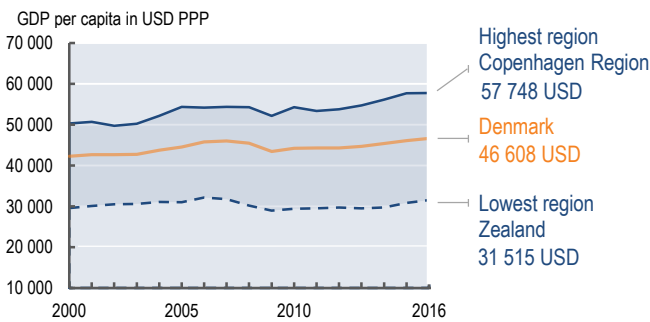# Did you know?

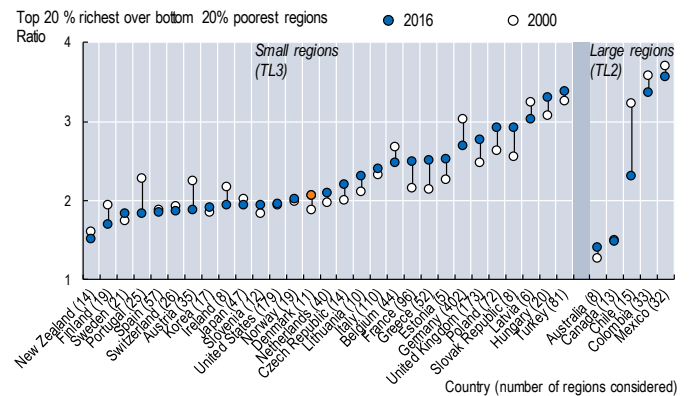|		
Regional disparities in GDP per capita increased in Denmark by 17% between 2000 and 2016.	The metropolitan area of Copenhagen accounts for 36% of national population but generated 66% GDP growth in 2000-16.	Subnational governments spent 53% of their budget on social protection, the highest share among OECD countries in 2016.

Economic trends in regions
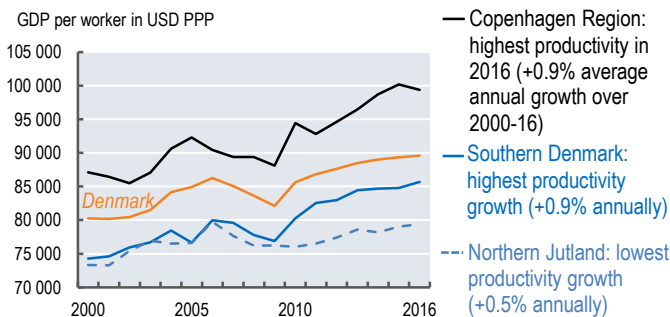
Regional gap in GDP per capita, 2000-16

GDP per capita in USD PPP

Highest region
Copenhagen Region
57 748 USD

Denmark
46 608 USD

Lowest region
Zealand
31 515 USD

Index of regional disparity in GDP per capita, 2016

Top 20 % richest over bottom 20% poorest regions
Ratio ● 2016 ○ 2000

Small regions (TL3)   Large regions (TL2)
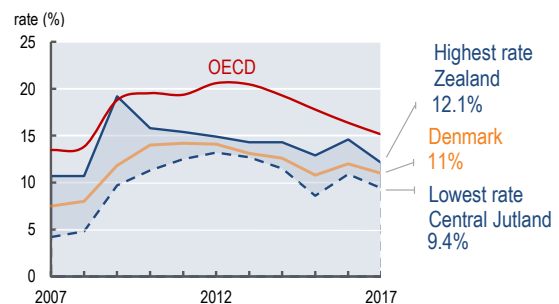
Country (number of regions considered)

Regional disparities in terms of GDP per capita have increased by 17% in Denmark over the last sixteen years. Behind such a trend is the economic growth of the Copenhagen region (15% growth in GDP per capita over the period 2000-16), twice as high as in Zealand, the region with the lowest level of GDP per capita. **Denmark remains a country with regional disparities below the median of OECD countries**.

With a **productivity growth of 0.9%** per year over the period 2000-16, Southern Denmark has kept pace with Copenhagen, whereas the Northern Jutland has grown at only half the rate of the capital region. Zealand has the highest youth unemployment rate (12.1% in 2017). Overall, regional differences in youth unemployment are lower in Denmark compared to the OECD average.

### Productivity trends, most and least dynamic regions, 2000-16

GDP per worker in USD PPP

Denmark

Copenhagen Region: highest productivity in 2016 (+0.9% average annual growth over 2000-16)

Southern Denmark: highest productivity growth (+0.9% annually)

Northern Jutland: lowest productivity growth (+0.5% annually)

Youth unemployment rate, 15-24 years old, 2007-17

rate (%)

OECD

Highest rate
Zealand
12.1%

Denmark
11%

Lowest rate
Central Jutland
9.4%

Source: OECD Regional Database.
Notes: (1) Figure on regional gap in GDP per capita: OECD regions refer to the administrative tier of subnational government (large regions, Territorial Level 2); Denmark is composed of 11 large regions. (2) Figure on index of regional disparity: top (bottom) 20% regions are defined as those with the highest (lowest) GDP per capita until the equivalent of 20% of national population is reached, this indicator provides a harmonised measure to rank OECD countries, using data for small regions (Territorial Level 3) when available. (3) Productivity is measured as GDP per employee at place of work in constant prices, constant Purchasing Power Parities (reference year 2010).

Differences in well-being across regions

○ Top region ● Bottom region ● Copenhagen Region ○ Regions
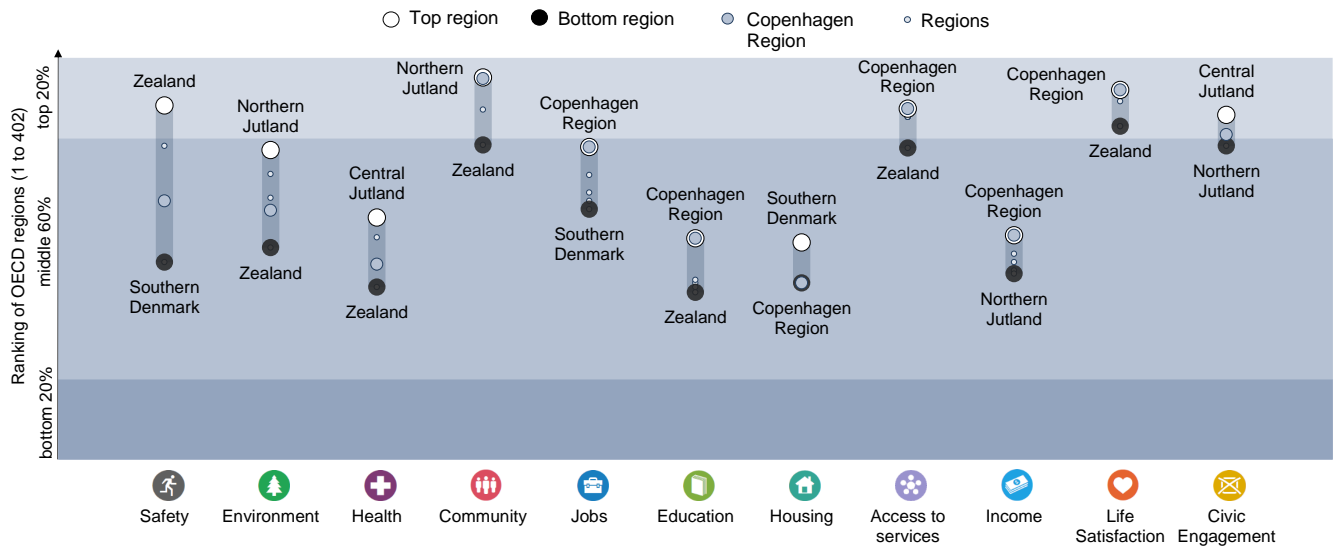
Relative ranking of the regions with the best and worst outcomes in the 11 well-being dimensions, with respect to all 402 OECD regions. The eleven dimensions are ordered by decreasing regional disparities in the country. Each well-being dimension is measured by the indicators in the table below.

Compared to other Danish regions, the region of Copenhagen fares better in jobs, education, access to services, life satisfaction and income, while the opposite is true for housing. All five Danish regions rank among the top 20% of the OECD regions in life satisfaction. Denmark has the second lowest regional disparities among OECD countries in jobs outcomes (employment and unemployment rates) and civic engagement.

The top performing Danish regions fare better than the OECD median region in all 13 well-being indicators. In the least performing region, however, the level of labour force with at least upper secondary education is below the OECD median.

	Country Average	OECD median region	Danish regions Top 20%	Danish regions Bottom 20%
Safety				
Homicide Rate (per 100 000 people), 2016	0.9	1.3	0.5	1.3
Environment				
Level of air pollution in PM 2.5 (µg/m³), 2015	9.6	12.4	8.2	11.3
Health				
Life Expectancy at birth (years), 2016	80.9	80.4	81.5	80.3
Age adjusted mortality rate (per 1 000 people), 2016	8.1	8.1	7.7	8.4
Community				
Perceived social network support (%), 2013	95.9	91.4	97.0	94.7
Jobs				
Employment rate 15 to 64 years old (%), 2017	73.8	67.7	76.3	72.2
Unemployment rate 15 to 64 years old (%), 2017	5.9	5.5	5.4	6.3
Education				
Labour force with at least upper secondary education (%), 2017	79.5	81.7	83.2	76.1
Housing				
Rooms per person, 2016	1.9	1.8	1.9	1.8
Access to services				
Households with broadband access (%), 2017	92.0	78.0	93.0	89.8
Income				
Disposable income per capita (in USD PPP), 2016	18 064	17 695	18 996	17 445
Life Satisfaction				
Life satisfaction (scale from 0 to 10), 2013	7.7	6.8	7.7	7.5
Civic engagement				
Voters in last national election (%), 2017 or lastest year	85.8	70.9	86.8	85.2

Updated the 5th of March 2019

Metropolitan areas in the national economy

OECD population is concentrated in cities*
Percentage of population in cities, 2016

Denmark

- 5.7 million people - 57% live in cities
- 36% people in cities with population above 500 000
- 21% people in cities with population between 250 000 and 500 000
- 0% people in cities with population between 50 000 and 250 000
- 43% people outside cities

OECD average

- 1.2 billion people - 70% live in cities
- 55% people in cities with population above 500 000
- 9% people in cities with population between 250 000 and 500 000
- 6% people in cities with population between 50 000 and 250 000
- 30% people outside cities

Source: OECD Metropolitan Database. Number of cities: 4 in Denmark and 1 138 in the OECD.

In Denmark, **57% of the population lives in cities** with more than 50 000 inhabitants. The share of population in cities with more than 500 000 people is **36%** compared to 55% in the OECD area.

Importance of metropolitan areas
Cities above 500 000 people, 2016

Denmark / OECD average

- % of national GDP: 43% / 63%
- % of national employment: 40% / 58%
- % of national population: 36% / 55%
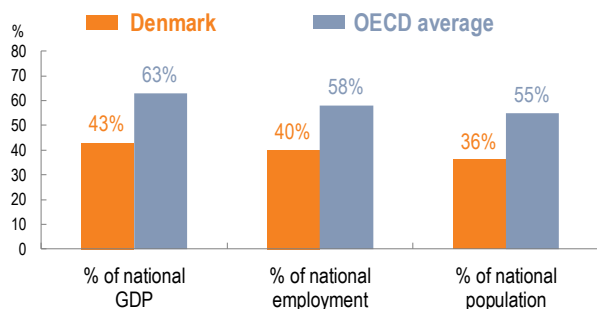
Contribution of metropolitan areas to GDP growth
Cities above 500 000 people, 2000-16

- Denmark (Copenhagen): 66%
- OECD average (327 metropolitan areas): 68%
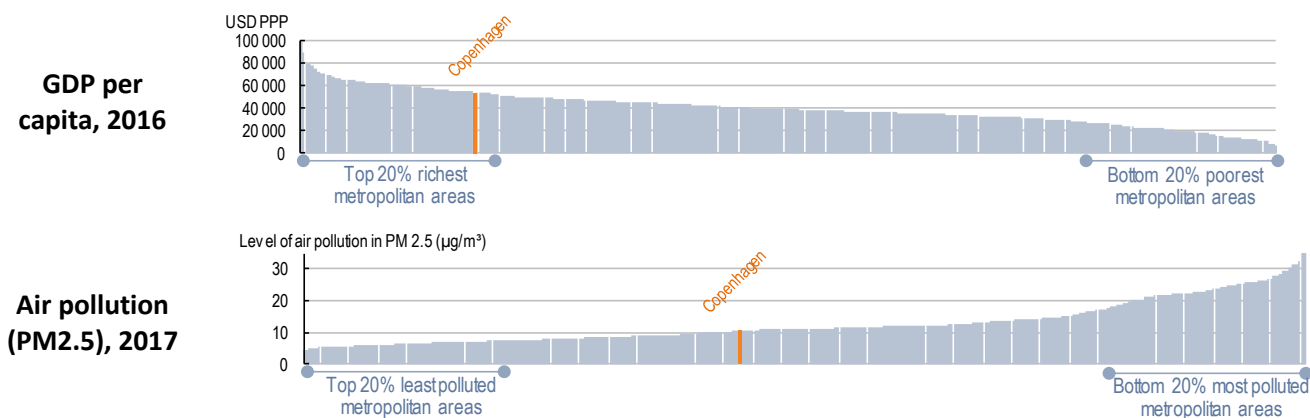
All metropolitan areas / Largest contributor
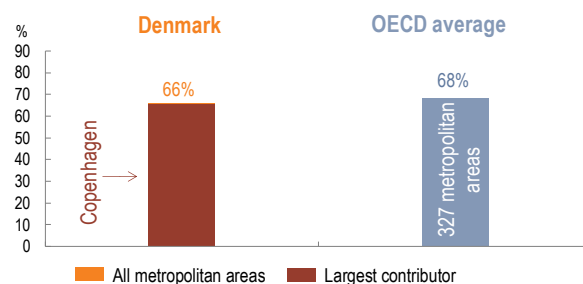
The metropolitan area of Copenhagen accounts for **43%** of national **GDP** and **40%** of **employment**. Between 2000 and 2016, the metropolitan area of Copenhagen generated **66%** of the national **GDP growth**.

In terms of **GDP per capita**, the metropolitan area of **Copenhagen** is among the top 20% of the 327 OECD metropolitan areas.

When considering people's exposure to **PM 2.5**, the metropolitan area of Copenhagen fares better than the median metropolitan area in the OECD.

OECD Metropolitan areas ranking
Cities above 500 000 people

GDP per capita, 2016

USD PPP

Top 20% richest metropolitan areas — Copenhagen — Bottom 20% poorest metropolitan areas

Air pollution (PM2.5), 2017

Level of air pollution in PM 2.5 (µg/m³)

Top 20% least polluted metropolitan areas — Copenhagen — Bottom 20% most polluted metropolitan areas
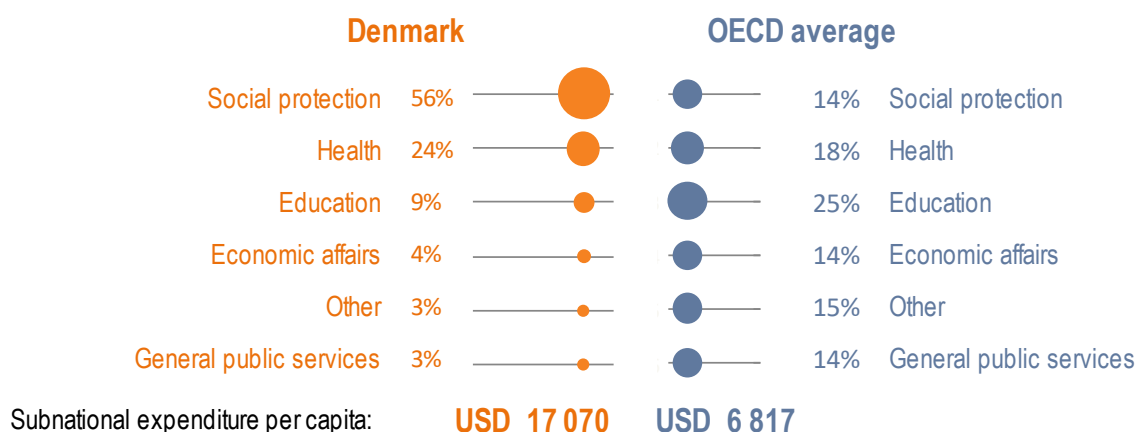
Source: OECD Metropolitan Database. Number of metropolitan areas with a population of over 500 000: 1 in Denmark compared to 327 in the OECD.
* Note: Cities are defined here as functional urban areas, which are composed by high-density urban centres of at least 50 000 people and their areas of inf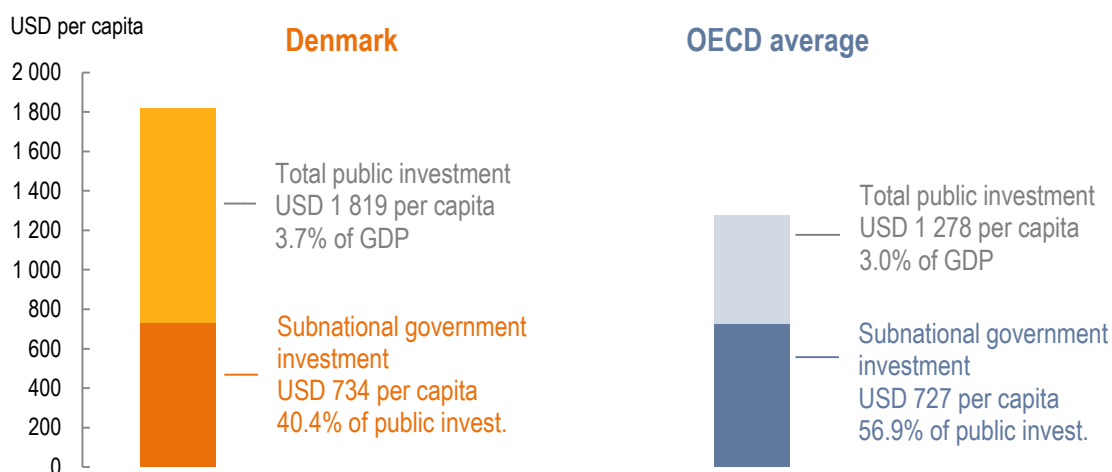luence (commuting zone). For more information, see: http://www.oecd.org/cfe/regional-policy/functionalurbanareasbycountry.htm.

Updated the 5th of March 2019

Subnational government finance

Subnational government expenditure by function
As a share of total subnational government expenditure, 2016

	Denmark			OECD average	
Social protection	56%			14%	Social protection
Health	24%			18%	Health
Education	9%			25%	Education
Economic affairs	4%			14%	Economic affairs
Other	3%			15%	Other
General public services	3%			14%	General public services

Subnational expenditure per capita: **USD 17 070**   **USD 6 817**

Subnational government expenditure amounts to **USD 17 070 per capita** in Denmark compared to an OECD average of USD 6 817. In Denmark, this is equivalent to **65%** of **total public expenditure** and to **34.8%** of **GDP**. In comparison, across the OECD, subnational government expenditure accounts for 40.4% of total public expenditure and for 16.2% of GDP. Social protection and health are the two largest spending items for subnational governments in Denmark. Together they represent **80%** of subnational expenditure compared to 32% in the OECD area.

In Denmark, **40.4%** of **total public investment** was carried out by subnational governments compared to an OECD average of 56.9%.

Role of subnational governments in public investment
Subnational government public investment per capita, 2016

USD per capita

Denmark

Total public investment
USD 1 819 per capita
3.7% of GDP

Subnational government
investment
USD 734 per capita
40.4% of public invest.

OECD average

Total public investment
USD 1 278 per capita
3.0% of GDP

Subnational government
investment
USD 727 per capita
56.9% of public invest.

Source: OECD Subnational Government Structure and Finance Database.
Note: The function 'Other' includes housing and community amenities, recreation, culture and religion; environment; public order and safety.

OECD Regions and Cities at a Glance 2018

The 2018 edition of OECD Regions and Cities at a Glance shows how regions and cities contribute to national growth and the well-being of societies. It updates its regular set of region-by-region indicators, examining a wide range of policies and trends and identifying those regions that are outperforming or lagging behind in their country.

Consult this publication on line: https://oe.cd/pub/2n9