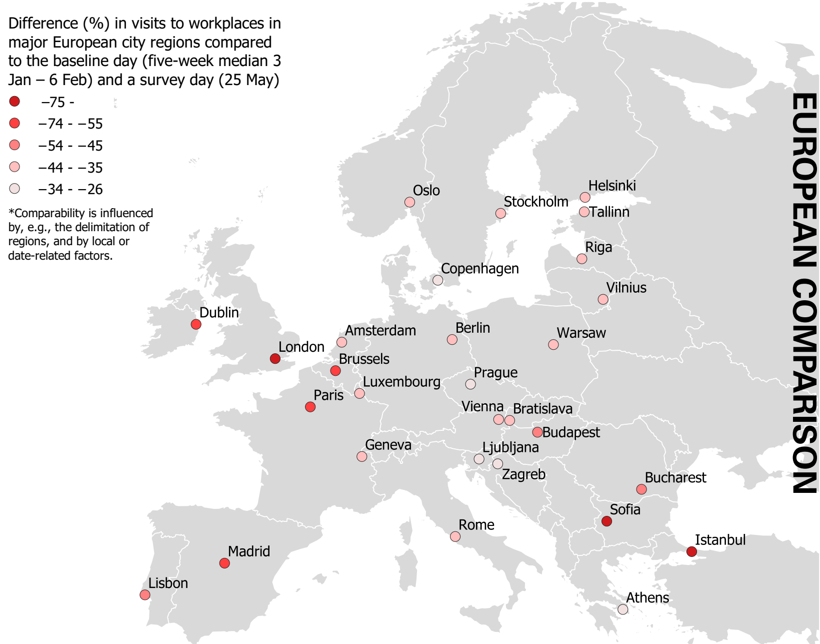
HELSINKI

REGION TRENDS

Current review of development in the region 2020

Helsinki Region Trends is a quarterly publication. Changes due to the COVID-19 pandemic are partly reflected in the first quarter figures.

EUROPEAN COMPARISON



Source: Google COVID-19 Community Mobility Reports

COVID-19 changed work-related travel

Google's Community Mobility Reports show how measures taken to curb the COVID-19 pandemic have influenced the frequentation of, for example, leisure venues, groceries, parks and workplaces.

In major city regions, there were significantly less people at their workplaces on a survey workday in late May than there were in early 2020. The number of people who were at their workplace on that day is compared with the baseline day in each area, which is a five-week median for January–February.

Compared with this median, the number of workplace visitors on the day was lower by 40 per cent in the Helsinki-Uusimaa Region and 31 per cent lower in Finland. People's movements are influenced by local, date-related factors. In the city regions of London, Sofia and Istanbul, slightly less than one-quarter of residents were at their workplaces on the survey day. Sparse travel in the Istanbul region is partly explained by a four-day quarantine that coincided with that day. In Sofia and London, national holidays were celebrated on the survey day. European countries have taken differing measures to control the exceptional situation, and they are at differing stages of the epidemic. In Rome's city region, for example, the effects of the lifting of restrictions in Italy, can already be seen.

Google collects aggregated, anonymised location data on people who have turned on the Location History setting. No personally identifiable information is made available. Find out more: google.com/covid19/mobility/

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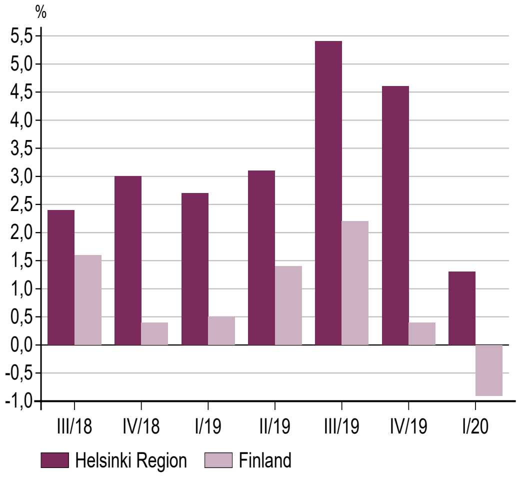
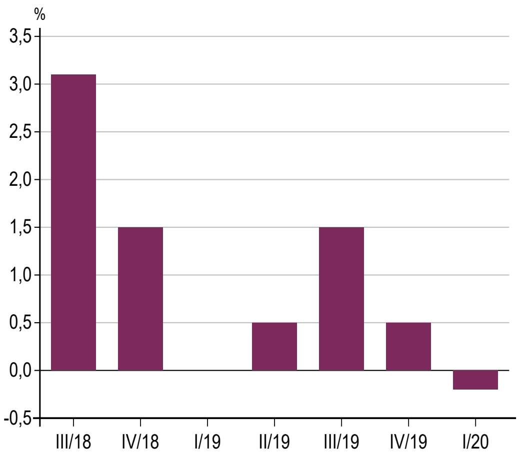
Indicator predicting production
Change (%) since previous year



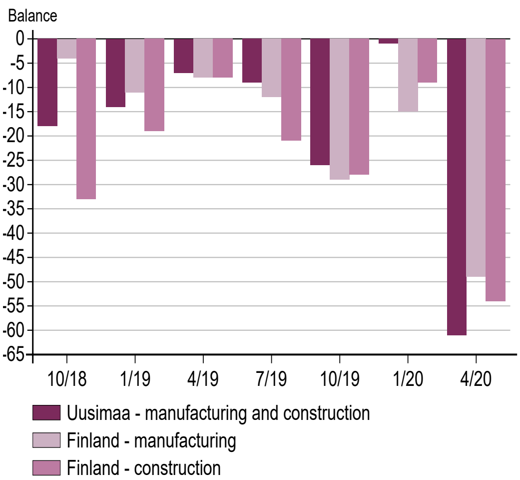
Source: Kaupunkitutkimus TA Oy and Statistics Finland

Total sales of trade industries in the Helsinki Region
Change (%) since previous year



Source: Kaupunkitutkimus TA Oy and Statistics Finland

Business outlook for manufacturing and construction



Source: Confederation of Finnish Industries (EK), EK Business Tendency Survey

Regional economy

Production growth halted at the beginning of the year

Production growth in the Helsinki region slowed down significantly in the first quarter of 2020. By the end of the quarter, the coronavirus epidemic had a negative impact on production especially in the service sector. According to estimates, production volume increased by just over one per cent from the previous year in January–March. Throughout Finland, production decreased compared to the year before. The manufacturing and construction sectors as well as information and business services continued to grow in the Helsinki region. However, business in the accommodation and restaurant sectors as well as in the transportation and trade sectors began to decrease.

Sales in trade began to decrease

After four years of growth, sales in trade began to decrease in early 2020. In January–March, sales in the Helsinki region decreased by 0.2 per cent. In 2019, sales growth was already slower than in 2018, but the sales volumes in all quarters in 2019 were still slightly higher compared to the previous year. Expectations concerning sales growth in 2020 were already low before the coronavirus crisis. The impact of the crisis is expected to be evident in the second quarter.

Business outlook is very poor

The economic situation in Finland has started to decline sharply. In January, the economy was still expected to grow, but now projections regarding Finland point to a five or, at worst, ten per cent drop in overall production. The impact of the coronavirus is also visible in the results of the Business Tendency Survey by the Confederation of Finnish Industries (EK). Both the economic conditions and the business outlook are poor in all main industries. The coronavirus has hit services especially hard, but manufacturing and construction are also facing an increasingly difficult situation.

Manufacturing and construction

According to the Business Tendency Survey conducted by the Confederation of Finnish Industries (EK) in April 2020, companies in the main industries of manufacturing and construction in Uusimaa estimate that economic conditions have weakened considerably. During early spring 2020, their estimates of economic conditions became negative due to the coronavirus pandemic. In April, the balance figure describing the companies' current situation was –10 when in January the corresponding indicator was still 7. In addition, business outlook, an estimate of the future, downright crashed. The business outlook balance indicator was -61 in April, compared to –1 in the January survey. In Uusimaa, prospects are even slightly worse than the national average. In other words, the current situation of companies in the industry is considered fairly poor and companies' future expectations are very pessimistic.

The entire country's manufacturing companies' business outlook balance indicator was –49 in the April survey, compared to –15 in January. Manufacturing companies' production has declined during the start of the year and production expectations for the coming months are low. Order books are below the normal level even as the number of new orders that manufacturing companies received climbed towards its usual level during the early spring. Export orders in particular have remained low. The changes in order books sets expectations for gradual decline in demand, and manufacturing is not expected to experience a coronavirus shock as sudden as the one the service sector faced.

Construction companies in the entire country assessed that their economic conditions weakened during the spring. Construction would have declined even without the coronavirus, at the end of a long upward economic trend. The balance figure for current situation was –10 in April, when in January it was still +3. In the construction industry, order books dropped below the average level. Construction of new residential buildings is declining from a very high level. A reduction in new construction permits also indicates a continued downturn even with low interest levels still supporting production in the sector.

Service sector business outlook crashed in the entire country

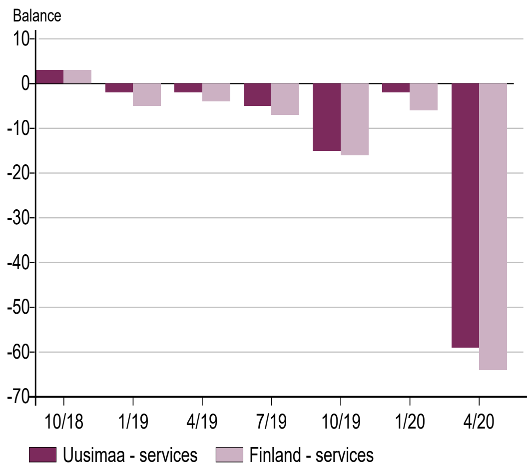
The service sector's economic conditions in the entire country has weakened considerably during spring 2020 due to the coronavirus. Service sector companies estimated that economic conditions had declined rapidly, and their sales levels did decline sharply during the spring. In addition, business outlook for the coming months is currently very poor. Restrictions during the coronavirus epidemic have especially impacted the service sector and slow lifting of the restrictions has made expectations even gloomier. The business outlook balance indicator dropped to –64 in April, when January saw the indicator still at –6. The amount of staff in the service sector has been declining and companies in the sector estimate that there will be a clear drop by the summer.

Economic conditions of service sector companies in Uusimaa crashed at once due to the coronavirus crisis. The balance figure describing the current situation dropped to –61 in February, when in January it was still 9. The business outlook for the coming months also sunk considerably low. The business outlook balance indicator was –59 in April, despite it being an almost neutral –2 in January. Of all service sector companies, 61 per cent expected the situation to worsen and 37 per cent expected the situation to remain stable. Only two per cent of service sector companies in Uusimaa expected the outlook to improve. In the Uusimaa region, service sector companies' business outlooks are slightly brighter than the national average.

Consumers believe that the employment situation will worsen

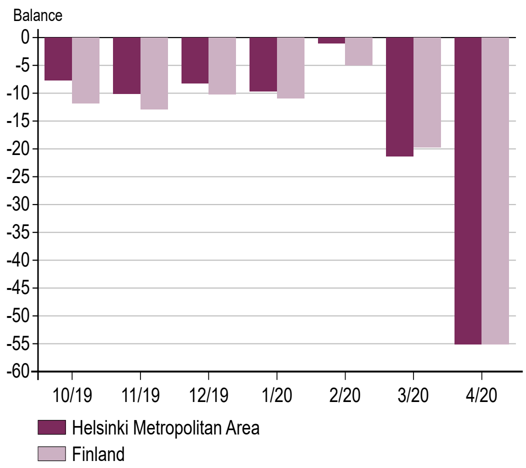
The April Consumer Survey by Statistics Finland shows that consumers are expecting the employment situation in Finland to worsen in the coming 12 months. The balance figure that describes the distribution of answers is –55 for the Helsinki Metropolitan Area as well as the entire country. The value is similar to December 2008, during the financial crisis. Expectations of the future employment situation are at their lowest level in at least 25 years.

Business outlook for service companies



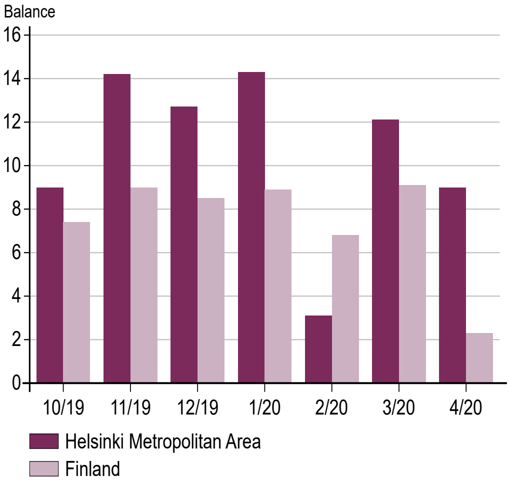
Source: Confederation of Finnish Industries (EK), EK Business Tendency Survey

Household expectations concerning the unemployment situation for the next 12 months



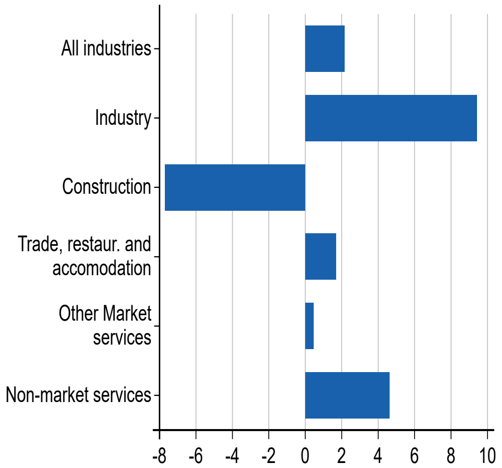
Source: Statistics Finland, Consumer Confidence

Household expectations concerning their own economy for the next 12 months



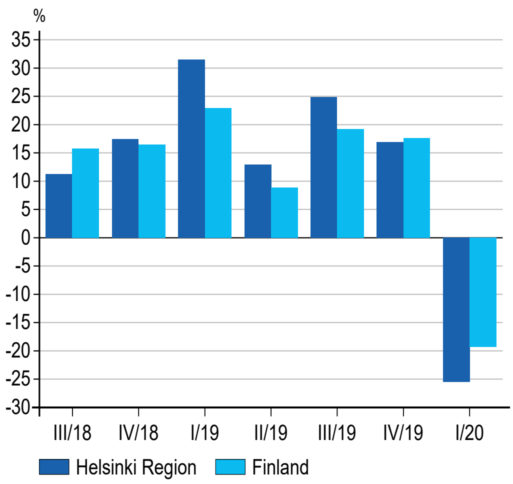
Source: Statistics Finland, Consumer Confidence

Employed labour in main industries in the Helsinki region
Change (%) since previous year



Source: Statistics Finland

Job vacancies
Change (%) since previous year



Source: Statistics Finland, Consumer Confidence

Consumer confidence in their personal finances has decreased slightly

According to the Consumer Survey conducted by Statistics Finland in April 2020, slightly over half of all consumers believe that their own financial situation will improve over the next 12 months. The balance figure describing expectations concerning personal finances was approximately +2 for the entire country and +9 for the Helsinki Metropolitan Area. These figures are clearly lower compared to the start of the year when the corresponding figures were approximately +9 and +14. However, expectations concerning personal finances were still surprisingly positive, considering the circumstances. Indicators of consumers' personal finances often tend to stay positive even when the national economy is struggling. The above balance figures are almost at the same level as during the financial crisis approximately 12 years ago.

Labour market

Number of people employed in manufacturing and social services increased

The number of people employed in manufacturing in the Helsinki region increased by 9 per cent in January–March 2020 compared to the same period in the previous year. The year before, the number of employees in manufacturing had fallen rapidly, which means that the change may be explained by random variation in the statistical data. In social services, the number of employees was 5 per cent higher than the previous year. The number of people employed in trade, accommodation and the restaurant division increased by a total of 2 per cent.

In the other market service sectors, the number of employees remained unchanged from the previous year. Other market services include transport, information and communications, financing and insurances as well as business services. In construction, the number of employees was cut back by nearly 8 per cent compared to the previous year.

The number of people employed in manufacturing and other market services increased at a national level. In the trade, restaurant and accommodation as well as construction divisions, the number of employees decreased from the previous year.

The sector employing the most people in the Helsinki region is business services. A large number of residents in the Helsinki region also work in social and health care services as well as in the trade division. In all of Finland, health care and social services is the largest sector in terms of the number of employees, and the manufacturing division is the second largest.

Number of vacant jobs decreased by a quarter in the Helsinki region

By the end of March, there were 25 per cent fewer vacant jobs in the Helsinki region's Employment and Economic Development Offices compared to the year before. The number of vacant jobs decreased nationally by 19 per cent.

For every vacant job in the Helsinki region, there were approximately 2.4 unemployed applicants. The number of vacant jobs in the Helsinki region was 17,700, which represents 27 per cent of all vacant jobs in the country.

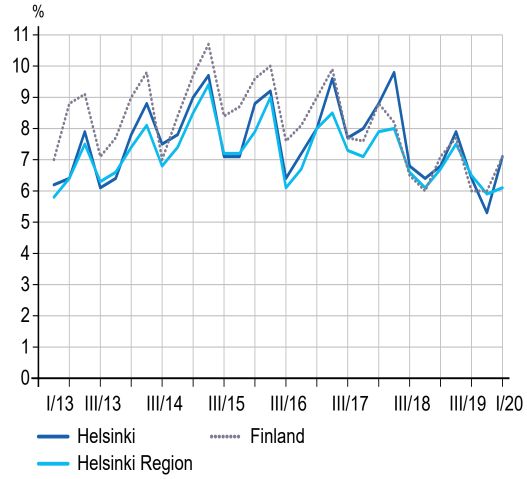
The number of vacant jobs registered with the Employment and Economic Development Offices increased in the Helsinki region between 2015 and March 2020. The downturn is mostly explained by the impact of the COVID-19 epidemic on the labour market.

Male and female unemployment rates dropped slightly in January–March

The information for the sample-based Labour Force Survey of Statistics Finland was collected in January–March, and the impact of the COVID-19 epidemic are not yet reflected on the figures. According to the Labour Force Survey, the unemployment rate of women living in the Helsinki region was 0.5 percentage points lower in the first quarter of 2020 compared to the corresponding period in the previous year. The unemployment rate of men decreased by 0.6 percentage points. In all of Finland, the unemployment rate of women increased slightly while the unemployment rate of men decreased somewhat.

In January–March of 2020, the unemployment rates of women and men were at 6.1 per cent in the Helsinki region. In all of Finland, the unemployment rate was 7.6 per cent for men and 6.6 per cent for women.

Unemployment rate in the Helsinki, Helsinki Region and in Finland



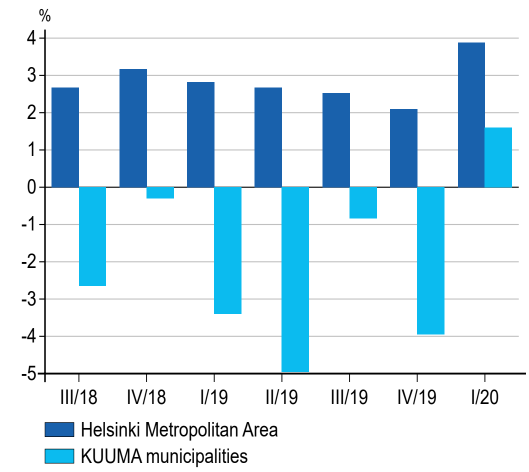
Source: Statistics Finland

Housing market and business premises market

Housing prices in the Helsinki Metropolitan Area and elsewhere in Finland keep diverging

In the Helsinki Metropolitan Area, the prices of second-hand flats increased by 4 per cent in the first quarter of the year compared to the situation in the previous year. Compared to 2010, housing prices in the Helsinki Metropolitan Area have climbed 28.5 per cent (the index was 128.5 at the beginning of 2020). Outside of the Helsinki Metropolitan Area, the price per square metre of second-hand flats has remained practically unchanged compared to last year as well as compared to 2010. The indexed variation of price per square metre in other parts of Finland has stayed in the range 98–105 (where 2010=100) for the entire 10-year period. At the beginning of 2020 it was 101.6. This shows that there is a considerable difference in the long-term price development between the Helsinki Metropolitan Area and the rest of Finland.

Housing price index
Change (%) since previous year

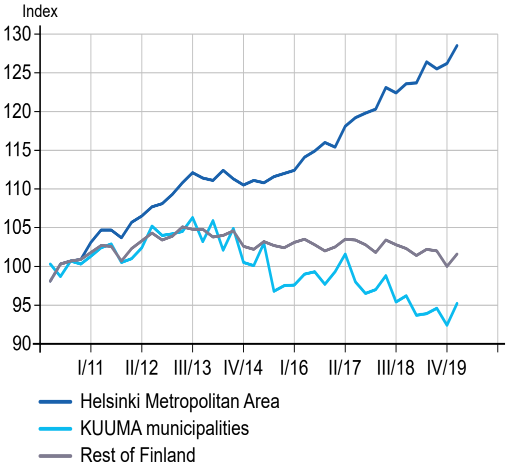


Source: Statistics Finland

Differences in flat price development also within the Helsinki Metropolitan Area

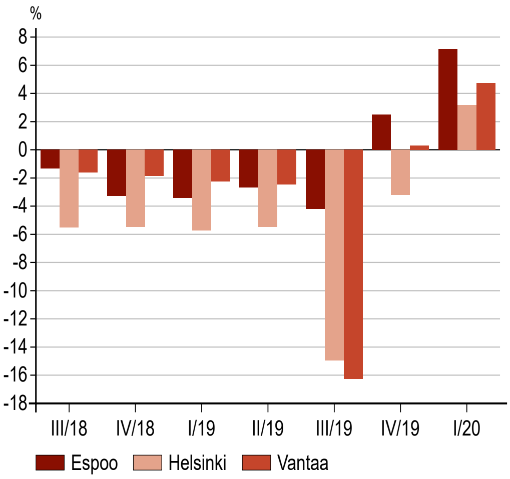
There are considerable differences in flat price development also within the Helsinki Metropolitan Area. For example, in Helsinki the increase in prices is focused in central Helsinki, where prices have risen over 4 per

Housing price index



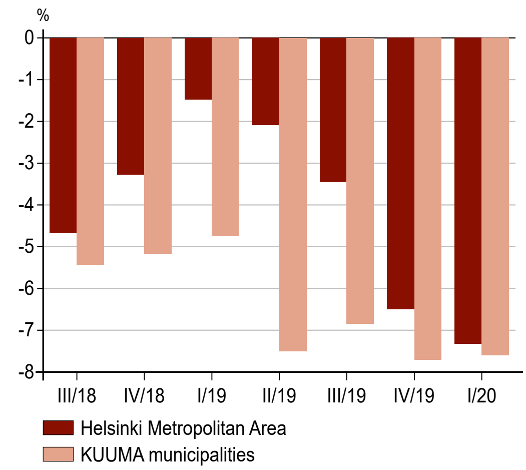
Source: Statistics Finland

Number of people receiving social assistance
Change (%) since previous year



Source: The Social Insurance Institution of Finland (Kela)

Number of families receiving child home care allowance
Change (%) since previous year



Source: The Social Insurance Institution of Finland (Kela)

cent in a year. At the same time, prices in the Helsinki suburbs did not rise at all during the year. Housing prices increased by six per cent in Espoo and approximately 3 per cent in Vantaa. In Espoo, the long-term price increase is mostly centred on the last year. During the ten-year period under review, housing prices have risen 34 per cent in Helsinki, 19 per cent in Espoo and approximately four per cent in Vantaa. In the KUUMA municipalities the trend of housing prices has been declining, even though the latest changes indicate prices increasing.

Welfare

The number of basic social assistance recipients started to increase

In January–March, the number of basic social assistance recipients in the Helsinki Metropolitan Area grew by over 4 per cent when comparing the monthly averages to the corresponding period in the previous year. In January-March the number of people receiving basic social assistance per month was 37,300 (+3%) in Helsinki, 15,400 (+5%) in Espoo and 14,500 (+7%) in Vantaa.

Currently, a decline in the employment situation caused by the coronavirus pandemic increases need for basic social assistance, which is evident especially in the increased number of new recipients. It is likely that the number of recipients of basic social assistance will keep increasing in the coming months.

The number of child home care allowance recipients decreased

In January–March, a total of 17,400 households received child home care allowance in the Helsinki region, which is over seven per cent less than during the same period in the previous year. The number of recipients in the Helsinki Metropolitan Area decreased from the same period last year in Helsinki (–10%), in Espoo (–8.3%) and in Kauniainen (–13.5%). In Vantaa, the number of beneficiaries remained almost unchanged. In the KUUMA municipalities the number of beneficiaries decreased by approximately eight per cent and by nine per cent in the entire country.

In January–March, the number of families receiving child home care allowance was 7,200 in Helsinki, 3,700 in Espoo, 3,100 in Vantaa and 3,400 in the KUUMA municipalities.

Number of children also decreasing

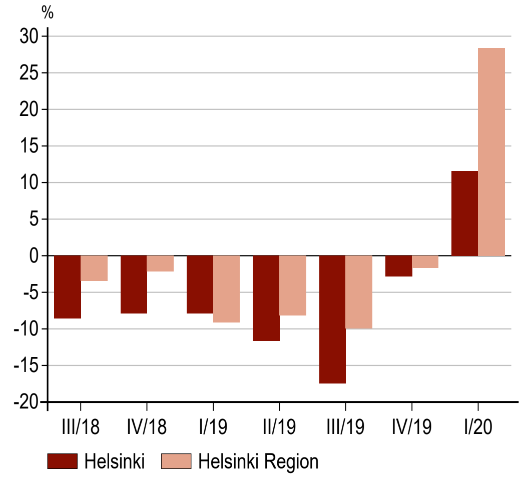
The number of families receiving child home care allowance has been on the decline this decade both in the Helsinki region and in all of Finland. The number of children cared for with the help of child home care allowance has also reduced when compared to the total number of children.

Number of thefts increased

In January–March, the number of thefts (theft, aggravated theft, petty theft) reported to the police in the Helsinki region increased by 28 per cent in comparison to the corresponding period in the previous year. The number of thefts increased by 30 per cent in the country overall.

The majority of all thefts committed in the Helsinki region occurred in Helsinki. In January–March 11,337 thefts were reported to the police in the region, of which 5,633 were committed in Helsinki, 1,717 in Espoo, 2,002 in Vantaa and 1,945 in the KUUMA municipalities. A total of 17,769 thefts were reported to the police in Finland outside the Helsinki region.

Thefts that have come to the attention of the police
Change (%) since previous year



Source: Statistic Finland

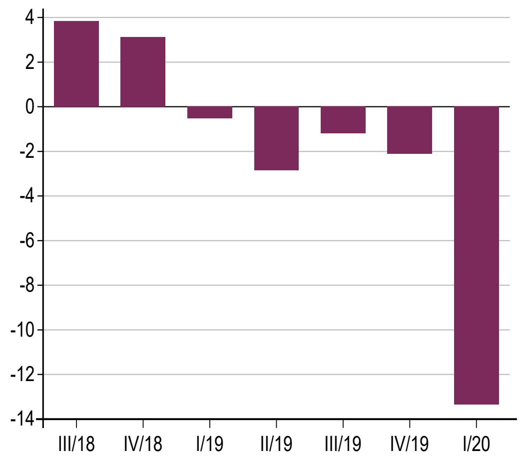
Traffic and environment

The number of public transport passengers decreased in the region

In January–March, the number of public transport passengers decreased by 10 per cent in Espoo and Kauniainen, by 13 per cent in Helsinki and by 14 per cent in Vantaa in comparison to the corresponding period in the previous year.

The metro and trams started operating less frequently on 18 March 2020 due to the coronavirus. During the last half of March, numbers of passengers declined to under half of the normal daily level in all transport modes.

Number of public transport passengers in Helsinki
Change (%) since previous year



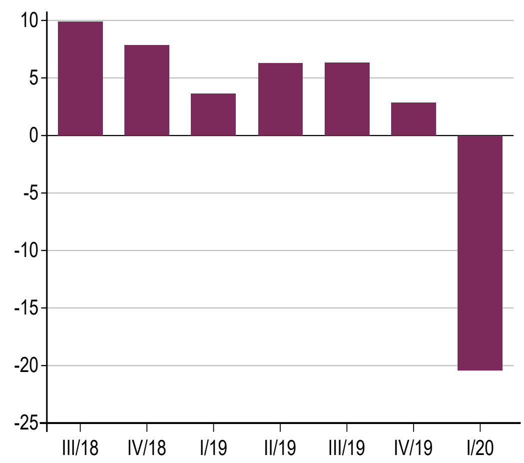
Source: Helsinki Region Transport (HSL)

Numbers of airline passengers decreased considerably

In January–March, the number of passengers at Helsinki–Vantaa Airport decreased by 20 per cent compared to the corresponding period in the previous year. The number of passengers was 3.9 million. Eighty-two per cent of all flights were international and the remainder domestic. The most common international destinations are Germany, Sweden and Spain.

Monthly statistics show that air traffic decreased considerably in almost all of Finland's airports. In the Helsinki Airport the number of passengers decreased by 57.2 per cent compared to March last year. Number of passengers decreased sharply on routes to China already in February.

Number of airline passengers
Change (%) since previous year

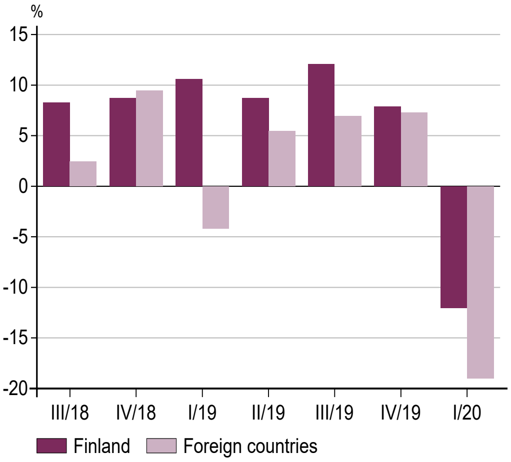


Source:Finavia

The coronavirus crisis reflected on March accommodation statistics

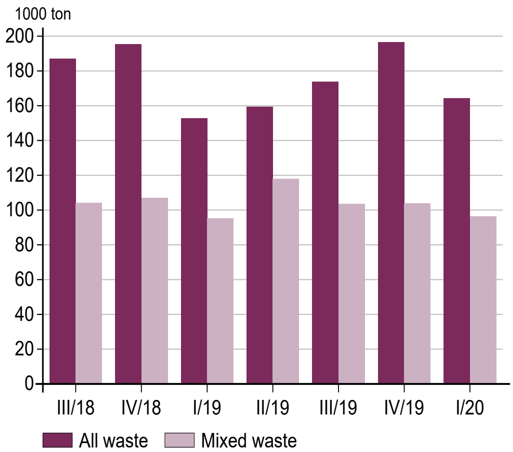
The year 2020 started exceptionally but hit an unparalleled crisis in March. Domestic demand in particular grew compared to the same period in the previous year. In February, the growth slowed down and foreign demand turned negative mainly due to a drop in Chinese demand. In March, demand collapsed and, depending on the country of origin, overnight stays dropped by up to 80 per cent in comparison with March 2019 with a difference of over 50 per cent being common. The crisis did not yet have its full impact on overnight stays in the first quarter of the year, although percentages of change in Uusimaa are in the double digits, except for Espoo.

Overnight stays by country of residence in Uusimaa
Change (%) since previous year



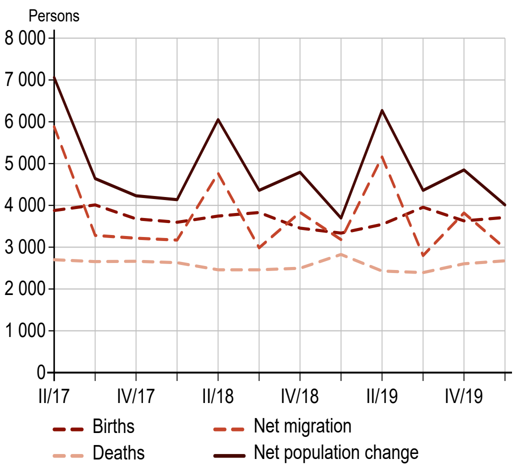
Source: Statistic Finland

Amount of waste received in Ämmässuo and Vantaa
Change (%) since previous year



Source: Helsinki Region Environmental Services Authority (HSY)

Natural population growth and net migration in the Helsinki Region



Source: Statistic Finland

Amount of landfill waste increased in Ämmässuo

In January–March, the Ämmässuo waste treatment centre received more waste this year than during the same period the year before. The Vantaa waste-to-energy plant received as much waste as the year before. The amount of waste in Ämmässuo grew to 80,100 tonnes and remained at the 84,000 tonnes in Vantaa.

The Vantaa waste-to-energy plant was opened in 2014, which significantly decreased the waste volumes delivered to Ämmässuo. The Vantaa waste-to-energy plant receives more mixed waste than the Ämmässuo waste treatment centre, but Ämmässuo has received more waste on the whole.

Population

Population growth in the Helsinki region still rapid

According to preliminary data, the population of the Helsinki region was approximately 1,516,000 at the end of March. The population in the region grew by 4,010 persons in January–March, which was 315 more than the population growth during the same period in the previous year. The growth is faster than the average for the decade. Over half of the growth was due to migration gain from abroad.

The number of children born increased and deaths decreased in comparison to the same period of the previous year. In January–March 3,711 children were born, which is 373 more than in early 2019. The natural population growth of the Helsinki region doubled from the previous year and was now 1,037 people. The birth rate grew the most in Helsinki, at approximately 14 per cent when Espoo saw a growth of 3 per cent.

The population growth in Helsinki and the KUUMA municipalities intensified in January–March in comparison to the same period in the year before. The population of Helsinki grew by over 1,000 people and that of KUUMA municipalities by 900 people. The population growth in Vantaa slowed down but remained still considerably high at 1,270 people. The first quarter population growth of Espoo dropped by approximately 40 per cent from the year before to 790 people.

Foreign net migration grew significantly

In January–March, the Helsinki region received a record foreign migration gain of 2,120, which is approximately 400 more than the first quarter of the previous year. A total of 3,550 people moved to the Helsinki region from abroad and 1,430 moved away. The migration gain increased in the Helsinki region as more people moved into the region and emigration, especially of Finnish nationals, decreased simultaneously. Foreign migration gain grew in other parts of Finland as well, especially due to increased immigration.

In Espoo, foreign migration gain grew approximately 60 per cent in comparison to the first quarter of the previous year. Migration gain of KUUMA municipalities also grew relatively much. Migration gain for Helsinki and Vantaa grew only slightly during the beginning of the year.

In the past year, the Helsinki region's migration gain from abroad grew by two per cent. Foreign net migration also includes Finnish citizens moving from abroad, but not foreign nationals migrating to the region from other parts of Finland. The Helsinki region has substantially more migration gain from foreign nationals than from abroad.

Migration gain in the Helsinki region from elsewhere in Finland decreased

In January–March, the migration gain in the Helsinki region from elsewhere in Finland was 850 people. Migration gain decreased considerably in comparison to the same period of the previous year due to a sharp increase in emigration. A total of 7,270 people moved to the Helsinki region, while 6,420 moved away.

In January–March, Helsinki's migration gain from other parts of Finland was 500 people, Vantaa's 390 and Espoo's 90. In the KUUMA municipalities net migration turned negative at –130 people. Compared to the same quarter of the previous year, migration gain grew only in Vantaa.

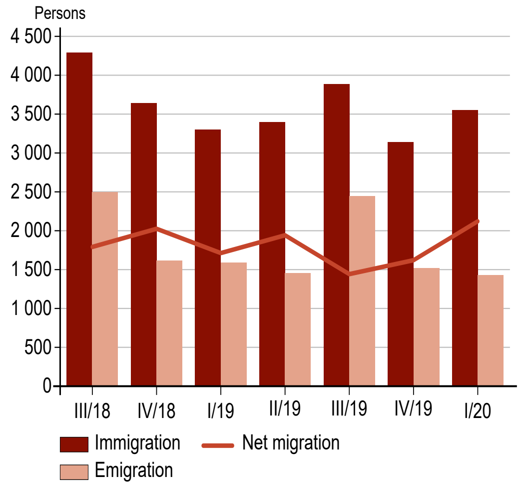
The migration gain of the Helsinki region from elsewhere in Finland decreased last year by 150 people, but it still remains at a higher level than at the beginning of the decade. The KUUMA municipalities have been losing residents to municipalities outside the region throughout the 2000s, and the migration loss grew during the last year.

KUUMA municipalities gained more residents than before

In January–March, the migration loss from Helsinki to other municipalities of the region was -660 residents, when at the beginning of the previous year it was –1,000. Espoo lost –340 residents to the rest of the region, when last year Espoo had a migration gain of nearly as many residents. Vantaa had a migration gain of 190, less than half of the same quarter of the previous year. However, the KUUMA municipalities' migration gain from the Helsinki Metropolitan Area grew considerably up to 790 people.

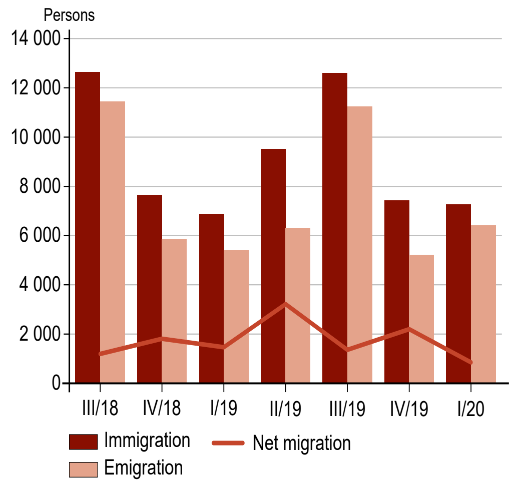
Helsinki's migration loss within the region decreased slightly from the previous year and was down to –3,250. Vantaa's migration gain decreased to 940 during the year and Espoo's to 120. The KUUMA municipalities had a migration gain from the Helsinki Metropolitan Area of nearly 2,000 residents during the year, which is nearly as much as in 2010–2011.

Foreign net migration in the Helsinki Region



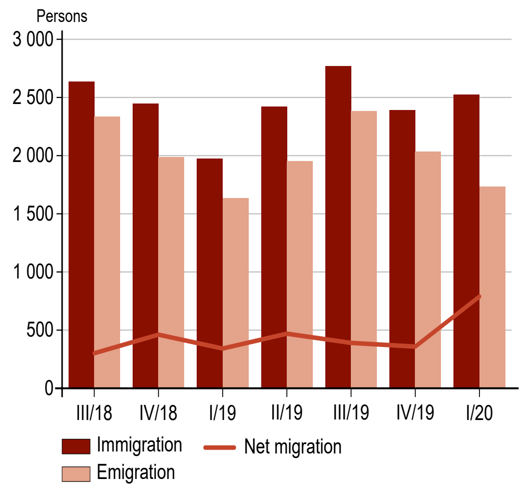
Source: Statistic Finland

Net migration between the Helsinki region and the rest of Finland



Source: Statistic Finland

Migration from the Helsinki Metropolitan Area to the KUUMA municipalities



Source: Statistic Finland

Article

Helsinki region's ambitious goals for MAL agreement period 2016–2019 achieved

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The Helsinki region's MAL agreement for 2016–2019 was ambitious, but its objectives at the level of the entire Helsinki region were achieved. The targets written into the agreement in terms of housing production were surpassed and even in terms of land use planning, the region fell only slightly short of the targets. The transport measures have also been realised, to a large degree. The objective of the MAL agreement was the "coordination of the community structure and transport system in such a way as to lay the groundwork for a significant increase of plot supply and housing production". The agreement also aimed to increase the parties' commitment to the common goals and to (thereby) steer land use, housing production and the transport system towards the consolidation of the community structure and sustainable mobility. This article briefly assesses the fulfilment of the agreement's three subject matters 1) responding to the need for housing production, 2) the coordination of land use, housing and transport, and 3) transport services and transport infrastructure measures with an emphasis on the perspective of municipalities.

Responding to the need for housing production

Housing production at a record-high level

The construction of 60,000 housing units in the municipalities of the Helsinki region during the agreement period was one of the agreement's most clearly measurable targets. The target was achieved and a total of 64,082 housing units were completed in the region in 2016–2019. While production during the first years of the agreement lagged slightly behind the targets, records were broken during the final years in the entire region's and municipality-specific housing production volumes. Nearly 20,000 units were completed in the Helsinki region in 2019 (Figure 1). The achievement percentage of the overall target of housing production in the region was 107. The municipalities of the Helsinki Metropolitan Area, excluding Helsinki, surpassed their targets by a clear margin. While variation in the KUUMA municipalities was higher, all in all, the KUUMA region fell only slightly short of the target (Table 1).

One of the agreement's targets was that state-subsidised housing production in the Helsinki Metropolitan Area and the KUUMA region would account for 30% and 20%, respectively, of the production. This target was not achieved and the entire region's achievement in the volume of subsidised housing units was 87%. The target was not met particularly in the Helsinki Metropolitan Area, whereas many municipalities within the KUUMA region surpassed the target volumes.

Figure 1. Housing units completed in the Helsinki region in 2012–2019

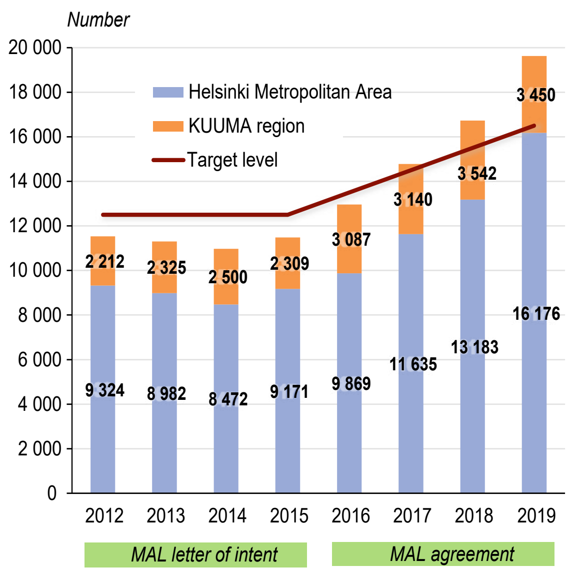


Table 1. Housing units completed in 2016–2019

	Target of MAL agreement	Completed housing units in total	Achievement (%)
Espoo	12,000	13,892	116
Helsinki	24,000	20,822	87
Kauniainen	288	301	105
Vantaa	9,600	15,848	165
Helsinki Metropolitan Area, total	**45,888**	**50,863**	**111**
Hyvinkää	1,440	1,273	88
Järvenpää	2,064	2,571	125
Kerava	1,872	1,945	104
Kirkkonummi	1,584	1,576	99
Mäntsälä	768	529	69
Nurmijärvi	1,584	2,092	132
Pornainen	288	76	26
Sipoo	1,584	1,464	92
Tuusula	1,680	895	53
Vihti	1,248	798	64
KUUMA region, total	**14,112**	**13,219**	**94**
Helsinki region, total	**60,000**	**64,082**	**107**

Of the housing production, 87% was carried out in the primary target areas defined in the agreement. On the other hand, 70% of the entire period's housing production was carried out in areas accessible by sustainable modes of transport (the SAVU accessibility zones I–III). In both indicators, the percentages increased as the agreement period progressed, meaning that the agreement's aim of pursuing a more consolidated community structure and sustainable mobility was largely achieved. Rural construction, i.e. housing production located outside the area of the detailed plan, accounted only for 1% of the total production.

Land use planning of residential plots active

The agreement's target was that municipalities complete 6.132 million m^2 (GFA) of the detailed plans of residential plots during the agreement period. In the entire region, 5.77 million m^2 (GFA) of residential plans were approved (achievement percentage 94) and 5.82 million m^2 (GFA) of them took effect (achievement percentage 95) (Figure 2). The planning target was achieved variably in the municipalities. While the target was reached in the Helsinki Metropolitan Area, the target was not reached in the KUUMA region (Table 2).

In the MAL agreement, the assessment of the planning target's achievement also accounts for the adequacy of municipalities' stock of residential plots. The stock of detailed plans for housing in the region remained at more than 10 million m^2 (GFA) throughout the agreement period and increased slightly throughout the period. The emphasis in both planning and planning stocks during the agreement period shifted towards plots for blocks of flats.

In the planning for housing, 89% of the planning concerned the primary target areas defined in the agreement, while 72% of the entire period's housing plans concerned areas accessible by sustainable modes of transport (the SAVU accessibility zones I–III) (Figure 3). As was the case in housing production, the percentages in both indicators increased as the agreement period progressed, meaning that the agreement's aim of pursuing a more consolidated community structure and sustainable mobility was largely achieved.

Figure 2. Detailed plans for housing that were approved and took effect in 2012–2019

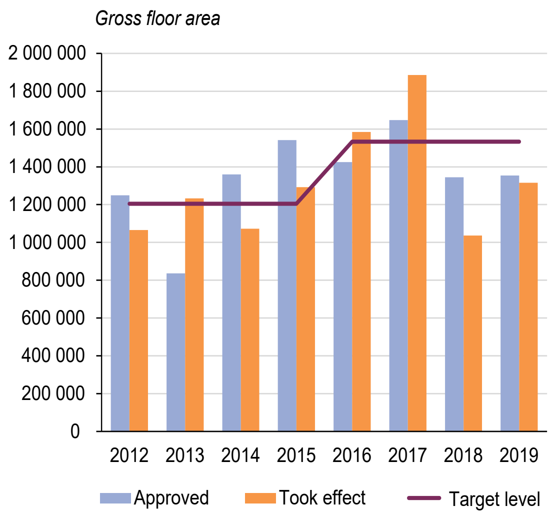


Table 2. Helsinki region's new housing GFA by phase of detailed plan in 2016–2019

Municipality/region	Target for entire 2016–2019 period	Housing GFA that took effect in 2016–2019 (NET) m^2 (GFA)	Achievement (%) in those that took effect	Housing GFA of approved plans in 2016–2019 (NET) m^2 (GFA)	Achievement (%) in those approved
Espoo	996,000	1,546,499	155	1,341,844	135
Helsinki	2,390,000	2,242,698	94	2,429,865	102
Kauniainen	33,000	3,685	11	3,875	12
Vantaa	1,065,000	839,948	79	736,237	69
Helsinki Metropolitan Area, total	**4,484,000**	**4,632,830**	**103**	**4,511,821**	**101**
Hyvinkää	127,000	119,697	94	119,307	94
Järvenpää	186,000	128,573	69	147,154	79
Kerava	210,000	96,433	46	96,736	46
Kirkkonummi	159,000	103,568	65	102,764	65
Mäntsälä	100,000	69,091	69	68,951	69
Nurmijärvi	53,000	210,995	398	190,904	360
Pornainen	45,000	2,002	4	15,929	35
Sipoo	230,000	45,418	20	59,318	26
Tuusula	426,000	395,536	93	429,841	101
Vihti	112,000	18,751	17	28,260	25
KUUMA region, total	**1,648,000**	**1,190,064**	**72**	**1,258,633**	**76**
Helsinki region, total	**6,132,000**	**5,822,894**	**95**	**5,770,454**	**94**

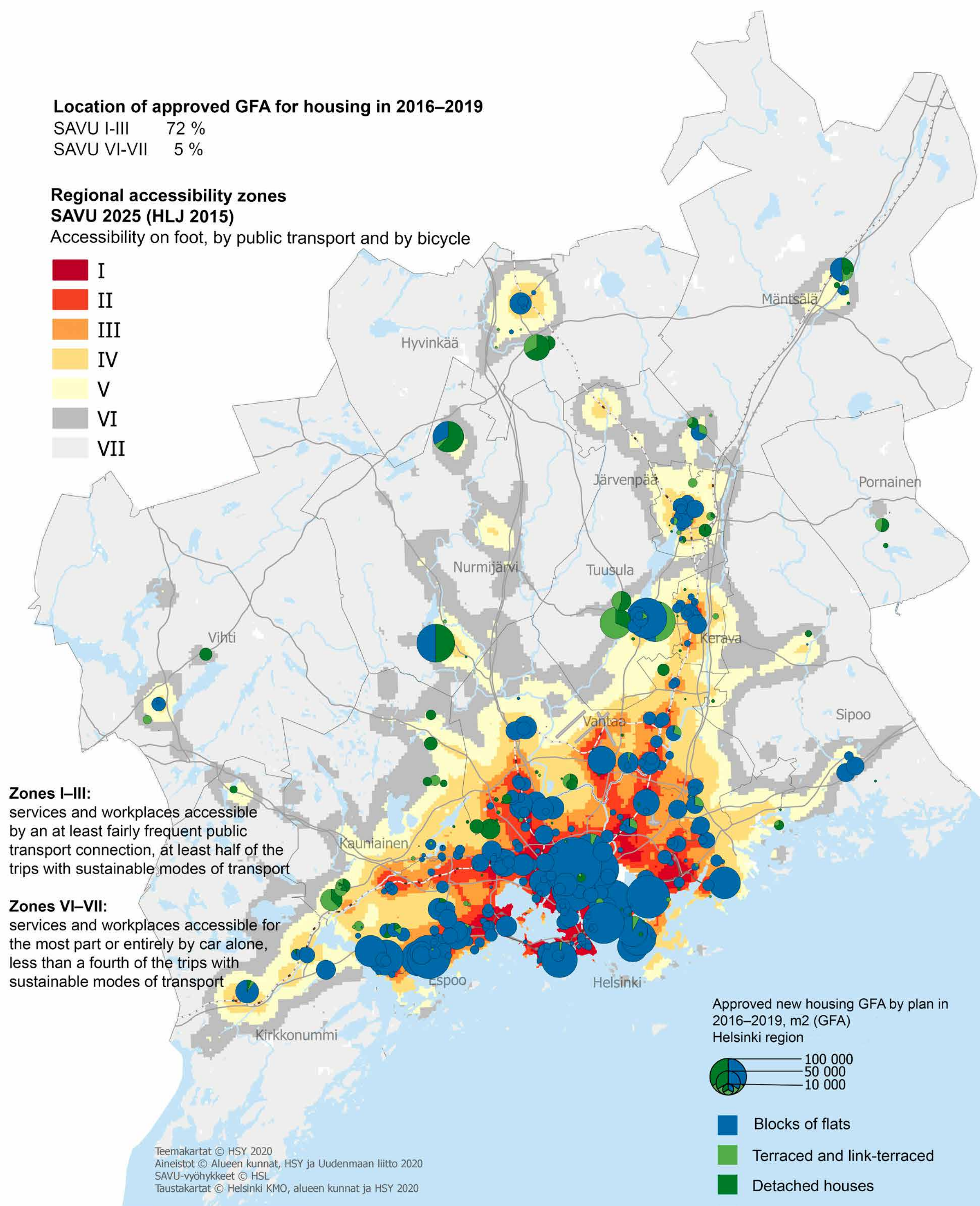
Coordination of land use, housing, and transport

The MAL agreement aimed to deepen the cooperation of municipalities and continue the joint planning of land use, housing, and transport on the basis of the previous agreement period. The key output – the regional MAL 2019 plan – was completed during the agreement period and was approved in the municipalities, by the Helsinki Regional Transport Authority HSL and the municipalities' cooperative bodies during the spring of 2019.

The future pursued by the Helsinki region was outlined in the MAL 2019 plan. It outlines the key measures and the concrete means by which those targets are jointly implemented. The MAL 2019 plan's target year is 2030.

MAL 2019 is a plan on how to reduce the region's traffic emissions, make residents' everyday lives smooth, on how people can find homes with good transport connections at affordable prices, and on how the accessibility of labour force and the functionality of transport serve the business sector. The plan outlines where housing units will be built in the future and how transport and the entire transport system will be developed in such a way that they best serve the entire Helsinki region. In addition, the plan discusses how to build enough housing units in the region for people in different stages of life while ensuring the quality of both the housing and the living environment. The plan's guiding thought is to prepare for a strong growth of population and workplaces in which people's everyday life does not follow municipal borders.

Figure 3. Approved detailed plans for housing in the Helsinki region in 2016–2019: 5.8 million m² (GFA)



Transport services and infrastructure

The responsibility for the objectives and measures of the MAL agreement's transport section were mostly divided among the contracting parties jointly. The target at the general level was to increase the service level of sustainable modes of transport, in which major changes indeed have taken place during the agreement period. Passenger numbers and ticket revenues have increased. The number of passengers has increased by more than 8% during the period, exceeding the region's population growth by a clear margin.

The region has also seen the implementation of large-scale investments and changes. The West Metro and its feeder bus network became operational in 2017–2018. The Ring Rail Line and the city bike system, taken into use during the previous period, have also become established and increased their popularity. A sizeable zone renewal and ticket system renewal have also been carried out, contributing to the increase in passenger volumes. The Travel Survey 2018 indicated that the popularity of sustainable modes of transport – i.e. walking, cycling and public transport – has grown. They already account for 60% of all travel.

Despite the increase in ticket revenue, the costs of public transport have also increased considerably during the monitoring period, mainly due to large-scale infrastructure projects. Even so, the growth particularly in the popularity of rail transport, walking and cycling is an important outcome in terms of the agreement's objectives, given that the objective was to promote sustainable mobility.

Lessons learned during the monitoring period: goals give cooperation a backbone

Clear goals have played their part in helping the municipalities of the Helsinki region to commit to the jointly thought-out planning principles and outlooks or, in other words, the common intent mentioned in the agreement. The roots of the MAL agreement procedure lie in the work carried out in the Helsinki Metropolitan Area's transport system planning, which began in the late 1990s; the MAL agreement which just came to an end is indeed already the third such agreement in the Helsinki region. The long-term basis and continuity in the sometimes even challenging cooperation between the municipalities has borne fruit. The ambitious goals of the 2016–2019 monitoring period were achieved, and the extension of the MAL cooperation is also well under way by now. The new MAL agreement for the Helsinki region has been negotiated, and its objectives are, at least in terms of housing production, even tougher than during the period which just ended. The entire region's housing production target is 16,500 housing units a year, and the annual target for detailed plans meant for housing is 1.5 million m^2 (GFA). The preparations for the new MAL 2023 plan are also already under way.

The large-scale rail infrastructure projects have clearly contributed to planning and residential construction with good locations, which consolidates the community structure in line with the agreement's objectives. More than half of the housing units and housing plans completed during the agreement period are located less than a kilometre away from the stations of heavy rail transport or the Raide-Jokeri light-rail routing. Planning and construction by way of completing the existing urban structure is slower and requires more resources than the planning and construction of entirely new areas. This means that a lot of work has been done in the municipalities for this achievement. Naturally, favourable economic development in the region and long-term land use planning even during earlier agreement periods has also contributed to the achievement of the objectives.

Further information available online:

MAL 2019 Summary report in English (pdf)
HSY (MAL monitoring, in Finnish)
kartta.hsy.fi (Map service, MAL monitoring)
Ministry of the Environment (Land use and building)
HSL (MAL 2019 plan, in Finnish)

What is the MAL agreement?

The agreements concerning land use, housing and transport (MAL) are concluded by the central government bodies of the State of Finland with the largest urban regions. The purpose of the agreements is to enable and support the cooperation between municipalities in urban regions as well as municipalities and the State in the guidance related to the urban structure and coordination of land use, housing and transport.

The aim is to improve the functioning and competitiveness of urban regions and ensure a balanced development of municipalities. The matters specified in the agreements include the objectives for land use development and housing production in the coming years and the key development projects concerning the transport network.

In addition to the municipalities, the parties to the agreement representing the central government are the Ministry of the Environment, the Ministry of Transport and Communications, the Ministry of Economic Affairs and Employment, the Housing Finance and Development Centre of Finland ARA, the Finnish Transport Infrastructure Agency, the Finnish Transport and Communications Agency Traficom and the Centre for Economic Development, Transport and Communication.

Info

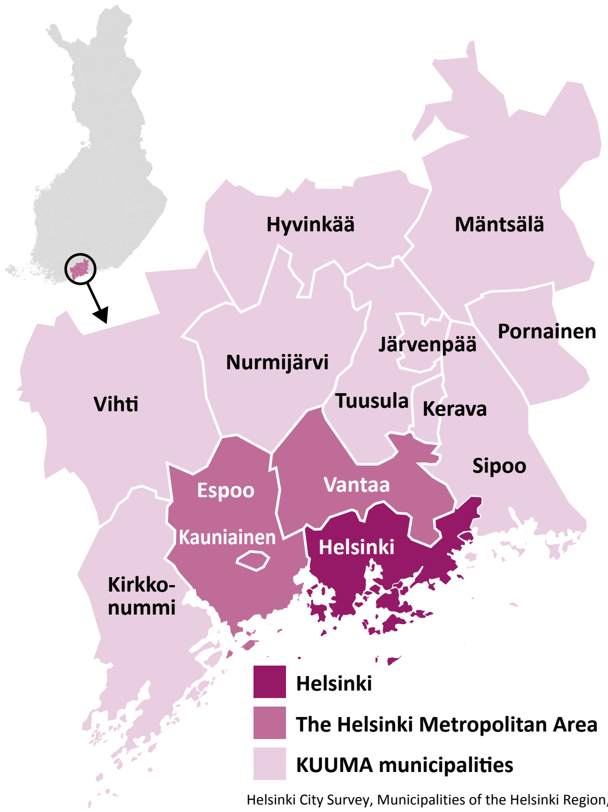
Article

The Helsinki Metropolitan Area consists of Helsinki, Espoo, Kauniainen and Vantaa

The KUUMA municipalities consists of Hyvinkää, Järvenpää, Kerava, Kirkkonummi, Mäntsälä, Nurmijärvi, Pornainen, Sipoo, Tuusula and Vihti

The Helsinki region consists of the Helsinki metropolitan area and the KUUMA municipalities.

The Uusimaa region consists of the Helsinki region and 12 surrounding municipalities.



Helsinki City Survey, Municipalities of the Helsinki Region, Helsinki Region Environmental Services Authority HSY, 2013

Figures on production, housing market, crime, overnight stays and population mentioned in the publication are preliminary, to be specified in the final statistics.

Concepts

Balance

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

The consumer confidence indicator

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

The Labour Force Survey

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

The Labour exchange statistics

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

Production

Describes the productive activity of companies and other organisations in the area.
1) Helsinki region: An anticipatory graph of the production in the Helsinki region, constructed based on the indicators by field of industry anticipating the development of production. The most recent information presented in the review is based on the preliminary estimates for the indicators. Source: Kaupunkitutkimus TA Oy.
2) Finland: The gross national product in the quarterly national accounts with fixed prices, by Statistics Finland. The most recent quarter is advance information on the total production published by Statistics Finland.

Sliding annual sum

A method of eliminating the seasonal variation during a year. Calculated by dividing the sum of the four latest quaterly values and dividing the sum by 4.

Child home care allowance

Child home care allowance can be granted when a child under 3 years of age is looked after at home and is not in municipal day care. The caregiver can be a parent or other guardian, their spouse or a hired caregiver or other person who looks after the child. Child home care allowance includes care allowance, care supplement affected by the family's total income and possible municipal supplement.

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Key figures

	Helsinki	Helsinki region	Finland
Land area km² (including Inland waters)	215	3842	338,465
Land area km²	214	3698	303,933
Population (31.12.2019)	653,835	1,511,337	5,525,292
Population density, inhabitants/km² land area (31.12.2019)	3052	409	18
Population projection 31.12.2049 (2019)	821,102	1,926,000	5,434,149
Population with foreign background, % (31.12.2019)	16.5	15.3	7.7
Population aged over 25 with tertiary education, % (31.12.2018)	49.2	45.9	36.1

Employment rate, % (I/20)	..	74.9	71.6
Number of employees (I/20)	..	76,965	2,527,840
Unemployment rate, % (I/20)	7.1	6.1	7.1
Number of unemployed (3/20)	41,790	85,560	309,060
One-person households, % (31.12.2019)	49.3	44.0	44.7
Dwellings in blocks of flats, % (31.12.2018)	85.7	69.0	49.1

Helsinki Region Trends

Contains current information on short-term trends in the Helsinki region, covering the economy, population, labour market, housing market, property market, environment and welfare. Helsinki Region Trends is available on the internet at **www.helsinkitrends.fi**.

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