

Challenges to the Nordic Welfare State - Comparable Indicators

2. edition

Tor Morten Normann, Elisabeth Rønning og Elisabeth Nørgaard



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Preface

This report was written on behalf of the Nordic Social statistical Committee (NOSOSCO). Its background is the recognition of the fact that the welfare states will face important challenges in future years, which has further become highlighted by the international financial crisis that arose in the autumn of 2008. The report deals mainly with the Nordic welfare states, but we will also make comparisons with other European countries. This is based on the assumption that there are key common traits that makes it possible to talk about a Nordic welfare model. The purpose of the report is to emphasize some of the key challenges which the welfare states are faced with in order to present comparative indicators that enable us to further monitor and analyse such challenges. The report is an update and partly also an expansion of a corresponding report from 2009 (Normann, Rønning and Nørgaard, 2009). A key intermediate goal of the report from 2009 was to illustrate how the data source EU-SILC (Statistics on Income and Living Conditions, see separate text box) could be utilized for among other things the development of common indicators. In the report from 2009, data from 2006 was primarily used.

This report follows the development of part of the most important areas in the period 2006-2010. As the report from 2009, this report emphasizes the comparison of data and results from the Nordic countries, at the same time as we make a short comparison with the rest of Europe for part of the most important indicators. Just as we did in the report from 2009, we will highlight the indicators for the labour market (Chapter 4) and health care (Chapter 5) but will also touch on challenges and expenditure (Chapter 1), demography and education (Chapter 2) and income differences and social exclusion (Chapter 3). In the report from 2009, there was also a separate chapter on housing, but it has been omitted in this report.

We have to a large extent used micro data from the living conditions survey EU-SILC conveyed by Eurostat. The EU-SILC is a sample survey carried out by Eurostat and part of EU's strategy to fight poverty and social exclusion. All EU and EEA countries participate. The EU-SILC is basically a household survey that combines both cross-sectional and panel design. A common characteristic in the Nordic countries is that the data collection is a combination of register and interview data. In addition, we will in a few cases use already published results based on data from other sources.

The work with this report has been carried out at the division of statistics on living conditions, Statistics Norway (SSB). The national delegation heads at NOSOSCO have functioned as steering group. NOSOSCO has been in charge of printing and publishing the report.

Data - EU Statistics on Income and Living Conditions (EU-SILC)

The EU-SILC is a sample survey regulated by the EU (the Commission, Regulation (EC) No 1177/2003) and coordinated by Eurostat. The EU-SILC is rooted in the European statistical system (ESS). The purpose of the EU-SILC is to form the basis for comparative statistics on income distribution and social exclusion at the European level to fight social exclusion. The EU-SILC provides the data basis for statistics based on cross section and panel data.

In this publication, we use micro data from the EU-SILC 2006-2010. All member states in the EU participated along with Norway and Iceland. In spite of this, the micro data do not cover all the countries in the EU. The most important aspect is that we lack data from Germany. Micro data have been supplied by Eurostat.

The EU-SILC is executed according to a so-called Open Method of Coordination meaning that each country has the possibility of adapting the questionnaire and the data collection according to national needs. In addition, it is possible to adapt the sample design, but a minimum sample size has been stated for each country. In the majority of the European countries, the survey is carried out with a sample of households. The Nordic countries represent an exception here, as they all have a sample of people (selected respondents), who again forms the basis for households. The number of people selected for the sample and the number of households will thus be the same, while the data also comprise household members. Data on work mainly cover everyone aged 16 years or more in the households; data on health cover only the selected respondent, while data on housing is at the household level. Data on income are found on both a personal and a household level. The table below provides an overview of the number of respondents in the Nordic countries in the period 2006-2010:

	2006	2007	2008	2009	2010
Households / Selected respondent					
Denmark	5 711	5 783	5 778	5 866	5 867
Finland	10 868	10 624	10 472	10 137	10 989
Iceland	2 845	2 872	2 887	2 903	3 021
Norway	5 765	6 013	5 548	5 430	5 227
Sweden	6 803	7,183	7 452	7 544	7 173
Persons 16 years+					
Denmark	8 809	8 820	8 654	8 694	8 539
Finland	17 078	16 758	16 191	15 304	16 284
Iceland	5 109	5 132	5 202	5 127	5 267
Norway	8 884	9 079	8 379	8 107	7 738
Sweden	9 948	10 507	10 910	10 595	10 197

There is also some variation as to which data sources are used for different variables. The Nordic countries and the Netherlands and Slovenia differ here by extensive use of register data which are combined into interview data.

Like all sample surveys, also results based on the EU-SILC, are encumbered with unreliability. The guidelines make demands on sample sizes, however, so that the unreliability will be the smallest possible in all countries carrying out the survey. Aggre-

gated Figures based on the EU-SILC thus give quite reliable results. When we in this report often break down data into smaller groups, the unreliability will naturally become larger. We cannot say anything in general about which differences are reliable and which are not. In some places, this is mentioned in the text, but it would far exceed the framework of this project to calculate this in absolutely all cases. For further information on the EU-SILC cooperation, please see the Eurostat website: <http://epp.eurostat.ec.europa.eu>

Summary

The aim of this report is mainly to point to some key challenges to the Nordic welfare states. After having pointed out some of the key challenges, we use different comparative indicators to illustrate such challenges. In respect of some of the challenges, established indicators are available, based on various data sources. In cases where indicators exist regarding the challenges we have selected, they have been applied. In addition, we have continued indicators that were developed in connection with the equivalent report in 2009 on the basis of data from the EU-SILC (see preface to description of data source).

Chapter 1 touches on the challenges the welfare states are facing and looks at the levels of the social expenditures and how there have been composed. The chapter also touches on the origin of the welfare states, which can be traced back to the end of the 1800s. The Nordic welfare states were established somewhat later, in the 1930s and 1940s in Denmark, Norway and Sweden and even later in Finland. Our starting point is that the Nordic countries can be grouped on the basis of quite a few common characteristics that are particularly attached to the existence of relatively flexible and universal social benefits and services, and that it therefore is only natural to analyse challenges to the Nordic countries as a whole. This does not apply without certain reservations, however. We point to some of the most important problems and take a look at the demographic development with increased life expectancy and relatively low birth rates as one of the most fundamental problems. This leads to increased expenditure in the shape of retirement pension and health-related expenses. At the same time, a small share of the population will be of working age, which affects challenges attached to the financing of the welfare scheme (income from tax).

The expenditures of the welfare states will be one of the key challenges in the future, and here we have used data from ESSPROS to look at level, composition and development¹. The Nordic countries do not use especially high shares of GDP on social expenditures in a European connection, but the Nordic countries form part of a joint European development in which the share of the social expenditures of GDP increased as a result of the financial crisis. If we measure by means of a common currency unit (KPS) per inhabitant, Norway has the second highest expenditure in Europe after Luxembourg, while the other Nordic countries are at about the same level as Belgium, Germany, Ireland, France, Italy, Austria and the UK. Iceland has the lowest expenditure in the Nordic countries.

The dominant social expenditures are retirement and survivor's pensions, illness and health services. In the Nordic countries, those two make up from 59 to 66 per cent of the social expenditure, whereas they make up an even higher share in most

¹ For further information on ESSPROS, see Chapter 1

other European countries. A cautious interpretation will be that all Nordic countries with the exception of Finland have succeeded in slowing down the growth of the pension expenditure. As to illness and health services, the development varies in the Nordic countries. In Norway and Denmark, the expenditures seem to be increasing, while the increase has levelled off in Finland and turned to a decline in Iceland and particularly in Sweden.

The Nordic region spends far the most on disability. Percentagewise, disability makes up from 11.9 to 16.8 per cent of the social expenditures in the Nordic countries. The development in those countries differs from one country to the next. In Denmark, Finland and Iceland, they have increased, while they have remained stable in Norway and declined somewhat in Sweden. Finland, Iceland and Denmark lie in the upper echelons in Europe when it comes to proportional expenditure on unemployment, whereas Sweden and Norway are among the countries in Europe that use proportionally the least on unemployment. In this respect, the Nordic countries seemed to have hit a positive trend before the financial crisis, but it resulted in increased expenditures on unemployment in all countries, particularly in Iceland. We also saw some tendencies of expenditures on housing and social exclusion increasing after the financial crisis, whereas the expenditures on families and children do not change very much.

In Chapter 2, we establish that there are now fewer people to support the pension recipients. In the short term, this is not a rapidly changing challenge, but we know that the share of elderly in the population has increased considerably in all industrialized countries in the past 50 years, and it will probably continue to increase in the years to come. Immigration is the most important reason for the population growth in the European countries. Norway (and Sweden) is at the top in Europe when it comes to net immigration, together with a few other small countries. Immigration will, however, rarely affect the age distribution very much in a population and so high birth rates are important, also to counter the share of elderly in the population becoming disproportionately high in relation to the share of younger people. In many European countries, too few children are being born. To sum up, we can say that the challenge of low birth rates is less significant in the Nordic countries than in other parts of Europe with other welfare models.

The life expectancy increases among both women and men. But there have been, and still are, noticeable differences among the Nordic countries. Men's life expectancy increases generally more than that of women, but on average men do not live as long as women.

One of the key objectives of the welfare states is to ensure that everyone gets an education. As a region, the Nordic countries stand out as an area in which many people have completed higher education. The data also show that the share of people with higher education will increase in future in all countries. When it comes to the education level proper of the population, the challenge is no larger in the Nordic countries than in other regions. Rather the contrary. It is rather countries in the south and east of Europe, where the total shares of people with higher education is also low in the youngest age groups that face large challenges.

The demographic challenge forms the basis of this report because it is one of the largest and most comprehensive challenges to the welfare state and because it affects many areas, including working life and the health sector.

In Chapter 3, we take a closer look at poverty and social exclusion. The need for comparative statistics on income distribution and social exclusion is the motive for the EU-SILC. Low income as an expression of poverty risk is a key indicator based on the EU-SILC, but the financial crisis has not led to increased low income shares in Europe in general, although we find examples of the contrary in a few countries. Nor in the Nordic countries as a whole have the low income shares increased as a result of the financial crisis, although the share probably has increased slightly in Denmark. In general, the Nordic countries appear to be a region with relatively low shares of low incomes in a European context throughout the entire period 2006-2010. Generally, women are more often exposed to low incomes than are men, but a result of the financial crisis seems to be that the difference between women's and men's share of low income has been reduced. The shares of employed people who are below the poverty line are highest in the south and east of Europe, while many countries otherwise have shares between 4 and 8 per cent, and the Nordic countries do not especially differ from that on the whole. The reduction of the low-income share as a result of social transfers is relatively high in the Nordic countries in comparison with the rest of Europe. Consequently, the share of low incomes before social transfers is relatively high in the Nordic countries in comparison with many other European countries. So it is important to look at low income both before and after social transfers. The indicator for "low income or risk of social exclusion" shows relatively large stability in all Nordic countries, and with shares from 13.7 to 18.3 per cent in 2010, the Nordic countries fare relatively well in a European context. Also on this indicator we can see traces of the financial crisis; in Denmark and Iceland, the shares increased somewhat after 2008.

In Iceland, there was also an increase in the share of households reporting that it is very difficult to make ends meet, from about 5 per cent in 2006-2008 to 7.8 per cent in 2009 and all of 12.8 per cent in 2010. Otherwise, between 2 and 4 per cent of the households in the Nordic countries report that it is very difficult to make ends meet, and the shares remain rather stable from year to year. On the indicator that sums up lack of material goods, the Nordic countries as a region fare well with shares of well below 10 per cent. The sum of indicators for income differences and social exclusion consequently shows that the Nordic countries as a region fare well in a European context, but that the financial crisis has also made itself felt in the Nordic countries, especially in Iceland, but also in Denmark.

Chapter 4 deals with various aspects of the labour market. With challenges attached to demography and the expenditure of the welfare state, our approach is that it is in the interest of the welfare state that the participation rate is as high as possible. It is particularly detrimental if groups systematically are to be found outside or in the periphery of the labour market. In this perspective, we look at employment, marginalization, exclusion, disability, part-time work and senior citizens' participation rate.

The Nordic countries defend their position as the European region with the highest participation rate also in 2010, but the financial crisis has also affected the labour market in the Nordic countries. The employment rate dropped in all Nordic countries after 2008 and worst affected was Iceland. But the drop in the employment rate seems to level out relatively fast. Otherwise in Europe, there is some variation; some countries were affected harder and more permanently; in others the employment rate did not drop as much, and Germany and Poland did not experience drops in the employment rates at all. The Nordic region is also characterized by a high employment rate amongst both genders, although women generally have a lower employment rate than men. The gender difference was, however, diminished as a result of the financial crisis. Men are thus most exposed to unemployment, and in 2010 the unemployment rate was higher among Nordic men than among Nordic women. We also emphasize the dangers of the crisis pressing young people out of the labour market. The employment rate amongst young people in the Nordic countries declines more than the employment rate in total, especially from 2008 to 2009. Something similar is seen in the rest of Europe. The unemployment rate is also increasing amongst young people.

In the report from 2009, we introduced three new indicators based on micro data from the EU-SILC. The indicators marginalization, exclusion and disability were developed with a view to describing shares that are in the periphery or that are more permanently excluded from the labour market. These indicators do not give a clear picture of the development in the Nordic countries in the period 2006 to 2010. Nevertheless, they strengthen the impression that Iceland was hit the hardest by the financial crisis, as more people can be found in the periphery and completely outside the labour market. Denmark seemed to be in a positive development up until 2009, but it seems that the situation got worse in 2010. Also in Finland, this applies to some extent, but a decline in the share of disabled people in 2010 nevertheless resulted in a more positive outcome. Sweden appears to be relatively slightly affected by the financial crisis, although there are hints at more people being found in the periphery and outside in 2010 than in the years before. The reduction in the share of disabled people nuances the picture for the period as a whole, also regarding Sweden. Norway is the country in which we see the fewest traces of the financial crisis; on the whole there was a positive development for all three indicators in the period 2006-2010.

Women are still more exposed to marginalization than men, although this picture is also nuanced in some of the countries in the crisis years 2009 and 2010. Also when it comes to age and risk of marginalization, there has consequently been somewhat differing development traits in the Nordic countries, but being under 35 years of age still means being at a risk of having a loose affiliation with the labour market. Further education also reduces the risk of becoming marginalized, in 2010 as before. Somewhat surprisingly, we can also establish that it is no longer a general trait that people with poor health are more exposed to marginalization in the Nordic countries, whereas country of origin partly has a very varied effect on marginalization.

Also in respect of exclusion, the gender differences in the Nordic countries are smaller in 2010 than in 2006, although women are mainly excluded more often than men, with the exception of Denmark. A common trait in the Nordic countries is also that the risk of exclusion is smallest for people aged 45 years or more, with a certain exception regarding Iceland. There is no doubt that people with primary education are most exposed to exclusion, and that the financial crisis has resulted in increased exclusion of this group in all the countries, with the exception of Norway. At the same time, there is also a relative clear connection between health and exclusion in all Nordic countries in the period at which we are looking, with the exception of Norway. People born outside of the EU are often exposed to exclusion from the labour market more often than are others, with no exceptions in all the Nordic countries up until 2010.

To be a woman increases the risk of reporting incapacitation or inability to work, which is also an indicator that describes a position outside of working life. This has not changed much from 2006 to 2010. Finland continues to differ slightly because the share of incapacitated men remains high and consequently even out the gender differences among the Fins. With some minor differences among the countries, we can say that the share of incapacitated people in the Nordic countries exceeds 5 per cent in the age groups from about 50 years. The connection between age and incapacitation is, however, not always as clear. It is tempting to assume that a large part of the age differences can be explained by education and health. Health is of course especially important in the explanation of disability in the Nordic countries in the period 2006-2010, but when we combine with other characteristics, we see that impaired health does not imply the same risk for everyone.

When we take a look at Europe and compare the Nordic countries with other countries regarding these indicators, we see that the Nordic countries were a rather uniform region with least marginalization in Europe in 2006 (Finland had the highest share). In 2010, the Nordic countries are more "dispersed" in comparison with the rest of Europe. As to exclusion, however, the Nordic countries have stably lower shares of excluded people than the rest of Europe. A somewhat differing development in the Nordic countries during the years of the financial crisis does not alter this fact. The Nordic countries can, however, not be regarded as one unit when it comes to disability, and Norway and Finland are among the European countries with the highest shares of disabled people both in 2006 and 2010.

Part-time work is first and foremost a female phenomenon and make up an employment potential. Shares, characteristics and reasons for part-time work are therefore important. In countries where an inclusive working life is a goal, there must, however, be room for different forms of affiliation with working life, among other things in the shape of part-time work. But when there is a relatively unambiguous trend towards the element of part-time having increased in Europe between 2006 and 2010, at the same time as the employment rate is declining, there is reason to monitor the development carefully. Both in the Nordic countries and in Europe, the trend is seen that the part-time shares are high when the employment rate is high, particularly among women. When the part-time share is high, the gender difference

in the part-time share is also high because it primarily concerns women. Nevertheless, there is no automaticity in this connection. Finland has for example a low part-time share of men, but a relatively high employment rate among women.

The Nordic countries have high part-time shares in comparison with the rest of Europe, and it is mostly women that work part time. The most common is to work part time for a long period of time. It seems that the challenge of part-time work mostly concerns the four countries Denmark, Iceland, Norway and Sweden, while Finland in principle has a lower share of part-time work. Stable part-time work largely increases with age and appears more often among people with a low degree of education and impaired health. In addition, we have a small group of women who for various reasons choose to reduce their occupational activity from full-time work to part-time work.

Nordic women report different reasons for their part-time work. The most apparent potential for increased occupational activity is probably found among those wanting to work more. In 2010, this group varies from 15.0 per cent of the part-time working women in Denmark to 31.4 per cent in Finland.

Nordic seniors differ in a European connection by being active in the labour market, both measured in the form of employment and in the form of employment on a full-time or part-time basis. But that does not mean that there are no differences among the Nordic countries. Iceland stands out with a very high employment rate and occupational activity among seniors, although Icelandic seniors are the only ones in the Nordic countries who were hit by the financial crisis so that the employment rate and the occupational activity dropped between 2006 and 2010. Finnish seniors are the least employed and occupationally active people in the Nordic countries. The position of the seniors in the labour market was not particularly affected by the financial crisis, so the difference between the seniors' employment rate and the total employment rate has by and large been reduced. In all, the seniors' occupational activities in the Nordic countries have remained fairly stable from 2006 to 2010, with the most important exception being Iceland where the occupational activity among seniors dropped in 2009 and 2010.

Senior women are largely less likely to be occupationally active than are senior men, but on the whole it appears that gender now has less significance also for the seniors' occupational activity in Sweden, Denmark and partly in Iceland. In Norway, the gender difference is stable, whereas Finland is an exception as senior women in some years are more likely to be occupationally active than are senior men. The significance of education to the occupational activity does not decline with age, rather the contrary - occupational activity increases with education, also among the seniors. When the seniors' health becomes impaired, the occupational activity is reduced considerably. Part of the explanation may be that health also weakens with age, but also then we take this into account, we find a fairly and unambiguous health effect.

In Chapter 5, we deal with indicators concerning health as well as health's significance to occupational activity. The main impression is that there are many with good health in the Nordic countries, and the changes from 2006 to 2010 are relatively small. Finland stands out with the lowest share that consider its health as good and

with the highest shares with chronic illnesses and with very or somewhat reduced capacities. Also compared with other European countries, Finland stands out in this connection.

The three indicators self-assessed health, chronic illness and reduced capacities give slightly different images of whether or not the differences between women and men have become larger or smaller from 2006 to 2010, but all three indicators still give a picture of more women than men seeming to have health problems. The health problems are naturally largest in the oldest age groups, but as to self-assessed health, we see an indication of the elderly having become healthier. The changes in chronic illness and reduced capacities do not give an equally consistent picture. Health also seems to be connected with education. Both in 2006 and in 2010, there are larger shares with good health among those with further education compared with those with primary and secondary education. That applies in all the Nordic countries, and the changes are relatively small from 2006 to 2010. There is also a lower share among those with further education reporting chronic illness and reduced capacities.

The health is also significant to the occupational activity. Those with poor health are less active in work. In this respect, the development has been rather deviating in the Nordic countries. Irrespective of how the health is assessed, the occupational activity declines in Finland and in Iceland. In Denmark, the occupational activity increased for both men and women, with the exception of men in good health. Men with poor health in Norway and Sweden have reduced their occupational activity from 2006 to 2010. The shares working part-time do not vary as much in respect of how their health is assessed as does work on full time. Our surveys also show that there is a potential for increased occupational activity for women in good health working part time.

The results show that there is still a lower occupational activity among those with impaired health and a low degree of education than among those with impaired health and a high level of education in the Nordic countries. This may indicate that measures aimed at keeping people in work longer although their health becomes poorer, should be particularly aimed at people with a low level of education. Those with a higher level of education and poor health already participate to a higher degree in the working life. The development in the underlying data differs somewhat in the various countries, but a general characteristic is that it may seem that the reduction in occupational activity in respect of those with a low level of education and poor health, compared with those with a high level of education and poor health, is somewhat smaller in 2010 than it was in 2006. Whether this is a permanent development or whether it among other things may be a consequence of the financial crisis, we cannot say. For example, the change in Iceland is a result of the fact that it was particularly those with a high level of education and poor health whose occupational activity was reduced, which we can see as a result of the financial crisis, whereas it is hardly an explanation for those with a low level of education and poor health in Denmark having increased their occupational activities.

Chapter 1

Challenges and Scopes

As a basis for the illumination of the challenges faced by the welfare states, we shall begin with a short review of the welfare state concept itself and look at different types of welfare states². One of the basic ideas behind this report is that there are so large similarities between the welfare systems in the Nordic countries that one might talk about a Nordic model, which in turn is different from other welfare models elsewhere in Europe. Consequently, there may also be good reasons for analysing challenges that are common for the Nordic welfare states, as such challenges are not necessarily the same or of the same dimensions as the challenges faced by other welfare models. The review and that which follows later in this report will show that it is not necessarily that simple. There are dissimilarities among the Nordic countries and similarities among Nordic welfare states and other welfare states elsewhere. After that, we will also see that the challenges are roughly the same, but that they vary in intensity across what we started out by identifying as different welfare models.

1.1 Establishment of the Welfare State

The humble beginnings of the welfare state can be traced back to the end of the 1800. It is relatively often argued that the foundation was laid by Bismarck in 1883 when comprehensive social insurance schemes were implemented for workers in Germany. The first was the sickness insurance scheme (1883); then the accident insurance scheme (1884/86) and finally the disability and old age insurance schemes (1889). The expenses were to be covered by the workers, the employers and the State. Others are of the opinion that the 1860s-70s was the time for the beginning of the welfare state. At that time, the laissez-faire ideology had released its grip on Europe. The active state began to emerge, and there were fights for the right to vote and for social welfare (Rønning, Solheim 2002).

The Scandinavian welfare model was established relatively late in an international context. Not until more permanent social-democratic governments came into power in the 1930s and the 1940s in Denmark, Norway and Sweden and in Finland 20 years later was the foundation for the present welfare states laid (Esping-Andersen 1997).

² Large part of the review of the welfare concept and different types of welfare states as well as the challenges of the welfare states were taken from Chapters 1 and 2 in the report from 2009

The poor relief of earlier times was then changed into social benefit and rights schemes. It can, however, be argued that a universalistic principle of risk-sharing had already been introduced in Denmark in 1891 with old-age pensions to everyone, and correspondingly in Sweden in 1913 with the introduction of an in principle universalistic pension insurance plan.

The development of the welfare state in various countries can be described as a shift of responsibility among the state, the family and the labour market/employers, and in this respect each country has its own history. In the Scandinavian countries, still more social protection schemes emerged in the years after the war. When the Social Insurance Act was adopted in Norway in 1966, social security schemes had already been introduced covering all the covered by social insurance schemes. This comprehensive reform was first and foremost a technical administrative reform combining administration and joint financing (Rønning and Solheim 2002).

In many surveys of the Nordic welfare states, the similarities of their structures and common characteristics in the development of these states are often pointed out. At the same time, the development may not have been the same, or the development in the Nordic countries has shifted in time in relation to one another. If we thus take a look at the development since the end of the 1980s, we find differences, both political and financial, among Denmark, Finland, Norway and Sweden (Bonke, Nordisk Ministerråd 1998).

The increased political integration in Europe affected Denmark earlier than it did the other countries, as Denmark has been a member of the EU since 1973. Sweden and Finland only became members in 1995, and Norway and Iceland are not members but have the same conditions regarding trade through the EEA agreement as have the member states.

Also financially, the development in the Nordic countries has shifted in time. At the beginning of the 1990s, Finland and Sweden experienced a serious recession that ended a long period of economic growth. As early as the end of the 1970s, this happened in Denmark, and since the end of the 1980s, the financial development has been relatively stable. Norway managed to recover relatively quickly from a serious bank crisis and recession as a result of comprehensive incomes from oil, and the crisis never reached the same level as in Finland and Sweden. About and after the change of the millennium, up to 2008, the Nordic countries by and large experienced a stable positive economic development (NOSOSCO, 2007). The financial crisis has as from 2008 naturally contributed to changing that, especially in respect of Iceland.

1.2 The Nordic Welfare Model

The Nordic countries as well as the other European countries have experienced different developments over time, and different national conditions have contributed to no two welfare states being quite alike. Nevertheless, there have been many attempts to classify them according to different models. In the report from 2009, different models were described in detail. The models concern dimensions such as de-

gree of government involvement, market regulation and distribution of duties or the balance between state, family and market.

It is often emphasized that the Nordic welfare states constitute a model characterized by the following (NOSOSCO, 2011):

- The public welfare policy is rather comprehensive and covers social security, social services, health care, education and training, housing, employment, etc., with the purpose of meeting the most basic needs.
- Government involvement has been strong in all political areas. The political measures to obtain full employment have been based on macroeconomic policy, social policy and an active labour market policy, in which the labour market parties play a significant role.
- The Nordic welfare systems are based on a high degree of universalism in the sense that everyone is entitled to basic social security, irrespective of their position in the labour market.
- Income protection is based on two elements: In most schemes, there is an income-independent basic insurance and an income-dependent benefit to those who have been in the labour market. Compared with other industrialized countries, public income transfers play a significant part, for which reason the ratio of the social expenditure of GDP has been high.
- Social and health services are a public responsibility and are financed by way of taxes with a relatively low degree of user payment.
- The income distribution is relatively equal.
- Gender equality is a basic principle. The employment rate among Nordic women is generally high.

On the basis of such common characteristics, it is natural to group the Nordic countries together and analyze common challenges on this background. This also implies that the Nordic countries may face other challenges than do other European countries, or that they will face the challenges faced by all countries, or that such challenges may have other effects than in other European countries. In the report from 2009, we demonstrated that that is not necessarily the case. There are obvious similarities among the Nordic countries, but there are also apparent differences. There are also similarities and differences among some Nordic countries and some European countries - without us identifying obvious patterns. We demonstrated that the challenges faced by most countries are - roughly - the same, but that they varied across those identified by us to begin with as different welfare models.

1.3 Challenges for the Welfare States

The basis of the establishment of welfare states is an intention to meet challenges connected to needs that are not met satisfactorily through market mechanisms and to ensure the population a minimum of welfare. That applies in situations or life phases when people do not earn their income from work. Some examples are retirement pensions, unemployment benefits, sickness benefits and disability pensions. It may also apply to situations in which there is a discrepancy between income and life needs, such as child allowances or support during education.

There has been a change in traditional family patterns which contribute to the fact that the production of welfare has changed and consequently also the demand for welfare services. In this connection, we would like to emphasize that the altered division of labour between men and women, women's entry into the labour market, also contribute to changing the demand for welfare services. This is also underlined by Taylor-Goody (2004) as a key challenge because women's entry into the labour market and the education system leads to a pressure for more equal opportunities. It also affects the care functions that traditionally have been unpaid and based on a segregated labour market, as well as creates challenges to families. Consequently, the pressure on the welfare state to take over care functions and facilitate labour force participation will grow.

A key challenge is the demographic development with increased life expectancy and relative low birth rates. This leads to increased expenditure in the shape of retirement pension and health-related expenses. In addition, the share of the population that is of working age will be reduced and lead to challenges in connection with the financing of the welfare system (income from tax), and the demand for labour in the health sector will increase. A survey by Roksvaag and Texmoen (2012) shows that Norway may experience an increased under-coverage in several types of health care staff and social staff up until 2035. For all professions, the under-coverage will amount to about 76 000 full-year equivalents in 2035.

This increased demand for labour in the health care sector may contribute to an even higher participation rate among women, especially in countries where it is still rather low. The need for two incomes in a family can be a challenge in relation to balancing work and family, and may in turn affect the birth rates. The pressure on the welfare state to organize care tasks enabling such a balance may then increase.

An important factor in the demographic development is migration and immigration. A common labour market within the EU/EEA area has resulted in increased migration, and most countries in Europe also partly have a considerable net immigration from countries outside of Europe. This can lead to challenges to the welfare states at several levels, among others concerning integration and participation in the labour market as well as the need for income security. We quote from the introduction to the report from the Norwegian Brochmann Committee (NOU 2011:9):

The consequences of migration for the development of the welfare model depend on who migrate, which resources they bring along, and to which extent they become integrated in the Norwegian working life and society. The combination of an ageing

population and a low employment rate in significant population groups can challenge the sustainability of the model in the long run.

The technological changes, the international competition and the changes in the employment structure in the welfare states have also resulted in an even closer connection between education and employment. This may contribute to increasing the risk of social exclusion of people with a low degree of education. This may in turn lead to increased pressure on the welfare systems that are especially connected with income security.

The financial crisis may result in a challenge in respect of the financing of welfare systems as a result of both increased expenditure on for example unemployment benefits and as a result of reduced incomes because the tax and charge basis becomes smaller. A more overall challenge as a result of the financial crisis is that the confidence in the welfare systems may be reduced, and that is the argument that confidence is decisive to the welfare state (Bergh and Bjørnskov, 2011). Confidence as a challenge to the welfare state is also discussed in Taylor-Gooby 2011 who sum up that political measures that may be necessary to ensure public welfare can require changes which alienate those using the welfare services. One risk is then that the citizens may have less confidence in the system and so influence the possibilities of a sustainable development.

We could also have identified more challenges to the welfare states under the headings globalization, climate and environment problems and demographic development. Our aim here is, however, not to make a complete survey of challenges, but to emphasize some that are essential, and which we will take a further look at by means of comparable indicators in this report.

1.4 A Costly Welfare State?

The Nordic welfare model is characterized by relatively inclusive and universal benefits and services. Important aspects are income security and joint financing of large welfare areas such as education and health and care. In this perspective, the expenditures of the welfare states become important and the financial challenge crucial.

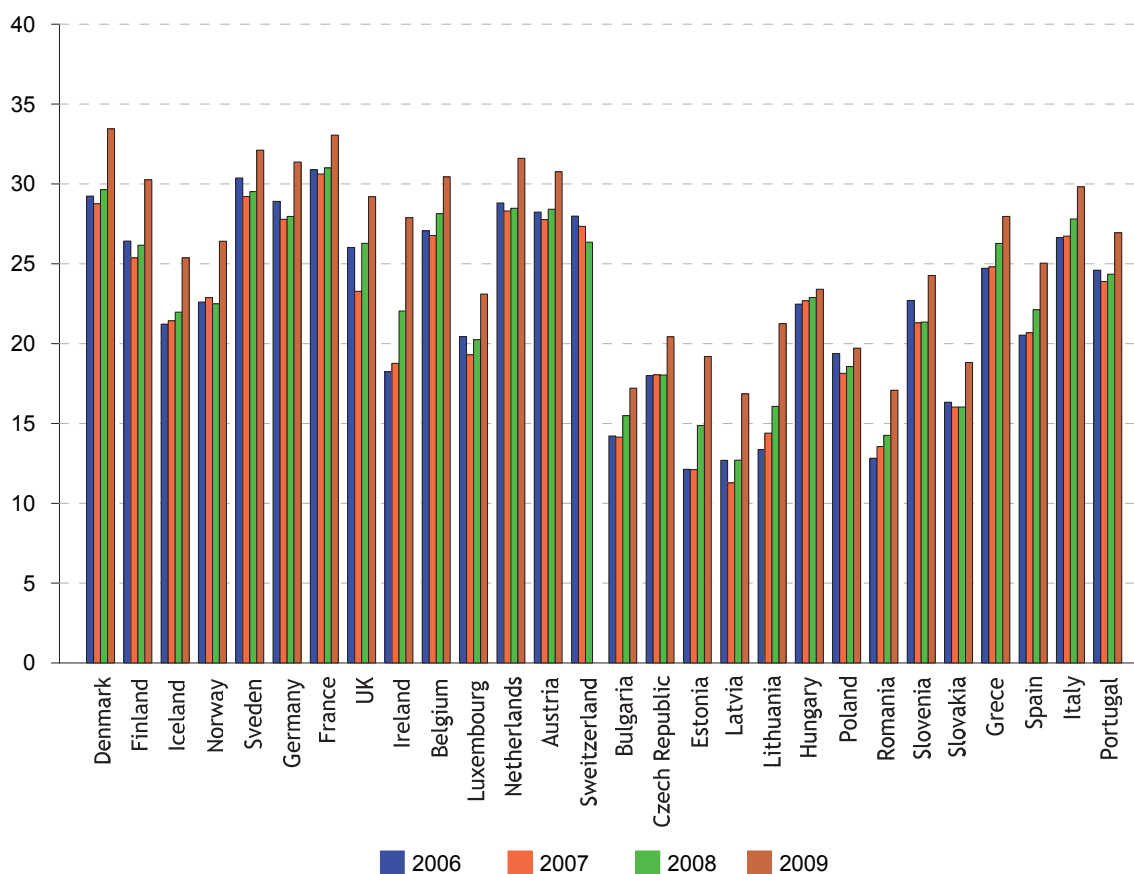
To illustrate that side of the challenges, we will use results based on ESSPROS (Eurostat, 2012, cf. text box)³. The total social expenditure in different countries can be expressed in several ways. We have chosen to use two measures used by Eurostat (2012). One shows the total social expenditure as a percentage of GDP, and the other shows the total social expenditure per capita as purchasing power parity standards (KPS).

³ While we in the rest of this report use data for the period 2006-2010, we have unfortunately only ESSPROS data for the period 2006-2009. Data for 2010 were not available when the present report was being prepared.

The European System of integrated Social PROtection Statistics (ESSPROS) show data on the social expenditures of various states. ESSPROS was developed by Eurostat at the end of the 1970s due to the need for a specific instrument for statistical monitoring of the social expenditure in the EU. The ESSPROS manual contains detailed definitions and classification of different expenditures.

Purchasing Power Parity Standards (PPS) is a unit independent of national currencies to remove the effect of national price differences. PPS are based on purchasing power parities (PPP), which in turn are calculated as a weighted average of relative price ratios for a consumer basket consisting of goods and services that have to be comparable and representative for each country.

Figure 1.4.1 Total social expenditure as a percentage of GDP, Europe, 2006-2009



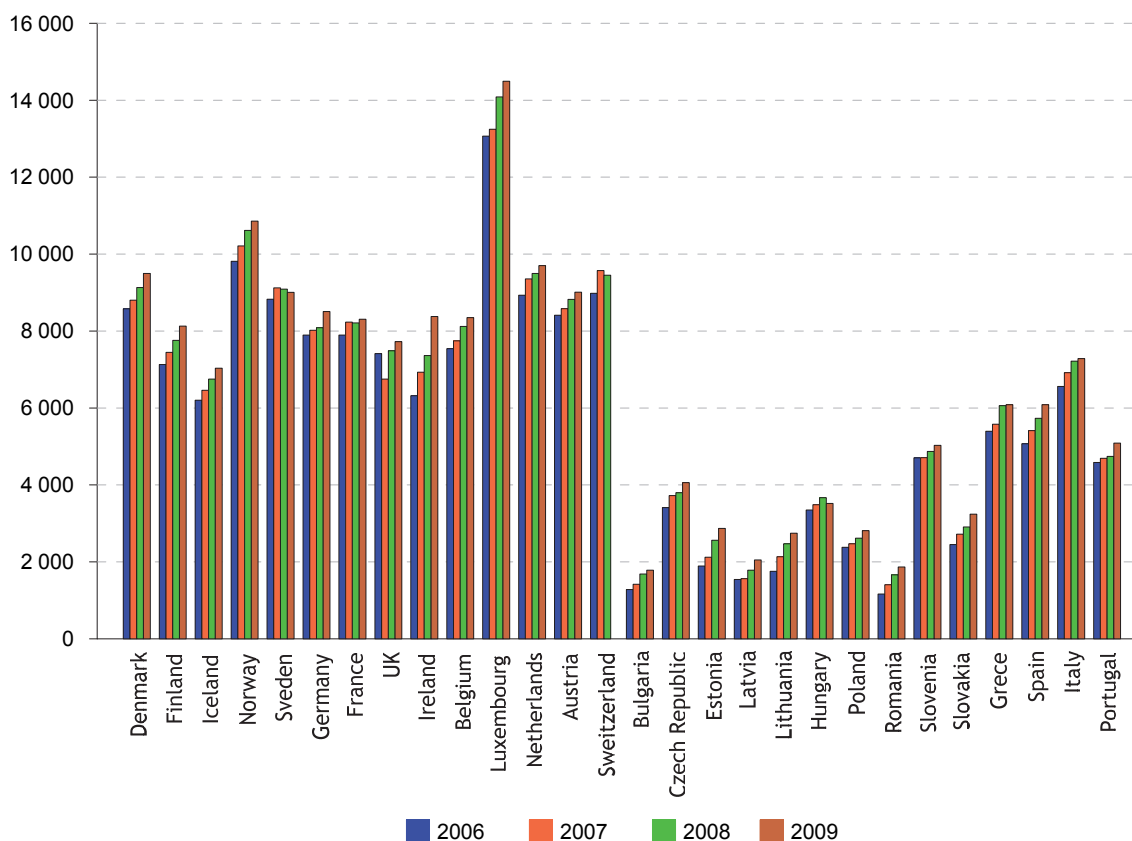
Source: Eurostat, ESSPROS

In 2006, Sweden had the highest social expenditure among the Nordic countries, measured as a share of GDP, at 30.4 per cent (Figure 1.4.1). Iceland had the lowest share at 21.2 per cent. The share increased in all the Nordic countries until 2009, and that year Denmark had the highest share among the Nordic countries at 33.4 per cent, while Iceland still had the lowest share at 25.4 per cent. The Nordic countries do not have particularly high shares in a European perspective. In countries such as

Germany, France, Italy, the Netherlands, Austria and the United Kingdom, the shares are also around 30 per cent. The lowest shares can be found in the Eastern European countries, such as Bulgaria, Romania, Latvia and Slovakia. Also in respect of the countries in Europe, the expenditures on social services make up larger shares of GDP in 2009 than in 2006. If one looks at Europe as a whole (EU-27), this is due to a combination of increased social expenditure and a reduction of GDP. As to EU-27, the social expenditure per capita increased by 6.5 per cent from 2008 to 2009, while GDP was reduced by 6.1 per cent (Eurostat, 2012), which is a clear illustration of the financial crisis that has affected most countries.

Social expenditure measured as a share of GDP renders a relative basis for comparisons; we get a somewhat more absolute basis for comparisons by using purchasing power parity standards (PPS, Figure 1.4.2). There are of course many reasons for dissimilarities in the expenditure levels, such as different welfare levels and welfare systems, demography, unemployment and other social and financial differences. Here, we will concentrate on the level, and measured in PPS, Luxembourg clearly has the highest expenditure per capita, followed by Norway. Luxembourg is a special case, because a high share of the expenditure goes to recipients living outside the country. This applies especially to health services, pensions and family-based benefits and services. If this is taken into consideration, the expenditure drops to about PPS 11 824 per capita (Eurostat, 2012). The expenditures in the other Nordic countries in 2009 are at about the same level as in Belgium, Germany, Ireland, France, Italy, Austria and the United Kingdom. Iceland has, both in 2009 and in 2006, the lowest expenditure of the Nordic countries. In spite of strong expenditure growth, Bulgaria, Estonia, Latvia, Lithuania, Poland and Romania still have the lowest expenditures.

Figure 1.4.2 Total social expenditure in PPS, Europe, 2006-2009

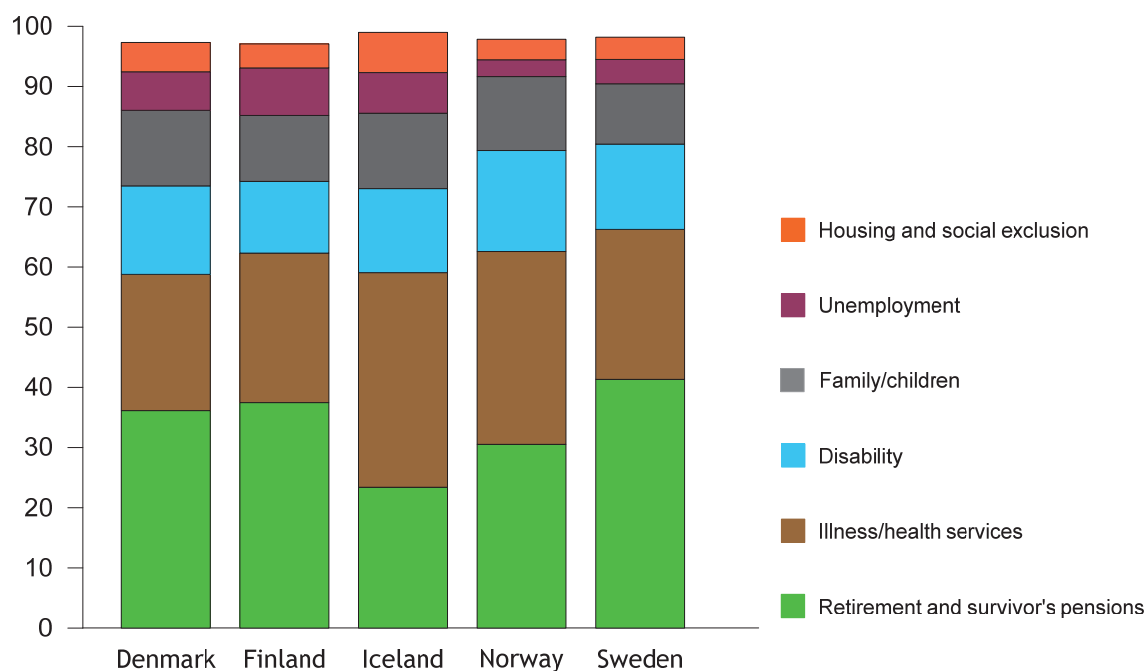


Source: Eurostat, ESSPROS

1.4.1 The Composition of the Social Expenditure

By looking at the composition of the social expenditure, we can see which areas of the welfare state are the most costly. It can also illustrate where the largest challenges will appear in the future. We shall concentrate on the Nordic countries in this respect, and Figure 1.4.3 shows the composition of the social expenditure in 2009.

Figure 1.4.3 Various social expenditures as percentages of the total social expenditures, the Nordic countries 2009



Source: Eurostat, ESSPROS

The predominant expenditure in Denmark, Finland and Sweden is the expenditure on retirement and survivor's pensions. Sweden has the highest share at 41.3 per cent, while the Finnish share is 37.5 per cent and the Danish one 36.2 per cent. In Norway, the share is lower - 30.5 per cent - and in Iceland, it is even lower at 23.4 per cent. In Norway and Iceland, the expenditure on retirement and survivor's pensions is consequently not the largest expense; it is the expenditure on illness and health care. In Iceland, this expenditure amounts to 35.6 per cent of the social expenditure; in Norway, it is 32.1 per cent. In the other three Nordic countries, this share is lower: in Denmark 22.6 per cent; in Sweden 24.9 per cent and in Finland 24.8 per cent. In all the Nordic countries, these two expense items - retirement and survivor's pension and illness and health care together make up from 59 to 66 per cent of the total social expenditure. This is less than in most other European countries (cf. Appendix Table 1.1.). Also in the rest of Europe, retirement pensions and survivor's pensions are usually the largest expense item, followed by illness and health care. In many countries, those two items amount in total to more than 70 per cent of the social expenditure.

In the Nordic countries, the expenditure on disability make up from 11.9 per cent of the total social expenditure in Finland to 16.8 per cent in Norway. In Denmark, the share is 14.7 per cent; in Sweden 14.2 per cent and in Iceland 14.0 per cent. Although this is a relatively small share of the expenditure, the Nordic countries is without doubt the region spending the most on disability (both as to share of social expenditure; share of GDP and as PPS). Also in this respect, one must be aware that

the expense level depends not only on the health status but also on which welfare schemes are available.

The expenditure on families and children is somewhat lower than on disability. Denmark, Iceland and Norway spend almost identical shares of the social expenditure in this area, from 12.6 to 12.3 per cent. The shares are somewhat lower in Finland and Sweden, i.e. 11.0 and 10.0 per cent, respectively. Though this is a relatively high share in a European connection, quite a few countries spend more than 10 per cent of their social expenditure in this area. Luxembourg has the highest share at 17.5 per cent, Poland the lowest at 3.8 per cent.

The expenditure on unemployment is of course highly dependent on the economic cycle, but is influenced by which schemes there are for income security and labour market measures. In 2009, Finland was the Nordic country spending the most of the social expenditure on unemployment, i.e. 7.9 per cent. The shares of Iceland and Denmark were somewhat lower at 6.8 and 6.4 per cent. This places those three countries at the top in Europe when it comes to the shares of expenditure on unemployment, but nevertheless a much smaller share than the three countries spending the most on unemployment: Spain (14.7 per cent), Belgium (12.6 per cent) and Ireland (11.0 per cent). Sweden spends a lower share on unemployment, 4.1 per cent, while Norway has the lowest share of the Nordic countries at 2.8 per cent. That places Sweden and Norway among the countries in Europa that spend proportionally least on unemployment.

Expenditure on housing and social exclusion covers among other things housing benefits and social assistance and amount to a relatively small part of the social expenditure, but there are some differences, also in the Nordic countries. In Iceland, 6.7 per cent of the social expenditure are spent on housing and exclusion, while Denmark spends 4.8 per cent. Finland follows suit at 4.0 per cent, Sweden at 3.7 per cent and Norway at 3.4 per cent. Proportionally, this nevertheless places the Nordic countries among the highest in Europe. The Netherlands spend the largest share of expenditure on housing and social exclusion, 7.6 per cent, whereas Italy spends the least at 0.3 per cent.

1.4.2 Changes in the Expenditure from 2006 to 2009

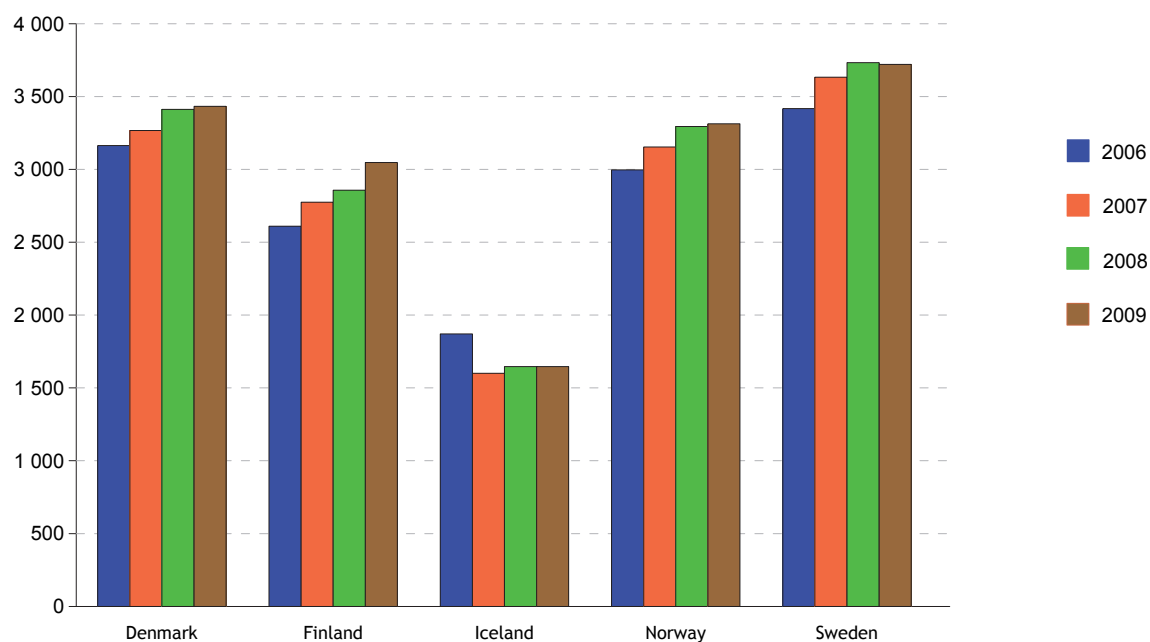
We have now looked at the compositions of the total social expenditure in 2009 to illustrate which areas are most costly and consequently important to monitor to be able to meet the challenges facing the welfare states. We will further look at how this expenditure has changes from 2006 to 2009 to see if any areas become more or less important, and if we can see traces of the financial crisis in this period. As we are most interested in the absolute level of the expenditures, we stick to expenditures in PPS per capita. In the appendix tables, there are also data concerning share of GDP and share of the total social expenditure.

Retirement and Survivor's Pensions

As mentioned above, the expenditure on retirement and survivor's pensions is the highest social expenditure in Denmark, Finland and Sweden, while it is the second highest in Iceland and Norway. The development of this expenditure must of course be seen in connection with the demographic development (cf. Chapter 2). With an ageing population, increases in this expenditure can be expected, unless changes are made to the pension systems, as it has been done in the Nordic countries over the past years (NOSOSCO, 2009).

Figure 1.4.4 shows that the expenditure on retirement and survivor's pensions by and large increases in the Nordic countries, but there are nonetheless interesting traits to note. Firstly, the expenditure dropped in Iceland from 2006 to 2007 by 14.4 per cent. There was a change in the pension system in Iceland in 2007, but we cannot establish whether or not this caused the reduction. From 2007 to 2008, the expenditure increased somewhat again, while the expenditure is the same in 2008 as in 2009. In all the Nordic countries, the expenditure on pensions increased from 2006 to 2008; the increase is highest in Norway where the expenditure in 2008 was 10 per cent higher than in 2006. That changed from 2008 to 2009. The increase continues in Finland where the expenditure in 2009 was 6.6 per cent higher than in 2008; in Denmark and Norway, the corresponding change was only 0.6 per cent, so in those two countries, the growth rate decreases considerably. As mentioned above, there are no changes from 2008 to 2009 in Iceland, but in Sweden, the expenditure on pensions in fact declined by 0.3 per cent. A cautious interpretation is that all Nordic countries with the exception of Finland have succeeded in slowing down the growth of the pension expenditures. We will need data from several years to be able to measure whether or not this is a permanent change. (Cf. Appendix Table 1.2 for more details).

Figure 1.4.4 Expenditure on retirement and survivor's pensions in PPS per capita, the Nordic countries, 2006-2009

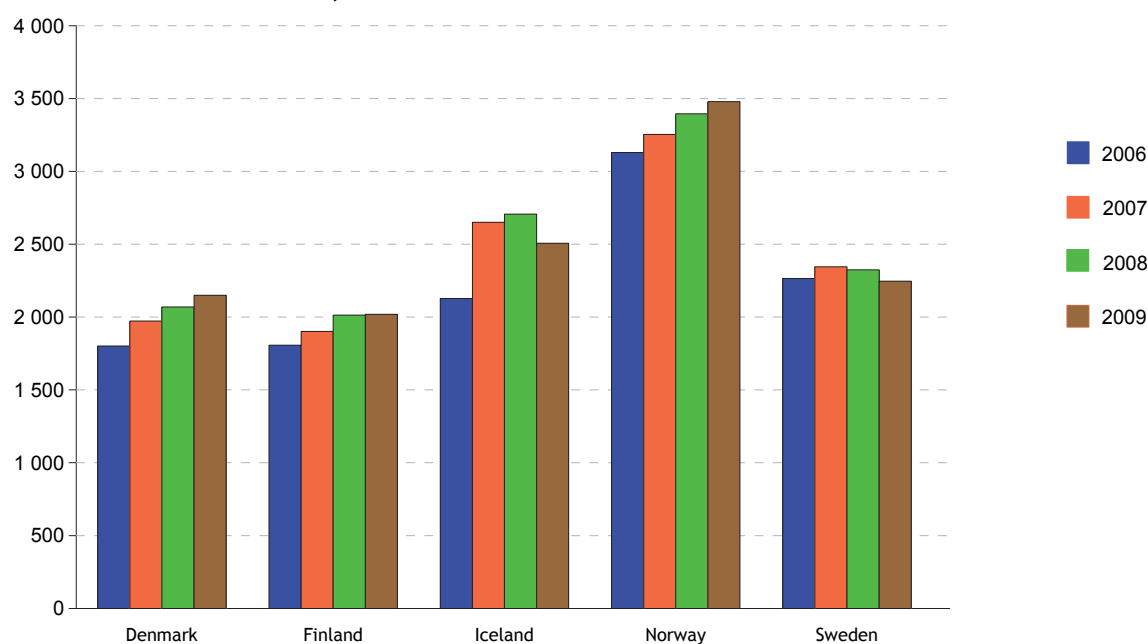


Source: Eurostat, ESSPROS

Illness and Health Care

As mentioned above, the expenditure on illness and health care is the largest expense item in Norway and in Iceland, but it also makes up a considerable part of the social expenditure in the other three Nordic countries. In Denmark and Norway, the expenditure on illness and health care has increased each year in the period 2006 to 2009. Also in Finland and in Iceland, the expenditure increased from 2006 to 2008. In Iceland, there was a particularly high increase from 2006 to 2007. From 2008 to 2009, the change in Finland was slight, an increase of 0.3 per cent, while the expenditure declined by 7.4 per cent in Iceland. Sweden stands out the most in this respect. The expenditure increased somewhat between 2006 and 2007 (3.5 per cent) but declined again in both 2008 and 2009, and thus the expenditure in 2009 was actually 0.8 per cent lower than in 2006. So the development in the Nordic countries differs slightly among the countries. In Norway and Denmark, the expenditures seem to be increasing while the increase has faded out in Finland and turned to a decline in Iceland and particularly in Sweden.

Figure 1.4.5 Expenditure on illness and health care in PPS per capita, the Nordic countries, 2006-2009

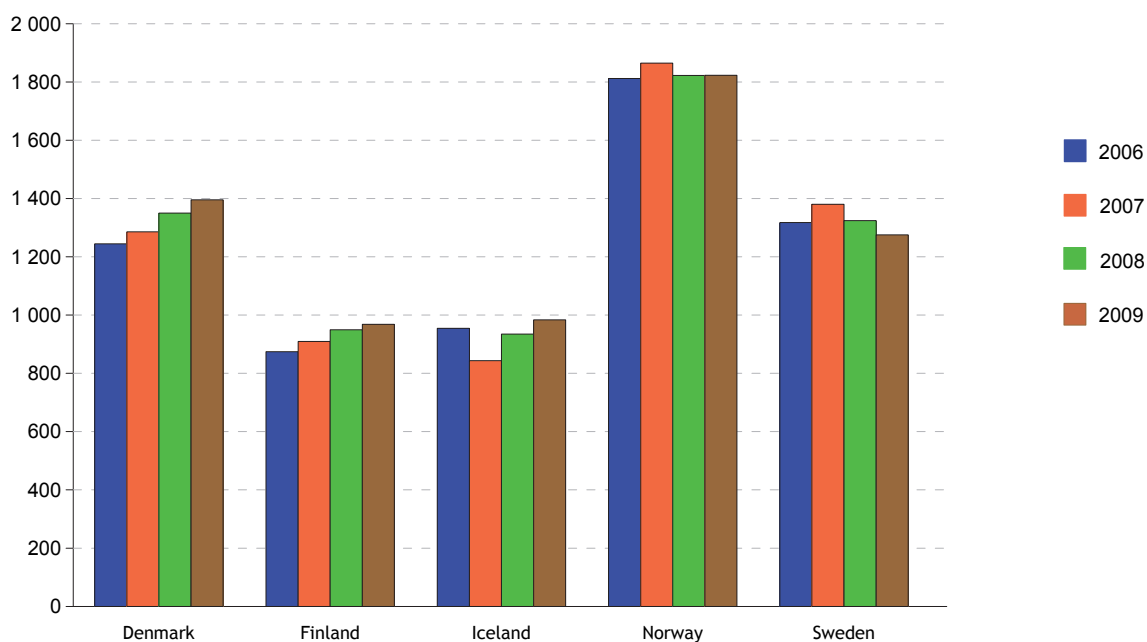


Source: Eurostat, ESSPROS

Disability

The expenditure on disability does of course depend on which social schemes there are, and that probably explains why the Nordic countries are at the top in Europe when it comes to expenditure in this area (cf. also Appendix Table 1.4). The development in Denmark and Finland is quite similar, although the Finnish expenditure is smaller than the Danish one. In both of these countries, there has been an even increase in the expenditure on disability from 2006 to 2009, and on the whole, the increase is 12.1 per cent in Denmark and 10.7 per cent in Finland. In Iceland, the expenditure dropped considerably from 2006 to 2007, but in 2008, it again reached almost the same level as in 2006, and it also increased in 2009. In total, the expenditure on disability increased by 3.0 per cent in Iceland between 2006 and 2009. The development in Norway and Sweden is quite similar, at least up until 2009, although the Norwegian expenditure is higher here. In both countries, the expenditure increased from 2006 to 2007 and then declined again to the 2006 level in 2008. Up until 2009, the expenditure continued to decline in Sweden, while it remains quite stable in Norway. On the whole, the expenditure on disability thus declined by 3.2 per cent in Sweden, while there was a slight increase of 0.6 per cent in Norway. So there are slightly differing developmental traits in the Nordic countries: increased expenditure in Denmark, Finland and Iceland (after 2007); stability in Norway and decline in Sweden (after 2007). In Chapter 4, we shall revert to the shares of the disabled and reasons for disability.

Figure 1.4.6 Expenditure on disability in PPS per capita, Nordic countries, 2006-2009



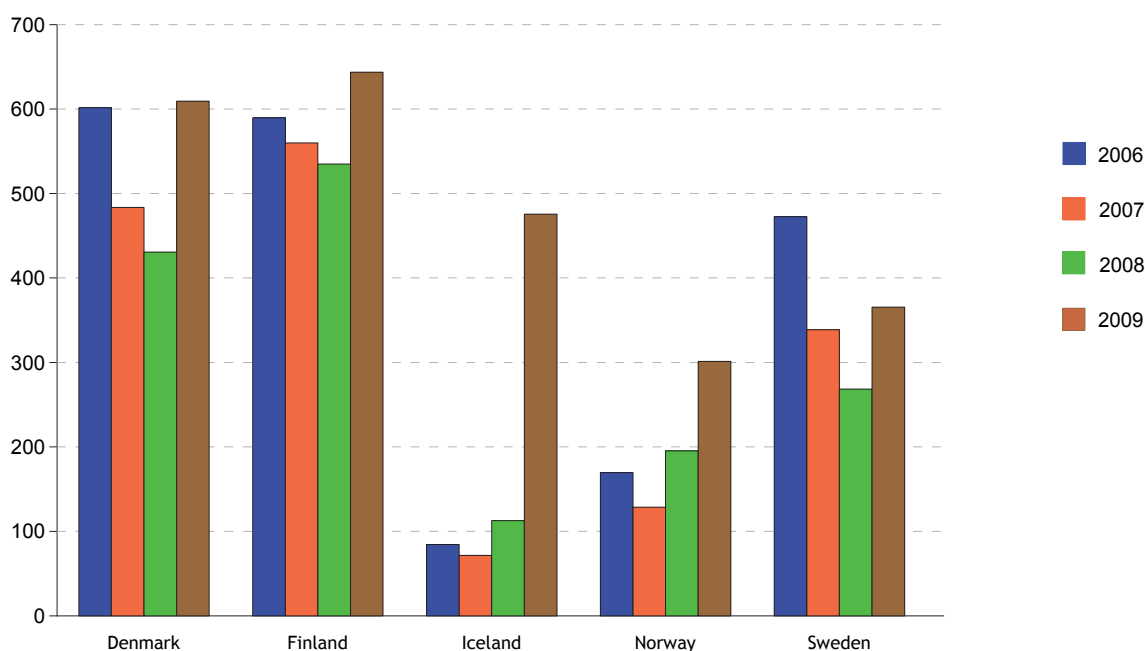
Source: Eurostat, ESSPROS

Unemployment

Unemployment is the expenditure most vulnerable to cyclical changes, and it is therefore in this area that we can expect to find the clearest impact of the financial crisis (cf. Appendix Table 1.5). Figure 1.4 illustrates that this is the case. In all of the Nordic countries, the expenditure on unemployment increased between 2008 and 2009. In a somewhat longer perspective, the trends are, however, not altogether identical. In Denmark, Finland and Sweden, the expenditure on unemployment decreased between 2006 and 2008. Largest was the reduction in Sweden where the expenditure was reduced by 43.2 per cent from 2006 to 2008. A similar reduction in Denmark was 28.4 per cent, while it was 9.3 per cent in Finland. Also in those three countries the expenditure increased again in 2009 - in Denmark and Finland to a somewhat higher level than in 2006, whereas in Sweden, the increase was more moderate, so that the expenditure in 2009 was 22.7 per cent lower than in 2006. Iceland and Norway have the same development from year to year, some decline from 2006 to 2007 before the expenditure increases to slightly above the 2006 level again in 2008. The increase in the expenditure thus took place a year earlier than in the other three countries. The increase from 2008 to 2009 is significant in Norway as the expenditure was 77.5 per cent higher than in 2006. This is however not so much in comparison with the increase in Iceland. In 2009, the expenditure on unemployment was 476 PPS per capita, i.e. more than three times as much as in 2008 and more than four and a half times as much as in 2006. Consequently, the Nordic countries

seemed to have hit a positive trend before the financial crisis, but it resulted in increased expenditure on unemployment in all countries, particularly in Iceland.

Figure 1.4.7 Expenditure on unemployment in PPS per capita, Nordic countries, 2006-2009

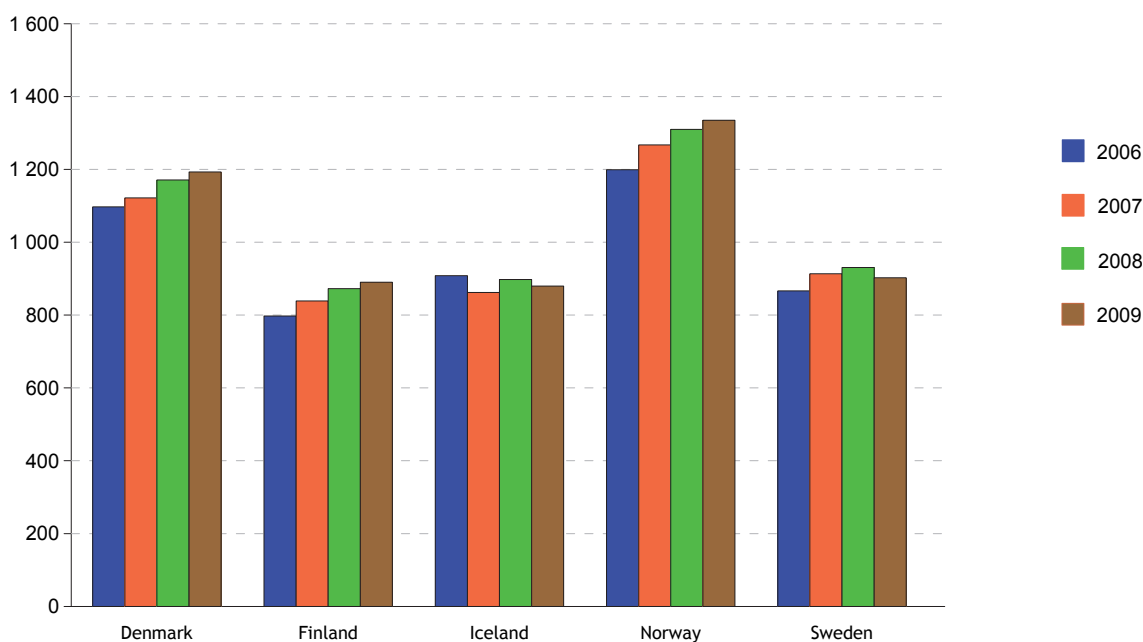


Source: Eurostat, ESSPROS

Families and Children

The expenditure on families and children is naturally far more stable than the expenditure on unemployment and is only slightly affected by economic conditions. Also for this expenditure item, the development in the Nordic countries differs, as can be seen from Figure 1.4.8 (cf. Appendix Table 1.6 for details). The expenditure on families and children in Denmark, Finland and Norway increased steadily in the period 2006-2009. In Finland, the increase was 11.7 per cent; in Norway 11.4 per cent and in Denmark 8.7 per cent. Also in Sweden, the expenditure increased by 4.1 per cent, if we consider the period as a whole, but from 2008 to 2009, the expenditure actually declined somewhat. In Iceland, the expenditure increased and decreased slightly from year to year, but in the period as a whole the expenditure on families and children decreased by 3.2 per cent.

Figure 1.4.8 Expenditure on families and children in PPS per capita, the Nordic countries 2006-2009

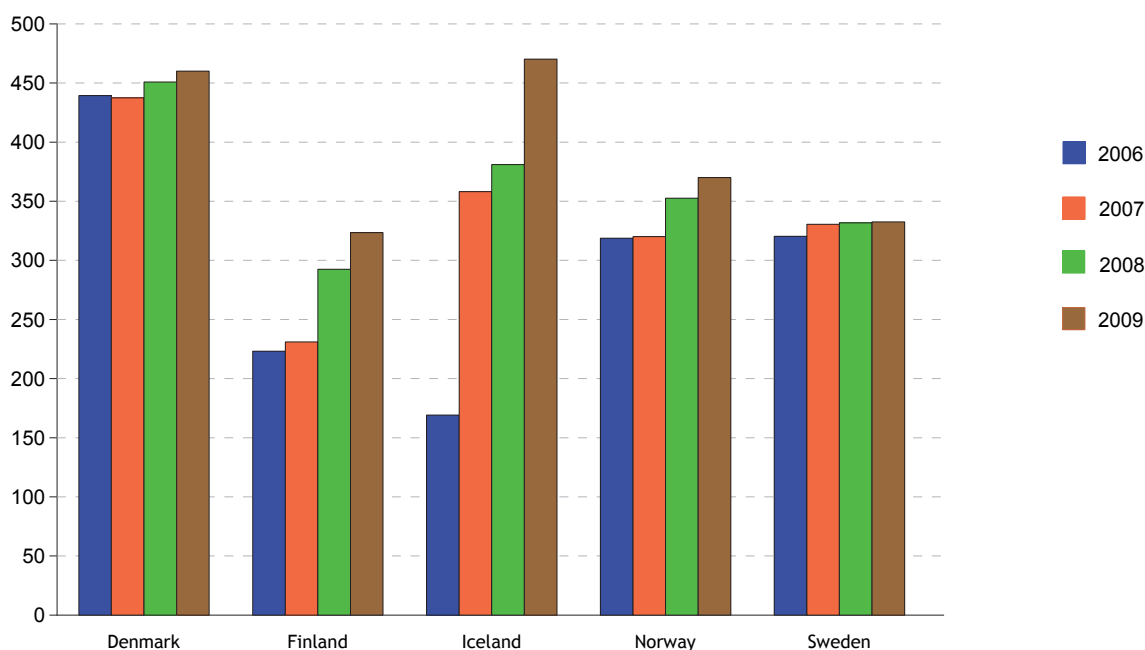


Source: Eurostat, ESSPROS

Housing and Social Exclusion

In this expenditure item, various expenditures are included, but since it covers expenditure aimed at preventing social exclusion, such as social assistance, some increase can be expected in the expenditure concurrent with an increasing unemployment rate. This only applies to a certain degree when we look at Figure 1.4.9 (cf. Appendix Table 1.7 for details). If we compare the expenditure in 2009 and the expenditure in 2006, we see an increase in all Nordic countries. In Sweden, this increase was, however, very small, only 3.8 per cent, and it mainly appeared between 2006 and 2007. Also in Denmark, the increase is relatively small, 4.7 per cent, and it appeared after 2007. In Norway, there has also been an increase after 2007, and the expenditure in 2009 was 16.1 per cent higher than in 2006. The development in Finland resembles the one in Norway, but the expenditure has increased more in the period as a whole, 44.9 per cent. Only in Iceland, we can see clear signs of the financial crisis, when looking at this expenditure item. From 2008 to 2009, the expenditure increased by 23.4 per cent. But in Iceland, the expenditure on housing and social exclusion more than doubled from 2006 to 2007. That was before the financial crisis and must consequently be due to other circumstances. On the whole, the expenditure on housing and social exclusion in Iceland almost doubled from 2006 to 2009, and from having the lowest expenditure in the Nordic countries, Iceland had the highest in 2009.

Figure 1.4.9 Expenditure on housing and social exclusion in PPS per capita, the Nordic countries 2006-2009



Source: Eurostat, ESSPROS

1.5 Challenges and Expenditure - a Summary

Welfare states arose to meet challenges attached to needs that are not satisfactorily filled by way of market mechanisms and to ensure a minimum of welfare for the population; their roots can be traced back to the end of the 1800s. The Scandinavian welfare model was established relatively late, in the 1930s and 1940s in Denmark, Norway, Sweden, and even later in Finland. Common characteristics in both the structure and development of Nordic welfare states are often pointed out although the development has not coincided completely in time. In this report, our starting point is that the Nordic countries can be grouped on the basis of quite a few common traits that are especially attached to the existence of relatively flexible and universal social benefits and services, and that it therefore is only natural to analyse challenges to the Nordic countries as one. We pointed out in the report that this probably does not apply without reserve, for although there are obvious similarities, there are also clear differences.

Welfare states are not a static thing, and social systems are continuously changed to meet arising challenges. Some challenges are large and complex, and we endeavour to point out some of them. One of the most basic challenges is the demographic development with increased life expectancy and relative low birth rates. This leads to increased expenditure in the shape of retirement pension and health-related expenses. In addition, the share of the population that is of working age will be reduced and lead to challenges in connection with the financing of the welfare system

(income from tax), and the demand for labour in the health sector will increase. That points towards the development in health and in the labour market being a key factor when one is to analyse how such challenges are met. This is something we set great store by in Chapters 4 and 5 of the present report.

The Nordic welfare model is characterized by relatively inclusive and universal benefits and services. Important aspects are income security and joint financing of large welfare areas such as education and health and care. In this perspective, the expenditures of the welfare states become particularly important and the financial challenge a key factor. But as we have pointed out, the Nordic countries do not differ by particularly high shares of GDP being spent on social expenditures in a European connection. Nevertheless, the Nordic countries form part of a common European development in which the share of the social expenditures of GDP increased as a result of the financial crisis. If we use the KPS per inhabitant, Norway has the second highest expenditure in Europe after Luxembourg, while the other Nordic countries are at about the same level as Belgium, Germany, Ireland, France, Italy, Austria and the United Kingdom. Iceland has the lowest expenditure in the Nordic countries.

The predominant social expenditure in Denmark, Finland and Sweden is the expenditure on retirement and survivor's pensions followed by the expenditure on illness and health services. In Norway and in Iceland, the relation between those two expenditures is quite the opposite. They make up from 59 to 66 per cent of the social expenditures in the Nordic countries. In the rest of Europe, those two expenditures make up an even larger share of the social expenditure. A cautious interpretation is that all Nordic countries with the exception of Finland have succeeded in slowing down the growth of the pension expenditure per capita. As to illness and health services, there are somewhat dissimilar developments in the Nordic countries. In Norway and Denmark, the expenditures seem to be increasing while the increase has faded out in Finland and turned to a decline in Iceland and particularly in Sweden. The fact that those two expenditures dominate also points to the need to follow the development in the labour market and in health conditions.

Data from ESSPROS also show that the Nordic countries are the region that without comparison spends the most on disability.

The share of disability makes up from 11.9 to 16.8 per cent of the social expenditures in the Nordic countries. The development in those expenditures in the Nordic countries differs from one country to the next. In Denmark, Finland and in Iceland they have increased, whereas they have remained stable in Norway and declined somewhat in Sweden. In respect of expenditures on unemployment, the Nordic countries are not a unified region in a European connection. Finland, Iceland and Denmark lie in the upper echelons in Europe when it comes to proportional expenditures on unemployment, whereas Sweden and Norway are among the countries in Europe that use proportionally the least on unemployment. Here, the Nordic countries seemed to have hit a positive trend before the financial crisis, but it resulted in increased expenditures on unemployment in all countries, particularly in Iceland. We also saw some tendencies of expenditures on housing and social exclusion increasing after the

financial crisis, whereas the expenditures on families and children do not change very much.

All these expenditures can to a larger or lesser degree be attached to the participation of the population in the labour market. A high participation rate creates less pressure on the expenditure and contributes to increased income through financial activity. It is particularly important that no groups are excluded from the labour market, and that there is a high participation rate also among seniors and people with impaired health. We set great store by illustrating this aspect in the present report. The health conditions are also important for the same reason, and especially with an ageing population. Impaired health does not only result in increased pressure on the health services but can also result in a reduced employment rate and a higher degree of disability. We will therefore also concentrate on the challenges to the labour market (Chapter 4) and to the health conditions (Chapter 5) in the present report. But we will also take a look at the demographic development (Chapter 2) since it is a key challenge which highly affects other areas.

Chapter 2

Demography - An Ageing Population

A welfare state is built on services that are to care for the population based on the life-stage and situation they are in. Many of the most important areas covered by the welfare state relate to age, and many of the greatest tasks measured in resources can directly or indirectly be tied to the older segment of the population. An ageing population not only leads to a greater share of the population obtaining their income from pensions, it also leads to an increased pressure on the health and care work sector (NOSOSKO 2007). Chapter 1 showed that these two areas constitute roughly two-thirds of the total social expenditures in the Nordic welfare states. Furthermore, financing is largely dependent on tax income from those who are working.

Therefore, many people point to the demographic development as the most important challenge for all types of welfare states, but perhaps especially for the Nordic welfare state as it has a universal design and is relatively extensive in terms of its scope and expenditures. During the past century, mortality has declined significantly in all industrialised countries, and combined with decreased fertility rates, this has led to a dramatic change in the age composition of the population.

2.1 Fewer People to Support Pension Recipients

A central cause of the ageing population being seen a challenge for the welfare state is that there are proportionately fewer people who contribute to the productivity of the society, and that the burden of care is thus heavier for those who are of working age. The burden of care can be calculated in multiple ways, often as the relationship between persons not of working age (children, youth and the elderly) and persons of working age (Brunborg 2003). The indicator we have taken from Eurostat does not include youth, and is calculated based on the ratio between the portion of persons over the age of 65 and the portion of persons aged 15 to 64. This helps illustrate the challenge of an ageing population that must be cared for by the employed share of the population.

Table 2.1.1 Dependency ratio for high age, Europe 1993-2010

	1993	1996	2000	2004	2007	2008	2009	2010
Denmark	23.0	22.5	22.2	22.5	23.2	23.6	24.1	24.9
Finland	20.5	21.5	22.2	23.3	24.8	24.8	25.2	25.6
Iceland	16.9	17.6	17.8	17.9	17.2	17.1	17.2	17.9
Norway	25.1	24.6	23.5	22.5	22.2	22.1	22.1	22.5
Sweden	27.6	27.4	26.9	26.4	26.4	26.7	27.1	27.7
Germany	21.9	22.8	23.9	26.8	29.9	30.4	30.9	31.4
France	22.0	23.1	24.3	24.9	25.1	25.2	25.4	25.6
Great Britain	24.4	24.5	24.3	24.3	24.1	24.3	24.6	24.9
Ireland	18.2	17.6	16.8	16.3	15.8	15.9	16.2	16.8
Belgium	23.2	24.3	25.5	26.1	25.9	25.8	25.9	26.0
Luxembourg	19.9	20.9	21.4	20.8	20.7	20.6	20.5	20.4
The Netherlands	19.0	19.5	20.0	20.5	21.5	21.8	22.3	22.8
Austria	22.1	22.7	22.9	22.7	25.0	25.4	25.7	26.1
Switzerland	21.5	21.9	22.7	23.2	23.8	24.1	24.3	24.7
Bulgaria	21.3	22.6	23.8	24.9	24.9	25.0	25.2	25.4
The Czech Republic	19.2	19.4	19.8	19.7	20.2	20.5	20.9	21.6
Estonia	18.9	20.9	22.4	23.9	25.1	25.3	25.2	25.2
Latvia	19.4	20.9	22.1	23.6	24.8	24.9	25.1	25.2
Lithuania	17.5	19.0	20.8	22.3	22.7	23.0	23.2	23.3
Hungary	20.5	21.2	22.0	22.6	23.2	23.5	23.8	24.2
Poland	16.1	16.9	17.6	18.6	19.0	18.9	18.9	19.0
Romania	16.9	18.0	19.3	20.9	21.3	21.3	21.3	21.4
Slovenia	16.5	18.0	19.8	21.4	22.7	23.3	23.6	23.8
Slovakia	16.1	16.4	16.6	16.3	16.5	16.6	16.7	16.9
Greece	21.4	22.6	24.2	26.4	27.6	27.8	27.9	28.4
Spain	21.4	22.7	24.5	24.6	24.2	24.1	24.3	24.7
Italy	22.9	24.7	26.8	28.9	30.2	30.4	30.6	30.8
Portugal	21.2	22.2	23.7	24.9	25.6	25.9	26.3	26.7

Source: Eurostat

Iceland stands out in the Nordic context in that it has a relatively low share of elderly people, and the share has been low for the entire period, though it has increased somewhat from 1993 to 2010. In Denmark and Finland, the share has increased somewhat in the same period, and both have passed Norway, where the share has declined slightly. Sweden has the highest share of elderly in the Nordic countries, with a ratio of 27.7. In the short term, this is not a challenge that has become more acute and it is not expected to be come so in the next few years, though we are already seeing that the proportions are stable and increasing, except in Norway. However, if we look at the longer term, we know that the elderly segment of the population has increased significantly in all industrialised countries in the past 50

years, and it will likely continue to increase in the years ahead. Norwegian population projections show uncertainty with regard to both the total population and the number of children and youth, but are fairly significant with regard to the growth in both the number and share of elderly in the population (Brunborg 2003). While persons over the age of 65 constituted about a tenth of the total population of the Nordic countries in 1950, they will likely constitute about a fourth in 2050 (OECD Factbook).

As of 2010, it does not look like the share of dependent elderly persons is a greater problem in the Nordic countries than in other countries. Italy and Germany have the highest shares. Greece also has a higher share than Sweden, while the low shares in Eastern Europe are the clearest regional feature. However, this may change over time due to the low birth rate in the east (see table 2.2.1) and an increasing life expectancy (see Ch. 2.3). An increasing dependency burden due to an ageing population is thus a shared European challenge. Furthermore, in the Nordic countries there is no clear increase in the ratio in the last decades, while the rest of Europe appears to be experiencing a steady increase.

2.2 Not Enough Children Are Born

In order for a population to remain at a stable number, the total fertility rate (TFR) must remain at a certain level. This can vary in both time and space. In Norway this number is at 2.07-2.08, and we assume that the number is about the same for the Nordic countries as well as for other European countries, though there may be some variation. This number does not include immigration and emigration (Brunborg 2003). Iceland is the only European country that has a fertility rate this high, and France is close. Population growth in European countries occurs through immigration. However, immigration rarely affects the age ratios in a population, and it is therefore important to increase the birth rate also to counter that the share of elderly in the population becomes disproportionately high compared to the share of youth (see section 4.1).

Table 2.2.1 Birth rates in Europa, 1995-2010

	1995	2000	2006	2007	2008	2009	2010
Denmark	1.80	1.77	1.85	1.84	1.89	1.84	1.87
Finland	1.81	1.73	1.84	1.83	1.85	1.86	1.87
Iceland	2.08	2.08	2.08	2.09	2.15	2.23	2.20
Norway	1.87	1.85	1.90	1.90	1.96	1.98	1.95
Sweden	1.73	1.54	1.85	1.88	1.91	1.94	1.98
Germany	:	1.38	1.33	1.37	1.38	1.36	1.39
France	:	1.89	2.00	1.98	2.01	2.00	2.03
Great Britain	1.71	1.64	1.84	1.90	1.96	1.94	:
Ireland	1.84	1.89	1.92	2.01	2.07	2.07	2.07
Belgium	1.56	1.67	1.80	1.82	1.86	1.84	:
Luxembourg	1.70	1.76	1.65	1.61	1.61	1.59	1.63
The Netherlands	1.53	1.72	1.72	1.72	1.77	1.79	1.79
Austria	1.42	1.36	1.41	1.38	1.41	1.39	1.44
Switzerland	1.48	1.50	1.44	1.46	1.48	1.50	1.52
Bulgaria	1.23	1.26	1.38	1.42	1.48	1.57	1.49
The Czech Republic	1.28	1.14	1.33	1.44	1.50	1.49	1.49
Estonia	1.38	1.38	1.55	1.63	1.65	1.62	1.63
Latvia	:	:	1.35	1.41	1.44	1.31	1.17
Lithuania	1.55	1.39	1.31	1.35	1.47	1.55	1.55
Hungary	1.57	1.32	1.34	1.32	1.35	1.32	1.25
Poland	1.62	1.35	1.27	1.31	1.39	1.40	1.38
Romania	1.33	1.31	1.32	1.30	1.35	1.38	:
Slovenia	1.29	1.26	1.31	1.38	1.53	1.53	1.57
Slovakia	1.52	1.30	1.24	1.25	1.32	1.41	1.40
Greece	1.31	1.26	1.40	1.41	1.51	1.52	1.51
Spain	1.17	1.23	1.38	1.40	1.46	1.40	1.38
Italy	1.19	1.26	1.35	1.37	1.42	:	1.41
Portugal	1.41	1.55	1.36	1.33	1.37	1.32	1.36

Source: Eurostat

Iceland clearly has the highest birth rate among the Nordic countries, and the rate has been consistently high in the time period we look at here. Sweden surpassed Norway, and now has the second-highest birth rate in the Nordic countries. At 1.98, it is marginally higher than Norway's 1.95. In Norway, the trend has turned and the birth rate has declined from 2009 to 2010. In Denmark and Finland, the birth rate has increased steadily and is now at 1.87 in both countries. The Nordic countries generally have higher birth rates than European countries. Only France and Ireland have higher rates than the Nordic countries except Iceland, and Great Britain is at the same level as Denmark, Finland and Sweden. The lowest birth rates are generally found in the south and east, but Germany also has one of the lowest birth rates in Europe.

Overall, we can thus say that there is a less of a challenge from low birth rates in the Nordic countries than in other parts of Europe with other welfare models, though the birth rate generally is increasing slightly over the period covered by the table. Nevertheless, there may be challenges related to maintaining and perhaps increasing

the rates, especially in the east where there has been a negative development from 1995 to 2010.

2.3 We Keep Getting Older

Not only are the birth rates generally too low to maintain and increase the population, people in Europe keep getting older. This is a development that we have seen in the industrialised world in the last century. Table 2.3.1 shows life expectancy by gender.

Table 2.3.1 Life expectancy at birth by gender, Europe 2006, 2008 and 2010

	2006			2008			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	78.4	76.1	80.7	78.8	76.5	81.0	79.3	77.2	81.4
Finland	79.5	75.9	83.1	79.9	76.5	83.3	80.2	76.9	83.5
Norway	80.6	78.8	83.1	80.8	79.2	83.3	81.2	79.0	83.3
Iceland	81.2	79.5	82.9	81.6	80.0	83.3	81.9	79.8	84.1
Sweden	80.6	78.2	82.9	80.8	78.4	83.2	81.6	79.6	83.6
Germany	79.9	77.2	82.4	80.2	77.6	82.7	79.8	78.0	83.0
France	80.9	77.3	84.5	81.4	77.8	84.8	81.1	78.3	85.3
Great Britain	79.6	77.3	81.7	79.9	77.8	81.9	80.0	78.6	82.6
Ireland	79.7	77.3	82.1	80.2	77.8	82.4	80.3	78.7	83.2
Belgium	79.5	76.6	82.3	79.8	76.9	82.6	79.6	77.6	83.0
Luxembourg	79.4	76.8	81.9	80.7	78.1	83.1	80.1	77.9	83.5
The Netherlands	80.0	77.7	82.0	80.5	78.4	82.5	80.3	78.9	83.0
Austria	80.1	77.1	82.8	80.6	77.8	83.3	80.1	77.9	83.5
Switzerland	81.8	79.2	84.2	82.3	79.8	84.6	82.0	80.3	84.9
Bulgaria	72.7	69.2	76.3	73.3	69.8	77.0	73.5	70.3	77.4
The Czech Republic	76.8	73.5	79.9	77.3	74.1	80.5	76.9	74.5	80.9
Estonia	73.1	67.4	78.6	74.3	68.7	79.5	75.2	70.6	80.8
Latvia	70.9	65.4	76.3	72.5	67.0	77.8	73.1	68.6	78.4
Lithuania	71.1	65.3	77.0	72.0	66.3	77.6	72.8	68.0	78.9
Hungary	73.5	69.2	77.8	74.2	70.0	78.3	74.1	70.7	78.6
Poland	75.3	70.9	79.7	75.6	71.3	80.0	75.8	72.1	80.7
Romania	72.6	69.2	76.2	73.4	69.7	77.2	:	:	:
Slovenia	78.3	74.5	82.0	79.1	75.5	82.6	79.0	76.4	83.1
Slovakia	74.4	70.4	78.4	74.9	70.8	79.0	75.0	71.7	79.3
Greece	79.5	77.2	81.9	80.0	77.7	82.3	79.9	78.4	82.8
Spain	81.1	77.7	84.4	81.4	78.2	84.5	81.5	79.1	85.3
Italy	81.5	78.5	84.2	81.9	79.1	84.5	:	:	:
Portugal	78.9	75.5	82.3	79.4	76.2	82.4	79.0	76.7	82.8

Source: Eurostat

There have been, and still are, noticeable differences between the Nordic countries with regard to life expectancy. Life expectancy has increased for women and men in all Nordic countries in recent years, and though men's life expectancy generally increases more than women's, it is still the case that men on average do not live as long as women. The Icelandic population has the highest life expectancy in the Nordic countries, regardless of gender and for men they also have the highest life expectancy in Europe, along with Sweden and Norway. If we disregard the Eastern European countries, Danish and Finnish men generally have lower life expectancies than other European men. When we look at women's life expectancy, it is at the highest in Mediterranean countries such as Italy and Spain as well as Switzerland, followed by all the Nordic countries except Denmark. The Danes do relatively poorly for women's life expectancy too, and we again have to go to the countries in the east to find lower life expectancies. Life expectancy at age 65 (table 2.3.2) shows the same trends as life expectancy at birth (table 2.3.1).

Table 2.3.2 Life expectancy at 65 by gender, Europe 2006, 2008 and 2010

	2006			2008			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	17.8	16.2	19.2	18.2	16.6	19.5	18.4	17.0	19.7
Finland	19.3	16.9	21.2	19.6	17.5	21.3	19.7	17.5	21.5
Norway	19.4	17.7	20.9	19.6	18.0	20.9	19.7	18.0	21.2
Iceland	19.7	18.5	20.7	19.6	18.4	20.6	19.9	18.3	21.5
Sweden	19.4	17.7	20.8	19.4	17.6	21.0	19.8	18.3	21.2
Germany	19.0	17.2	20.5	19.3	17.5	20.7	19.5	17.8	20.9
France	20.7	18.2	22.7	21.0	18.5	23.0	21.4	18.9	23.4
Great Britain	18.9	17.4	20.1	19.1	17.7	20.3	19.7	18.3	20.9
Ireland	18.5	16.7	20.2	18.7	16.8	20.3	19.7	18.1	21.1
Belgium	19.0	17.0	20.6	19.3	17.3	20.9	19.6	17.6	21.3
Luxembourg	18.8	17.0	20.3	19.4	17.4	21.0	19.6	17.3	21.6
The Netherlands	18.7	16.8	20.3	19.2	17.4	20.7	19.5	17.7	21.0
Austria	19.2	17.3	20.7	19.6	17.7	21.1	19.8	17.9	21.4
Switzerland	20.5	18.5	22.1	20.7	18.9	22.3	20.9	19.0	22.5
Bulgaria	14.8	13.2	16.3	15.3	13.5	16.7	15.4	13.6	17.0
The Czech Republic	16.8	14.8	18.3	17.3	15.3	18.8	17.4	15.5	19.0
Estonia	16.2	13.2	18.3	16.8	13.6	18.9	17.3	14.2	19.4
Latvia	15.5	12.7	17.3	16.0	13.0	17.9	16.3	13.3	18.2
Lithuania	15.8	13.0	17.6	16.2	13.4	18.1	16.4	13.5	18.4
Hungary	16.0	13.6	17.7	16.4	13.9	18.1	16.5	14.1	18.2
Poland	17.0	14.5	18.8	17.2	14.8	19.1	17.6	15.1	19.5
Romania	15.2	13.6	16.5	15.7	14.0	17.2	:	:	:
Slovenia	18.3	15.8	20.0	18.8	16.4	20.5	19.2	16.8	21.0
Slovakia	15.6	13.3	17.3	16.1	13.8	17.8	16.3	14.0	18.0
Greece	18.5	17.5	19.4	18.9	17.8	19.8	19.5	18.5	20.4
Spain	20.1	17.9	22.0	20.2	18.1	22.1	20.8	18.6	22.7
Italy	20.0	17.9	21.8	20.2	18.2	22.0	:	:	:
Portugal	18.6	16.6	20.2	18.7	16.9	20.3	19.0	17.1	20.6

Source: Eurostat

In other words, we live longer and there are too few children born to ensure population growth. Some of this can be compensated by immigration, but immigration is unlikely to change the age composition of the population to any significant extent. Immigration can also in itself represent challenges for the welfare state. Immigration was not raised as a separate topic in the previous report. In this report, we briefly include this as a dimension when discussing developments and changes related to demographic issues. We will primarily look at immigration and emigration, illustrated using an overview of net immigration. We will look at immigration as a dimension related to work and health in later chapters.

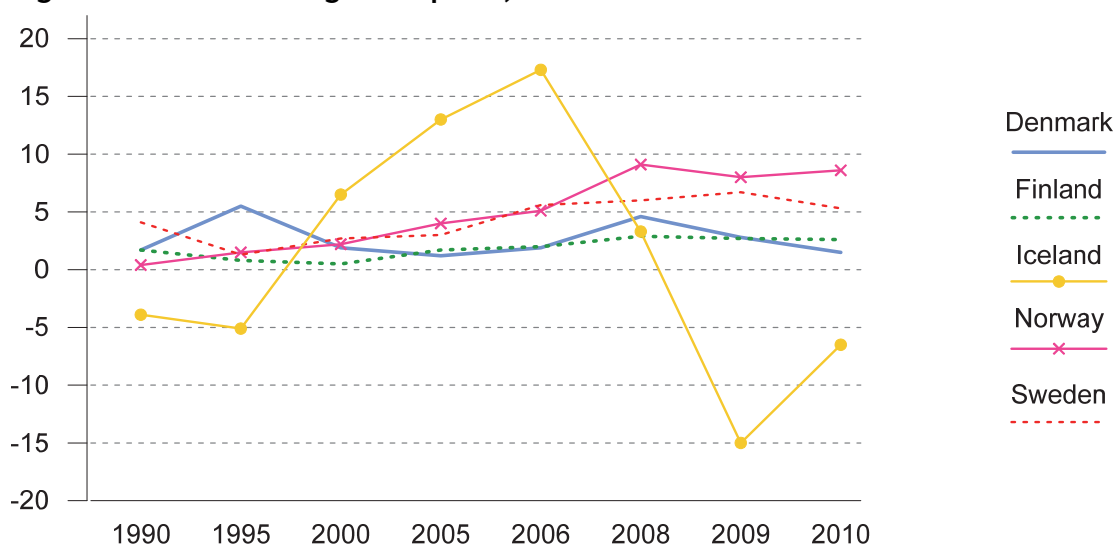
2.4 Immigration and Emigration

International migration is important, because it is a factor that affects the size and composition of the population. We consider "immigration" to include any migration to a country that is registered in the national population register or a similar register. In Norway, the general rule is that the individual must intend to stay in Norway for at least six months and have a permit to do so. In this publication, we use the concept of net immigration, which is immigration less emigration. There are also various rules related to emigration that must be fulfilled in order for a stay abroad to be considered emigration.

Figures for net immigration to the different Nordic countries over a period from 1990 to 2010 show great variation. Here, we have chosen to show net immigration per 1,000 inhabitants, to better be able to say something about the share immigration constitutes in the individual countries.

From Figure 2.4.1, we can see that Sweden was the Nordic country with the highest net immigration in 1990, followed by Denmark in 1995. However, since the mid-2000s, Norway has taken over as the Nordic country with the highest net immigration. Iceland has had more emigration than immigration both in the early 1990s and after the financial crisis in 2008. The economic situation in a country, financial cycles and political decisions related to immigration policy are all conditions that affect this area.

Figure 2.4.1 Net immigration per 1,000 inhabitants 1990-2010



Source: Eurostat

Norway and Sweden also have a high net immigration when seen in a European perspective. Luxembourg, Switzerland and Belgium are other countries with a stable and high level of net immigration. In 2010, Luxembourg had a net immigration of 15.1 per 1,000 inhabitants, while for example Norway had 8.6. In 2010, Cyprus had a high net immigration of 19.2 per 1,000 inhabitants.

Spain and Ireland are also examples of countries that previously had a high net immigration, but that have had a dramatic decline in immigration, probably due to the financial crisis. In Ireland, emigration exceeded immigration in 2009 and 2010.

Table 2.4.1 Net immigration per 1,000 inhabitants 1990-2010

	1990	1995	2000	2005	2006	2008	2009	2010
Denmark	1.7	5.5	1.9	1.2	1.9	4.6	2.8	1.5
Finland	1.7	0.8	0.5	1.7	2.0	2.9	2.7	2.6
Iceland	-3.9	-5.1	6.5	13.0	17.3	3.3	-15.0	-6.5
Norway	0.4	1.5	2.2	4.0	5.1	9.1	8.0	8.6
Sweden	4.1	1.3	2.7	3.0	5.6	6.0	6.7	5.3
Germany	16.3	4.9	2.0	1.0	0.3	-0.7	-0.1	1.6
France	:	:	2.7	3.0	1.8	0.9	1 (p)	1.1(p)
Great Britain	0.4	1.1	2.4	3.8	3.2	3.1	3.3	3.6(p)
Ireland	-2.2	1.6	8.4	15.0	15.6	0.7	-6.2	-7.5(p)
Belgium	2.0	0.2	1.3	4.7	4.9	5.9	5.9	8.0
Luxembourg	10.3	10.6	7.9	13.1	11.3	15.8	13.2	15.1
The Netherlands	3.3	1.0	3.6	-1.4	-1.6	1.9	2.3	2.0
Austria	7.6	0.3	2.2	6.1	3.0	4.1	2.5	3.3
Switzerland	9.4	3.5	3.3	4.3	4.9	12.1	8.8	7.7
Bulgaria	-10.9	0.0	0.0	0.0	0.0	-0.1	-2.1	-3.2
The Czech Republic	-5.7	1.0	0.6	3.5	3.4	6.9	2.7	1.5
Estonia	-3.6	-10.8	0.2	0.1	0.1	0.1	0.0	0.0
Latvia	-4.9	-5.5	-2.3	-0.2	-1.1	-1.1	-2.1	-3.5
Lithuania	-2.4	-6.5	-5.8	-2.6	-1.4	-2.3	-4.6	-23.7
Hungary	1.8	1.7	1.6	1.7	2.1	1.6	1.7	1.2
Poland	-0.3	-0.5	-10.7	-0.3	-0.9	-0.4	0.0	-0.1
Romania	-3.7	-0.9	-0.2	-0.3	-0.3	0.1	-0.1	0.0(p)
Slovenia	-0.1	0.4	1.4	3.2	3.1	9.2 (b)	5.6	-0.3
Slovakia	-0.4	0.5	-4.1	0.6	0.7	1.3	0.8	0.6
Greece	6.3	7.3	2.7	3.6	3.6	3.2	3.1	-0.1
Spain	-0.5	1.8	9.7	14.8	13.7	9.0	1.1	1.3
Italy	0.4	0.5	0.9	5.2	6.4	7.1	5.2	5.2(p)
Portugal	-3.9	2.2	4.6	3.6	2.5	0.9	1.4	0.4

:=not available b=break in series p=provisional

Source: Eurostat

2.5 Education

In a modern labour market like the one found in the Nordic countries, and in large parts of Europe, education is perhaps the most important key to securing a stable labour market attachment. Workers with no formal education are not in a strong position, and there has been a change from education and qualification through work to a greater emphasis on formal education. This especially affects youth with no work experience who are entering the labour market (Ugreninov 2007). Education is therefore strongly emphasised in most societies, and securing education for all is one of the central goals of welfare states. This is also a central element in the prevention of poverty and social exclusion (see chapter 3). However, another element is the relationship between increasing levels of educational attainment in the population and demand in the labour market. What will the effect of a steady supply of highly educated individuals to the labour market mean? According to the OECD, it is likely that in the future we will see an increasing tendency for the highly educated to end up in jobs that do not require higher education, and that they therefore also displace those with less education from the labour market. However, data from the current situation shows that this is not currently the case (OECD 2011).

In this chapter, we will look briefly at some of the previously published indicators about educational attainment in the Nordic countries and in the rest of Europe. However, education is an important background factor with regard to labour market attachment, and this will be covered in chapter 4 in particular, as well as in chapter 5 about health.

2.5.1 Higher Education in the Nordic Countries

In the Nordic countries, the shares that have completed higher education ranged from 33 to 37 per cent (table 2.5.1) in 2010⁴. Finland and Norway have the highest shares. As a region, the Nordic countries thus stand out as an area where many people have a higher education. Only four countries have 33 per cent or more of their population with a higher education, and these are Great Britain (37 per cent), Austria (37), the Netherlands (33) and Belgium (33). In large countries like Germany and France, the shares are 26 and 29 per cent. Regionally, we find the lowest shares with higher education in the countries we have grouped as the east, with the Czech Republic at 16 per cent, Hungary at 19 per cent and Poland at 21 per cent. However, the lowest share can be found in Italy (14 per cent).

⁴ The OECD is the source of this data (OECD 2010b). The classification of education is based on the revised International Standard Classification of Education (ISCED 91). The data about education is from OECD and Eurostat databases, which in turn are based on national Labour Force Surveys (LFS). Labour Force Surveys are a sample surveys. National statistics about education will in many cases be based on national education registers and not on LFS. There may therefore be discrepancies between the results presented by the OECD and the results in national official statistics

Italy is also one of the countries with the highest share of persons who have only completed primary and lower secondary school or a low-level upper secondary school education (45 per cent). Only Spain has a higher share: there, 48 per cent of the population has only completed primary and lower secondary school. When looking at primary and lower and upper secondary school as one, the Nordic countries do not stand out in the same way as for higher education. A relatively high share of the population of Iceland only has primary and lower secondary school and low-level upper secondary school (28 per cent), while this share is low in Sweden (14 per cent). Furthermore, the Eastern European countries are characterised by relatively high shares that have upper secondary school and thus do not stand out with high shares with primary and lower secondary school. For completed education as a whole, the Nordic countries therefore do quite well. There are high shares with higher education, while the shares with only primary and lower secondary school or upper secondary school are about the middle of the road when seen in an European context.

Table 2.5.1 Level of educational attainment, highest completed education for individuals aged 25 to 64, 2005 and 2010. Per cent

	2005			2010		
	Compulsory education	Upper secondary school	Higher education	Primary and lower secondary school	Upper secondary school	Higher education
Denmark	17	49	34	22	43	34
Finland	21	44	35	18	45	37
Iceland	30	39	31	28	39	33
Norway	22	45	33	19	44	37
Sweden	16	54	30	14	53	33
Germany	17	59	25	15	59	26
France	34	41	25	30	41	29
Great Britain	14	56	30	11	52	37
The Netherlands	28	42	30	27	41	33
Belgium	34	35	31	29	37	33
Austria	19	63	18	17	64	19
Spain	51	20	28	48	22	30
Italy	49	38	12	45	40	14
Greece	40	38	21	36	40	23
Hungary	24	59	17	19	61	19
The Czech Republic	10	77	13	8	76	16
Poland	15	68	17	12	67	21

Source: OECD, Education at a Glance, 2007 and 2011, Table A1.1a

However, developments and expansions of the education systems may have occurred at different times in different countries. Differences in the total educational attainment level may therefore give a somewhat erroneous picture if some countries started later than others. If it is mainly older people who have little education and contribute to lowering the total share with higher education, using this figure may be

misleading when we are to interpret this in the context of future challenges for welfare states. We will therefore briefly look at shares with higher education according to age in the relevant countries (table 2.5.2) in order to see if we can expect the differences to be reduced as new generations emerge.

It is clear that the share of the population with a higher education will increase in all countries in the times ahead. The lowest shares with higher education are mainly found in the highest age groups. In the Nordic countries, the trend is quite clear: the shares with higher education are high in the youngest age groups compared to the oldest. A slight exception can be seen in Finland, where the share among those aged 25 to 34 years is actually somewhat lower than for those aged 35 to 44. It is also worth mentioning countries like Belgium, France and Spain. In these three countries, the shares are relatively high among the youngest age group compared to both other groups and the total share. We can again conclude that with regard to the actual educational attainment level of the population the challenge is not greater in the Nordic countries than in other regions. Quite the contrary. Countries in the south and east of Europe have greater challenges. For example, in Italy and the Czech Republic, where the share of the population with higher education is low, the shares among the youngest age groups are also low when seen in a European context. These countries will likely have greater challenges in the times ahead.

Table 2.5.2 Share of the population in different age groups that has completed higher education, 2005 and 2009

	2005		2009		2005				2009			
	Total	Total	Age group				Age group					
			25-34	35-44	45-54	55-64	25-34	35-44	45-54	55-64		
Denmark	34	34	40	35	32	27	45	39	28	26		
Finland	35	37	38	41	34	27	39	44	37	29		
Iceland	31	33	36	34	29	21	36	38	32	23		
Norway	33	37	41	35	30	24	47	40	33	27		
Sweden	30	33	37	28	28	25	42	35	29	27		
Germany	25	26	22	26	26	23	26	28	26	25		
France	25	29	39	25	18	16	43	32	22	18		
Great Britain	30	37	35	30	28	24	45	39	34	29		
The Netherlands	30	33	35	30	30	24	40	34	31	27		
Belgium	31	33	41	33	27	22	42	37	30	23		
Austria	18	19	20	19	17	14	21	20	18	16		
Spain	28	30	40	30	22	14	38	34	25	17		
Italy	12	15	16	13	11	8	20	15	12	10		
Greece	21	24	25	26	19	12	29	26	22	15		
Hungary	17	20	20	17	16	15	25	19	18	16		
The Czech Republic	13	16	14	14	13	11	20	15	16	11		
Poland	17	21	26	16	12	13	35	21	13	13		

Source: OECD, Education at a Glance, 2010, Table A1.3a

2.6 Summary

There are fewer people to support pension recipients. In the short term, this is not a challenge that has become more acute and it is not expected to become so in the next few years, though we are already seeing that the proportions are stable and increasing, except in Norway. However, if we look at the longer term, we know that the elderly segment of the population has increased significantly in all industrialised countries in the past 50 years, and it will likely continue to increase in the years ahead.

It is also the case that population growth in European countries is due to immigration. However, immigration will rarely significantly affect the age distribution within a population, and it is therefore important to have high birth rates as well to prevent the share of elderly in the population from becoming disproportionately high compared to the share of younger people. The situation in many European countries is that too few children are born. Overall, we can say that the Nordic countries have less of a challenge of low birth rates than other parts of Europe with other welfare models, though the birth rate generally increases somewhat in the period we look at in this report. Nevertheless, there may be challenges related to maintaining and perhaps increasing the rates, especially in the east where there has been a negative development from 1995 to 2010.

The population is steadily getting older. There have been, and still are, noticeable differences between the Nordic countries with regard to life expectancy. It has increased for both women and men in all Nordic countries in recent years, and though men's life expectancy continues to increase more than women's life expectancy, it is still the case that men on average live shorter lives than women.

Norway (and Sweden) is at the European top with regard to net immigration, along with some other small countries. This can affect the composition of the population, such as the distribution along lines of gender, age, place of residence in Norway, citizenship, educational level and other relevant variables. In the longer term, it might change the number of births, deaths, etc.

Education is therefore strongly emphasised in most societies, and securing education for all is one of the central goals of welfare states. As a region, the Nordic countries stand out as an area where many people have completed higher education. The figures also show that the share of the population with a higher education will increase in all countries in the times ahead. The lowest shares with higher education are mainly found in the highest age groups. In the Nordic countries, the trend is quite clear: the shares with higher education are high in the youngest age groups compared to the oldest. With regard to the actual educational attainment level in the population, the challenge is not greater in the Nordic countries than in other regions. Quite the contrary. Rather, it is Southern and Eastern European countries that have greater challenges. There, the total share of the population with higher education is low also in the youngest age groups.

We will not be proposing any new indicators to describe and analyse the demographic challenge. A number of international indicators in this area already exist, and organisations such as the UN, OECD and EU actively use these. Furthermore, EU-SILC

is not a good source for saying something about demographic development or developments in the educational field; the Nordic countries have well-developed population and education statistics based on population registers.

Our involvement with the demographic challenge in the rest of this report will therefore be more indirect, through looking at the labour market and health. The demographic challenge remains one of the greatest and most far-reaching challenges for the welfare state because it affects many fields, including the labour market and the health and care sectors.

Chapter 3

Income Inequalities and Social Exclusion

The welfare state is to help ensure that the population has access to a minimum of benefits and to thereby secure the best possible living conditions. The Nordic approach to living conditions has largely focused on living conditions such as access to resources individuals can use to actively improve their living conditions. In this perspective, economic resources are especially important, and are closely associated with social participation. Preventing large social and economic inequalities and preventing groups in the population from becoming marginalised is therefore a challenge for the welfare state. Such marginalisation of groups can pose a threat to the legitimacy of the welfare state, while also affecting both income and expenditures. One of the most important characteristics of the Nordic welfare states has been that they have largely succeeded in countering social inequalities and ensured that large parts of the population have been able to actively take part in the prosperity of the past 50 to 60 years.

In the 2009 report, we highlighted a number of indicators from EU-SILC that cover the field of poverty and social exclusion. These are indicators that are developed and published by Eurostat, with EU-SILC as a source. In this chapter, we present these indicators for the 2006 to 2010 period, and also include a new indicator developed in connection with "Europe 2020" (see below)⁵.

⁵ The Europe 2020 strategy promotes social inclusion, in particular through the reduction of poverty, by aiming to lift at least 20 million people out of the risk of poverty and exclusion. This indicator summarises the number of people who are either at risk-of-poverty and/or materially deprived and/or living in households with very low work intensity. Interactions between the indicators are excluded. At risk-of-poverty are persons with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income (after social transfers). The collection "material deprivation" covers indicators relating to economic strain, durables, housing and the environment of the dwelling. Severely materially deprived persons have living conditions severely constrained by a lack of resources, they experience at least 4 out of 9 following deprivations items: cannot afford i) to pay rent or utility bills, ii) keep home adequately warm, iii) face unexpected expenses, iv) eat meat, fish or a protein equivalent every second day, v) a week holiday away from home, vi) a car, vii) a washing machine, viii) a colour TV, or ix) a tele-phone. People living in households with very low work intensity are people aged 0 to 59 living in households where the adults work less than 20% of their total work potential during the past year

The creation of EU-SILC has its foundation in the fight against poverty and social exclusion, and is based on the Treaty of Lisbon. The EU-SILC objective states that the database is expected to become EU's reference for comparative statistics about income distribution and social exclusion (Eurostat 2007). In the years that have passed since its creation in 2003/2004, this must be said to have become a reality. EU-SILC, and the indicators based on this data, has gained a central place in policy development, research and public debate. Additionally, 2010 was the European Year for Combating Poverty and Social Exclusion, so these indicators were given special attention during that year.

The international financial crisis that emerged in the autumn of 2008 did not just threaten the financial markets and macro-economic developments, but also posed a potential threat of increased poverty and social exclusion. Following the immediate measures to counter the crisis, a more long-term strategy was devised to ensure sustainable economic development in the EU - the so-called "Europe 2020" strategy. Combating poverty and social exclusion is central to this strategy too, and we can thus claim that the indicators in this area have gained significance as measurements of successful developments in the European welfare states:

One of the headline targets in the Europe 2020 Strategy for Jobs and Growth is promoting social inclusion, in particular through the reduction of poverty, by aiming to reduce the number of people at risk of poverty and excluded from full participation in work and society

José Manuel Barroso (Eurostat 2010 : 3)

Though EU-SILC is largely used as income statistics in the EU, it is important to underline that the Nordic countries (along with the Netherlands and Slovenia) stand out by being so-called "register countries". This means that these countries have relatively good and extensive administrative registers that can be used for statistical purposes, including income statistics. The advantage of this is that it enables statistics based on a complete count or a larger sample drawn from registers, thus avoiding biases and errors that can arise by what in this context must be called a relatively small sample survey (EU-SILC).⁶

⁶ In Norway, national income statistics are published based on registers, and some measurements published by Eurostat based on EU-SILC may therefore deviate slightly from national statistics. In Sweden, a separate income distribution survey is conducted (HEK), which forms the basis for the national income statistics and is of a significantly greater scope than EU-SILC. Swedish income figures based on EU-SILC, as they are here, may therefore deviate from national statistics. This is also the case for Iceland, which bases its income statistics on its own national income survey (ISWEL). We do not have detailed information about this for Finland, but we know that EU-SILC is calibrated using national income data and we therefore assume that it is unlikely that there are deviations between EU-SILC and national statistics. In Denmark, as far as we know, the situation is about the same as it is in Finland, though the actual method of calibration differs. Norway and Iceland do not use income in their calibration of weights. We do not have detailed knowledge of whether Sweden does

3.1 Income Distribution and Income Inequality

In a discussion of income distribution and inequalities such as this one, one should try to avoid having a politically normative starting point. Without saying anything about the size of the desired level of income inequalities, we can start from an assumption that large income inequalities can be negative for society because a skewed income distribution can lead to some groups not being included in society with regard to access to material and social benefits. Additionally, there is the obvious goal of avoiding having parts of the population living in poverty. In line with this, combating poverty is a central area for welfare states. The actual definition of poverty can of course be discussed with a starting point in the impact poverty has on living conditions (Normann 2009, 2011) and which income components it should be based on.

3.1.1 Low Income

Eurostat has chosen to define a threshold for "at-risk-poverty", which is a poverty risk based on disposable income (income after taxes). The income of each household is combined and weighted according to an equivalency weighting that takes the benefits from economies of scale into account. The first adult is weighted at 1, the second is weighted at 0.5 and children are weighted at 0.3. Individuals in households who have less than 60 per cent of the median equivalency income are considered at risk of poverty. This is thus more of a lower income threshold than a poverty definition, but it is nevertheless the guideline for many Eurostat indicators of social exclusion.

Table 3.1.1 shows the share of individuals below the low income threshold in different European countries for 2006 and 2010. As the EU-SILC reference year for income is the year before the data collection, this covers income from 2005 to 2009. The international financial crisis started in the autumn of 2008, and we thus have an entire income year that covers the crisis period, while the more long-term effects will only become apparent when we have data for more years. Like in the 2009 report, we want to encourage caution with regard to direct comparison of these low income shares between countries and not use it as a direct measurement of poverty as it is calculated based on the income distribution in the respective countries.

Table 3.1.1 Share of the population below the low income threshold for poverty risk after social transfers. Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	11.7	11.7	11.8	13.1	13.3
Finland	12.6	13.0	13.6	13.8	13.1
Iceland	9.6	10.1	10.1	10.2	9.8
Norway	12.3	11.9	11.4	11.7	11.2
Sweden	12.3	10.5	12.2	13.3	12.9
Germany	12.5	15.2	15.2	15.5	15.6
France	13.2	13.1	12.7	12.9	13.5
Great Britain	19.0	18.6	18.7	17.3	17.1
Ireland	18.5	17.2	15.5	15.0	16.1
Belgium	14.7	15.2	14.7	14.6	14.6
Luxembourg	14.1	13.5	13.4	14.9	14.5
The Netherlands	9.7	10.2	10.5	11.1	10.3
Austria	12.6	12.0	12.4	12.0	12.1
Switzerland	:	:	16.2	15.1	15.0
Bulgaria	18.4	22.0	21.4	21.8	20.7
The Czech Republic	9.9	9.6	9.0	8.6	9.0
Estonia	18.3	19.4	19.5	19.7	15.8
Latvia	23.1	21.2	25.6	25.7	21.3
Lithuania	20.0	19.1	20.0	20.6	20.2
Hungary	15.9	12.3	12.4	12.4	12.3
Poland	19.1	17.3	16.9	17.1	17.6
Romania	:	24.8	23.4	22.4	21.1
Slovenia	11.6	11.5	12.3	11.3	12.7
Slovakia	11.6	10.6	10.9	11.0	12.0
Greece	20.5	20.3	20.1	19.7	20.1
Spain	19.9	19.7	19.6	19.5	20.7
Italy	19.6	19.9	18.7	18.4	18.2
Portugal	18.5	18.1	18.5	17.9	17.9

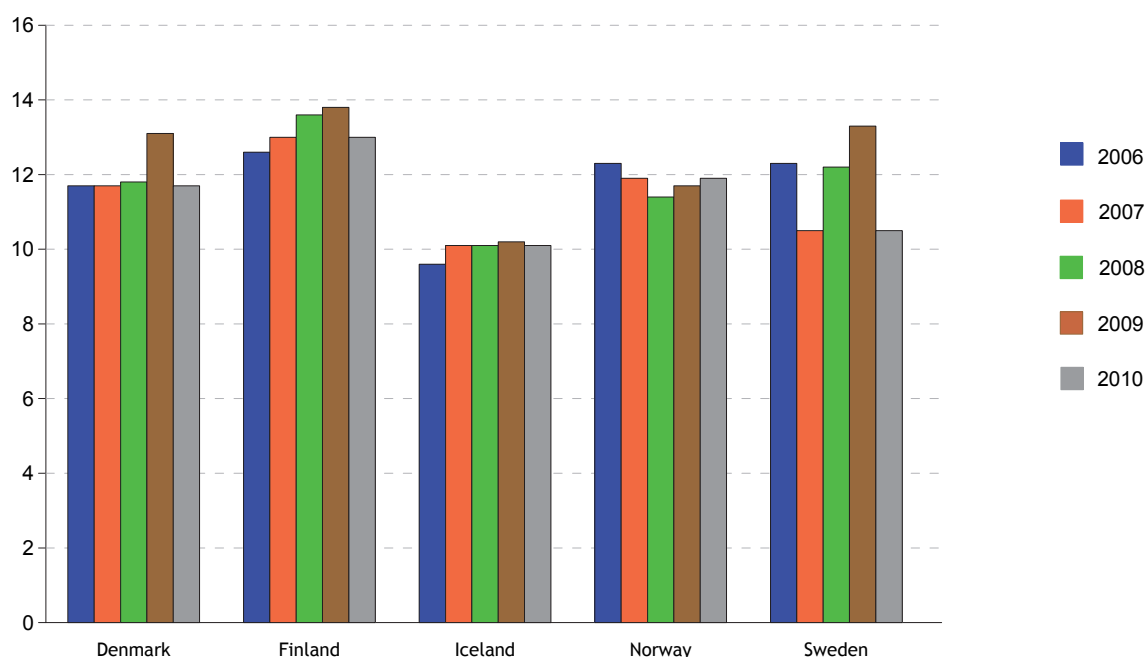
Source: Eurostat, EU-SILC

A quick look at table 3.1.1 shows that the shares with a low income in the Nordic countries in 2006 and 2010 are generally low compared to other European countries. Countries like the Czech Republic, Slovenia, Slovakia and Hungary from what we previously called Eastern Europe have comparable or lower shares than in the Nordic countries, and the same can be said about the Netherlands and Austria, and in part about France. The generally highest shares of low income can be found in Latvia, Lithuania, Romania and Bulgaria in the former Eastern Europe. Spain and Greece in the south also have high levels of low income.

In Europe overall we are not seeing any clear development showing that the financial crisis has had the effect of increasing the shares with low incomes. However, if we look at individual countries, we can find examples of the significance of the financial crisis. If we first concentrate on the Nordic countries (see figure 3.1.1), we see an increase in the low income share in Denmark from the period 2006 to 2008 (11.7-11.8 per cent) to 2009 and 2010 (13.1-13.3 per cent). In Finland, the changes

are small but there was an increase from 2006 (12.6 per cent) to 2009 (13.8 per cent), but then the share fell again in 2010 (13.1 per cent). In Iceland, there have not been significant changes in the period, and the shares in 2006 and 2010 are nearly identical (9.6-9.8 per cent), and though the shares were marginally higher in 2007-2009, this was not enough to change the impression of stability. The low income share in Norway is also characterised by stability, and the share has largely stayed around 11 per cent. The exception is a slightly higher share in 2006 (12.3 per cent), but this was before the financial crisis. It is also difficult to see that the financial crisis has affected the low income share in Sweden. There was certainly an increase from 2008 (12.2 per cent) to 2009 (13.3 per cent), but it fell a little again in 2010 (12.9 per cent). The increase was greatest between 2007 and 2008 (10.5-12.2 per cent), but compared to 2006 and 2008, the shares were the same. In other words, the share in Sweden fluctuated somewhat before the financial crisis as well. Thus there is a somewhat divergent picture in the Nordic countries and there is no basis for saying that the low income shares in the Nordic region have been strongly affected by the financial crisis. Even with the small fluctuations we have pointed to, the picture is characterised by stable and low shares of the population having a low income.

Figure 3.1.1 Share of individuals below the low income threshold for poverty risk after social transfers. The Nordic countries



Source: Eurostat, EU-SILC

If we expand the picture to include all countries in table 3.1.1 and look at the first income year affected by the financial crisis, i.e. data from 2009, we cannot see any significant effects so early. From 2008 to 2009, the share of low income increased in 17 countries, decreased in 12 countries, and remained unchanged in two countries. In

other words, there is no clear overall trend of an increase in the low income shares from 2008 to 2009. This may be because 2009 (referring to income from 2008) is too soon to see effects of the crisis on private household income. Yet if we look at the 2010 data (i.e. 2009 income), this also does not show a clear trend towards an increase in the low income share: it increased in 14 countries, decreased in 15 countries and remained unchanged in two countries. We can see an increase in some countries, such as Slovenia, Slovakia, Ireland and Spain. However in other countries, which we know to be hit by the financial crisis, we find a greater change measured in percentage points. For example, the 2010 low income share decreased by 4.4 percentage points in Latvia and 3.9 percentage points in Estonia.

It may be that this will change over time, and that the long-term effects on household income and income distribution only become apparent when the effects on the labour market and of expenditure public savings appear. However, the data from 2010 also tells us that how a financial crisis will affect low income shares is not a given. If it causes a general reduction in the income level, median income will also decline and thus prevent more people from falling below the low income threshold even though those with a low income may also have experienced a reduction of their income. In contrast, if those with the lowest incomes constitute the primary segment of the population affected by economic decline, this will have a stronger effect on low income shares. This also illustrates some of the challenge of using a low income measurement as a measurement of the welfare level.

A possible way to analyse this further, which also takes changes in the total income level into consideration, is to use an indicator Eurostat describes as the "at-risk-of-poverty rate anchored in a fixed moment in time (2005)". This indicator uses the low income threshold from 2005 for subsequent years as well, and thus takes a possible decline in real income in the population into consideration when calculating the low income share. We have not included separate tables or figures for this indicator, but it shows clearer signs of crisis in that the low income share increases in the countries hardest hit by the crisis, such as Spain, Ireland and Iceland. Countries like Great Britain, Estonia, Latvia, Lithuania and Hungary also have a clear increase in the low income share as a result of the crisis if we measure based on this indicator. On the other hand, the share with a low income falls where there are still increases in real salaries, like for example in Norway.

3.1.2 Low Income, by Gender

With very few exceptions, women in Europe are more at risk of having a low income than men, and the gender gap was generally between 0 and 3 percentage points in 2010 (see appendix table 3.1). In the Nordic countries, the gender gap varies from 0 percentage points in Iceland to 2.9 percentage points in Sweden. In Iceland, men were less at risk of having a low income than women up to and including 2009, but in 2010 the difference was eliminated because there was an increase for men and a decrease for women. In Sweden, where the total share fluctuated more, the development went in the opposite direction, in that the gender gap increased from 2006 to 2010, and in percentage points the gap was among the highest in Europe. In Nor-

way, the gender gap was 2.1 percentage points in 2010. In Finland it was 1.4. In both of these countries, the tendency has been the same in the period we are looking at: the gender gap widened between 2006 and 2007 and narrowed between 2009 and 2010. In Denmark, the gender gap has been more stable and has varied between 0.7 and 0.3 percentage points.

In the rest of Europe, the effects are not very clear between 2008 and 2009, while between 2009 and 2010 it looks like there is generally a slight decline in the gap between women's and men's share of part of the population that have a low income. This raises the question of whether economic crises in relative terms hit men harder than women. In chapter 4 about work, we will look at several trends that indicate that this might be the case.

3.1.3 Low Income and Social Transfers

As previously mentioned, at-risk-of poverty, or low income, is an indicator published annually by Eurostat. It is considered an important indicator, including with regard to the challenges welfare state face. In addition to the indicator based on income after social transfers, an equivalent indicator based on income before social transfers is also published. This can tell us something about how the social transfers contribute to reducing disparities and low incomes, and also to how it affects the gap between women and men.

Like in the 2009 report, we can conclude that the share of the population that has a low income before social transfers for the period 2006-2010 gives a different picture of the Nordic countries compared to other countries than low income after social transfers (see Appendix Table 3.2 for low income shares before social transfers). Up to and including 2009, Iceland does well, with less than 20 per cent below the threshold for at-risk-of-poverty, and while this to some extent remains the case in 2010, the share with low income before social transfers increased to 22.8 per cent. This is still the lowest rate in the Nordic countries and among the lowest in Europe, but 3.1 percentage points higher than in 2009. The other Nordic countries have shares from 26.6 per cent (Norway) to 29.1 per cent (Denmark). Countries in the south and in part in the east do better relatively speaking when we look at low incomes before social transfers versus low incomes after social transfers. The reason the Nordic countries do well on the overarching indicator showing poverty risk after social transfers is that the social transfers work, and to a relatively great extent reduce the low income share.

Table 3.1.2 shows the percentage point reduction in the share with low income from before social transfers to after social transfers. Note that old age pensions are not considered social transfers in this context. From this, we can deduce two challenges for the welfare state. The first is the extent to which social transfers succeed in addressing inequalities and thus help reduce the risk of poverty and social exclusion. The second is to keep down the share with low income before social transfers in order to prevent too great a pressure on the transfers. The key here is labour-market participation, which we return to in chapter 4.

The extent of the reduction in the low income share achieved through social transfers must of course be interpreted in light of how large the low income share is before social transfers. This will then explain why the reduction in low income in Iceland is small compared to the other Nordic countries up to and including 2009. When the share with low income after social transfers did not increase in Iceland in 2010, and we interpreted this as the financial crisis not having an effect, this was because social transfers had a significant effect. In other words, the increase in the low income share before social transfers suggests that the financial crisis did have effects that represented a challenge for the welfare state.

Table 3.1.2 Reduction in the share below the low income threshold for poverty risk. Percentage points. Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	16.3	15.4	16.0	18.1	15.8
Finland	16.0	15.9	13.7	12.4	13.9
Iceland	8.9	8.1	8.9	9.5	13.0
Norway	20.3	15.8	14.2	13.5	15.4
Sweden	16.7	17.0	16.3	13.3	13.8
Germany	13.2	9.6	9.0	8.6	8.6
France	11.7	13.3	10.1	10.9	11.5
Great Britain	11.1	11.1	10.2	13.1	13.9
Ireland	14.3	15.9	18.5	22.5	24.3
Belgium	12.1	12.3	12.3	12.1	12.1
Luxembourg	9.5	9.9	10.2	12.1	14.6
The Netherlands	11.3	10.4	9.4	9.4	10.8
Austria	12.5	12.7	12.1	12.1	12.0
Switzerland	:	:	6.4	7.0	7.9
Bulgaria	6.3	3.5	5.7	4.6	6.4
The Czech Republic	11.7	10.5	11.0	9.3	9.1
Estonia	6.3	5.8	5.2	6.2	9.1
Latvia	4.7	6.0	4.6	4.6	7.8
Lithuania	6.6	6.4	7.2	8.8	11.6
Hungary	13.7	17.0	18.0	16.5	16.1
Poland	9.5	9.2	8.2	6.5	6.8
Romania	:	6.1	7.3	6.7	6.4
Slovenia	12.6	11.6	10.7	10.7	11.5
Slovakia	8.4	7.6	7.5	6.1	7.8
Greece	2.9	3.4	3.2	3.0	3.7
Spain	4.0	4.2	4.5	4.9	7.4
Italy	4.3	4.2	4.7	4.8	5.1
Portugal	6.6	6.1	6.4	6.4	8.5

Source: Eurostat, EU-SILC

Table 3.1.2 also shows that the reduction of the low income share as a result of social transfers is relatively high in the other Nordic countries compared to the rest of Europe. The share with a low income before social transfers is relatively high in the Nordic countries compared to many other European countries, but the Nordic

countries nevertheless do relatively well when we look at low income after social transfers. In this perspective we can claim that the Nordic welfare states to a relatively large extent redistribute income with an equalising effect. If we distribute by gender, it also emerges that transfers reduce the low income share among women more than among men in all Nordic countries in the entire period 2006-2010. The question that may be raised is whether the relatively high low income share before social transfers is a challenge for the Nordic welfare states.

For the five-year period covered here (2006-2010), it does not look like the challenge of a low income before transfers is increasing in the Nordic countries generally. In Finland, Norway and Sweden the share with low income before social transfers declined between 2006 and 2009. It declined most in Norway, from 30.2 to 25.2 per cent, while it increased slightly again in all three countries in 2010. In these three countries, the decline in the share with a low income as a result of social transfers has followed the same pattern as the share with low income before transfers, with the result that the low income share after social transfers has had a more even development. In Iceland, the situation was much more stable up to and including 2009, while the reduction in the share with a low income was significantly higher in 2010. As previously mentioned, the share of the population with a low income before transfers increased in 2010, but the share after transfers actually declined somewhat. This is in turn reflected in the reduction effected by the social transfers. Denmark has had the most stable situation among the Nordic countries, but with a small exception in 2009, when the share with a low income before social transfers increased compared to the previous years. Though the decline in the share with a low income also increased as a result of social transfers, it was not enough to prevent an increase in the share with a low income after social transfers as well. In 2010, the share with a low income before transfers declined slightly, so it is unclear whether this is a trace of the financial crisis in Denmark. If we only look at changes between 2009 and 2010, we can see traces of the financial crisis in four of the five Nordic countries, and most clearly in Iceland. If we use a longer perspective, it remains unclear how strong this effect can be said to be in Finland, Norway and Sweden.

Ireland is the one country in Europe that stands out by having a very clear increase in the share of the population with a low income before social transfers from 2008 to 2009 and 2010. Ireland was clearly badly hit by the financial crisis, and we see it reflected in a decline in employment and an increase in unemployment (see chapter 4). However, the share with a low income after social transfers declined through the entire period 2006-2009, but increased somewhat in 2010. The reduction as a result of the social transfers increased quite significantly from 14.3 percentage points in 2006 to 24.3 percentage points in 2010. Hungary, France, Slovenia and Great Britain are other countries that reduced their low income shares quite significantly as a result of social transfers. Countries in southern Europe reduced their low income shares very little as a result of social transfers, and the same applies to a number of countries in the former Eastern Europe. It may also be worth noting the development in Germany, where there was a significant reduction in 2006, which then declined

markedly in subsequent years. This is also reflected in an increase in the low income share after transfers from 2006 to 2007.

3.1.4 Income Distribution - S80/20

As mentioned in the 2009 report, the share below 60 per cent of the median equivalency income should not be seen as a definition of poverty, but rather as an expression of being at risk of poverty. This is because the measurement strictly speaking is a measurement of income distribution in a country. Another measurement that expresses this more directly, is the 80/20 ratio that shows the total income received by the 20 per cent with the highest income over the total income received by the 20 per cent with the lowest income. In this context, income is defined as the equivalised disposable income. A high ratio indicates large differences in income, while a low ratio indicates a more equal income distribution.

Table 3.1.3 shows the ratio for different countries in Europe. If we sort them according to the annual low-high ratio, overall Slovenia is the country with the most equal income distribution measured by S80/20 in the period 2006-2010. The Nordic countries are usually among the 10 countries with the lowest ratio in Europe in the period 2006-2010. This group also includes the Czech Republic, Hungary, the Netherlands, Austria and Slovakia. A low S80/20 ratio is also related to a low low income share because the median values are often lower, though the relationship between these two indicators is not automatic. For example, we can see that countries with high low income shares, such as Latvia, Romania and Bulgaria, also generally have a high S80/20 ratio.

In general, the S80/20 ratio has remained stable at between 3.3 and 3.9 in the Nordic countries during the period 2006-2010, with some exceptions. In Denmark, it looks like the income inequality has increased in 2009 and 2010, from an S80/20 of 3.4-3.7 to 4.6 and 4.4. The data for future years will show whether this is a permanent change. Another exception is 4.8 in Norway in 2006, but this can be explained by 2005 being a special income year where tax changes led to large withdrawals of capital incomes. In Iceland, the ratio increased to 4.2 in 2009, but it fell back to 3.6 in 2010, the lowest figure for the entire period.

Table 3.1.3 Income distribution - S80/20 Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	3.4	3.7	3.6	4.6	4.4
Finland	3.6	3.7	3.8	3.7	3.6
Iceland	3.7	3.9	3.8	4.2	3.6
Norway	4.8	3.5	3.7	3.5	3.4
Sweden	3.6	3.3	3.5	3.7	3.5
Germany	4.1	4.9	4.8	4.5	4.5
France	4.0	3.9	4.3	4.4	4.5
Great Britain	5.4	5.3	5.6	5.3	5.4
Ireland	4.9	4.8	4.4	4.2	5.3
Belgium	4.2	3.9	4.1	3.9	3.9
Luxembourg	4.2	4.0	4.1	4.3	4.1
The Netherlands	3.8	4.0	4.0	4.0	3.7
Austria	3.7	3.8	3.7	3.7	3.7
Switzerland	:	:	5.3	4.6	4.5
Bulgaria	5.1	7.0	6.5	5.9	5.9
The Czech Republic	3.5	3.5	3.4	3.5	3.5
Estonia	5.5	5.5	5.0	5.0	5.0
Latvia	7.9	6.3	7.3	7.3	6.9
Lithuania	6.3	5.9	5.9	6.3	7.3
Hungary	5.5	3.7	3.6	3.5	3.4
Poland	5.6	5.3	5.1	5.0	5.0
Romania	5.3	7.8	7.0	6.7	6.0
Slovenia	3.4	3.3	3.4	3.2	3.4
Slovakia	4.1	3.5	3.4	3.6	3.8
Greece	6.1	6.0	5.9	5.8	5.6
Spain	5.3	5.3	5.4	6.0	6.9
Italy	5.5	5.5	5.1	5.2	5.2
Portugal	6.7	6.5	6.1	6.0	5.6

Source: Eurostat, EU-SILC

The indicators for income distribution and poverty risk presented thus far are among the overarching ones developed by Eurostat. There are a number of more detailed indicators in this area that we are not discussing in more detail here. In this context, we can look at Eurostat's own publications:

<http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home>.

3.1.5 Low Income Among Employed Persons

As in the 2009 report, we will nevertheless include the indicator for employed persons with a low income. High employment is important at both a general and individual level, and it is a central element in maintaining welfare states. However, it can nevertheless be important to keep an eye on whether employment provides the protection against poverty risk that we expect it to. If employed persons have such low incomes that they need extra benefits from the welfare state, this can be a challenge in addition to the challenge arising from unemployment. There may be particularly good reason to pay attention to this indicator during financial crises. If there is

great pressure from those wishing to enter the labour market, it is possible to envision pressure on salaries, increases in part-time work and short-term contracts, and thus greater problems in achieving a living wage. On the other hand, it is possible that financial crises primarily affect the labour market for those with a low education and low income, so that a reduction in the low income share among the employed reflects that this group disappears from the labour market. An interpretation of this indicator is thus not straightforward, but we will mainly interpret low shares as a positive. Table 3.1.4 shows the share of the population that is in the work force (employed) but that is nevertheless below the low income threshold for being at risk of poverty.

The clearest regional trend here is that countries in the south of Europe generally have high shares of employed persons with a low income, and the same applies to some countries in the east of Europe. Among Central European countries, Luxembourg stands out with relatively high shares, while the overall lowest share can be found in the Czech Republic. The remaining countries generally have shares between four and eight per cent, and the Nordic countries do not stand out when viewed as a whole, but there are differences within the Nordic region that we will take a closer look at.

Table 3.1.4 Share of the employed population under the low income threshold for being at risk of poverty, persons aged 18 to 64 Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	4.5	4.2	5.1	5.9	6.6
Finland	4.5	5.0	5.1	3.7	3.7
Iceland	6.5	6.9	6.7	7.6	6.7
Norway	6.1	5.8	5.4	5.6	5.3
Sweden	7.4	6.5	6.8	6.9	6.5
Germany	5.5	7.5	7.1	6.8	7.2
France	6.1	6.5	6.8	6.7	6.6
Great Britain	7.8	8.0	8.5	6.7	6.8
Ireland	6.2	5.6	6.5	5.4	7.6
Belgium	4.2	4.4	4.8	4.6	4.5
Luxembourg	10.3	9.3	9.4	10.0	10.6
The Netherlands	4.4	4.6	4.8	5.0	5.1
Austria	6.4	6.1	6.4	5.9	4.9
Switzerland	:	:	9.9	8.4	7.7
Bulgaria	5.4	5.8	7.5	7.5	7.7
The Czech Republic	3.5	3.3	3.6	3.2	3.7
Estonia	7.5	7.8	7.3	8.1	6.5
Latvia	11.2	9.7	11.0	11.2	9.7
Lithuania	9.9	8.0	9.4	10.4	12.3
Hungary	6.8	5.8	5.8	6.2	5.3
Poland	12.8	11.7	11.5	11.1	11.5
Romania	:	18.5	17.7	17.9	17.3
Slovenia	4.8	4.7	5.1	4.8	5.3
Slovakia	6.3	4.9	5.8	5.2	5.7
Greece	13.9	14.3	14.3	13.8	13.8
Spain	9.9	10.7	10.7	11.4	12.7
Italy	9.6	9.8	8.9	10.3	9.4
Portugal	11.3	9.7	11.8	10.3	9.7

Source: Eurostat, EU-SILC

In Denmark, the share of employed persons with a low income has increased from 2006 and 2007 (4.5-4.2 per cent) to 6.6. per cent in 2010. In other words, there may be a growing challenge in Denmark, and this may be an indicator of a labour market under pressure. The development in Finland has gone in the opposite direction: a somewhat increasing level from 2006 to 2008 (4.5-5.1 per cent) that subsequently fell to 3.7 per cent in 2009 and 2010. This is the lowest share among the Nordic countries. Iceland is the Nordic country with the highest number of employed persons with a low income in 2009, at 7.8 per cent. This is an increase compared to the three previous years, but in 2010 the share fell again, to 6.7 per cent, leaving Iceland and Denmark at the same level. If the financial crisis had an effect on the low income share among the employed population in Iceland, it did not last long. In Norway, the share peaked in 2006 at 6.1 per cent, and it has since generally fallen (with a slight exception in 2009), so that it was 5.3 per cent in 2010. The share is nevertheless

higher than in Finland, but lower than in Denmark and Iceland. Sweden has a development for this indicator that is not dissimilar to the Norwegian development. The share was at its highest in 2006 (7.4 per cent), and though it has fluctuated in subsequent years, it has remained at a lower level and was 6.5 per cent in 2010.

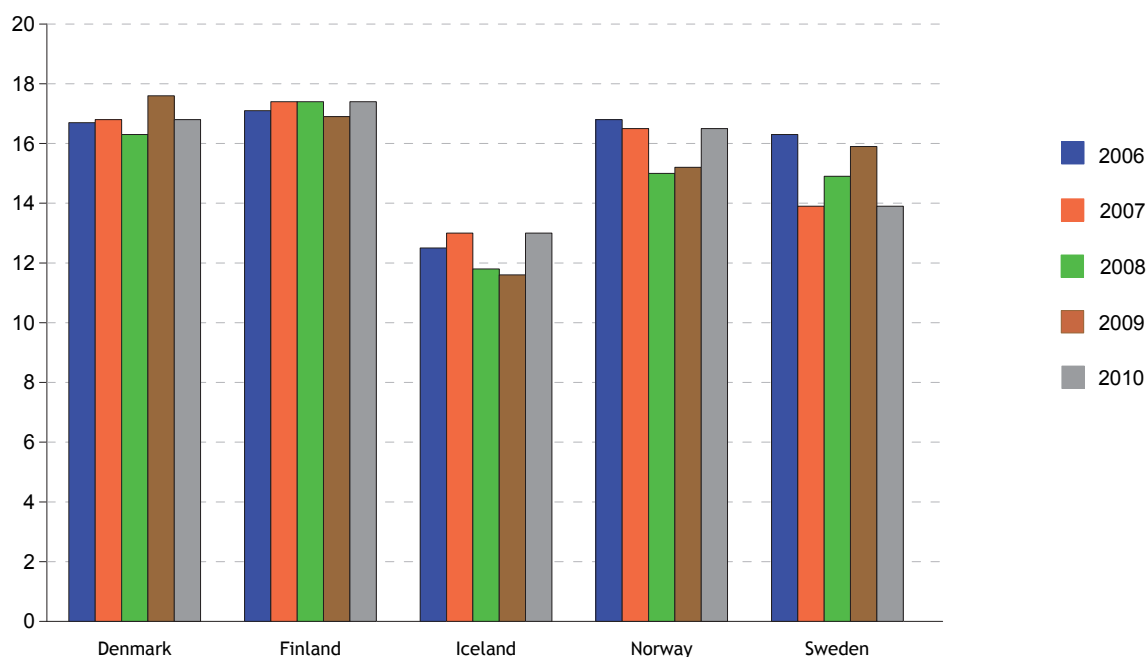
In other words, there are no trends indicating that the Nordic countries are especially at risk of having employed persons with a low income, but neither is it the case that the shares are particularly low in a European perspective. Denmark is the Nordic country that seen an increase in the share of employed persons with a low income, while Finland has had a decline. There have been smaller fluctuations in the three countries, but there are no trends suggesting that this is a growing problem.

3.2 Risk of Poverty or Social Exclusion

As previously mentioned, in connection with the EU's 2020 Strategy new indicators have been developed to monitor the development related to poverty and social exclusion. The most important indicator combines low income, employment and material deprivation (see footnote 1), known as at-risk-of poverty or social exclusion. In figure 3.2.1, we see the results for the Nordic countries in the period from 2006 to 2010.

The first thing we can note is that low income or risk of social exclusion shows a relatively significant level of stability in all Nordic countries. If we look at 2010, we find the highest level in Denmark (18.3 per cent) and the lowest in Iceland (13.7 per cent). As the low income or risk of social exclusion overlaps with the indicator that only measures low income (see figure 3.1.1), the development in these two indicators will correlate. In Denmark, these two indicators show a high level of coincidence, and are stable in the period 2006-2008. In total, 16.7-16.3 per cent have a low income or a risk of social exclusion, but it increases slightly in 2009 and 2010 (17.6 and 18.3 per cent). In Finland, the indicator for low income or risk of social exclusion shows an even greater degree of stability than the pure low income indicator, and only varies between 17.4 and 16.9 per cent. Thus we cannot see any traces of the financial crisis here. However, for Iceland we can see a difference between the two overlapping indicators. The indicator for low income or risk of social exclusion increased between 2009 (11.6 per cent) and 2010 (13.7 per cent) while the low income share went down. This is mainly because several households report low work intensity, and it is thus an effect of changes in the labour market. In Norway, there was a positive development in the indicator for low income or risk of social exclusion, mainly caused by a reduction between 2007 and 2008. Since then, the share has remained stable, and was at 14.9 per cent in 2010. In Sweden, it varies slightly more from year to year, but mainly follows the development in the low income share. In 2010, the share with a low income or risk of social exclusion was 15.0 per cent. In other words, overall there is a great degree of similarity between the Nordic countries with regard to this "new" indicator developed as part of "Europe 2020". In Denmark and Iceland, we can see some tendencies towards a deterioration after 2008.

**Figure 3.2.1 Share of the population with a low income or risk of social exclusion
The Nordic countries 2006-2010**



Source: Eurostat, EU-SILC

Table 3.2.1 shows the indicator for low income or risk of social exclusion in Europe, and it shows about the same relationship between countries as the table with low income only (see table 3.1.1), but of course at a slightly higher level. As a region, the Nordic countries do well, with generally low shares seen in a European context. As the indicator incorporates work intensity and material deprivations, it nevertheless shows a somewhat different development from year to year in individual countries when compared to low income. Without discussing this in detail we can note that the share with a low income or risk of social exclusion fell for a number of countries in Eastern Europe from 2006 to 2008, which suggests that there were welfare improvements in these countries. In the period 2008-2010 this tapers off, and in some countries we see the share increasing again. This is especially the case in countries that were affected by the financial crisis, such as Ireland, Spain, Latvia and Lithuania.

Table 3.2.1 Share of the population with a low income or risk of social exclusion. Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	16.7	16.8	16.3	17.6	18.3
Finland	17.1	17.4	17.4	16.9	16.9
Iceland	12.5	13.0	11.8	11.6	13.7
Norway	16.8	16.5	15.0	15.2	14.9
Sweden	16.3	13.9	14.9	15.9	15.0
Germany	20.3	20.7	20.1	20.0	19.7
France	18.8	19.0	18.6	18.4	19.3
Great Britain	23.7	22.6	23.2	22.0	23.1
Ireland	23.3	23.1	23.7	25.7	29.9
Belgium	21.5	21.6	20.8	20.2	20.8
Luxembourg	16.5	15.9	15.5	17.8	17.1
The Netherlands	16.0	15.7	14.9	15.1	15.1
Austria	17.8	16.7	18.6	17.0	16.6
Switzerland	:	:	18.6	17.2	17.1
Bulgaria	62.2	60.7	44.8	46.2	41.6
The Czech Republic	18.0	15.8	15.3	14.0	14.4
Estonia	22.2	22.0	21.8	23.4	21.7
Latvia	41.4	35.8	33.8	37.4	38.1
Lithuania	35.9	28.7	27.6	29.5	33.4
Hungary	31.4	29.4	28.2	29.6	29.9
Poland	39.5	34.4	30.5	27.8	27.8
Romania	:	45.9	44.2	43.1	41.4
Slovenia	17.1	17.1	18.5	17.1	18.3
Slovakia	27.1	21.5	20.6	19.6	20.6
Greece	29.5	27.7	28.1	27.6	27.7
Spain	23.9	23.1	22.9	23.4	25.5
Italy	25.9	26.1	25.3	24.7	24.5
Portugal	25.1	25.0	26.0	24.9	25.3

Source: Eurostat, EU-SILC

3.3 Economic problems and material deprivations

EU-SILC aims to measure whether economic limitations contribute to social exclusion. This can be measured in multiple ways, and in EU-SILC it is measured using subjective evaluations of one's own economic situation, among other things. This expresses the flexibility of the private economic situation and the opportunity to have the expected living standard and to actively participate in different areas of society. We illustrated this in the 2009 report, and here we keep the one about whether respondents have problems "making ends meet". Table 3.3.1 shows the share of households that find it very difficult to make ends meet, both as a share of all households and as a share of households below the low income threshold (60 per cent of median income).

Table 3.3.1 Share of households that find it very difficult to "make ends meet". Europe 2006-2010

	2006		2007		2008		2009		2010	
	Total	Low income	Total	Low income	Total	Low income	Total	Low income	Total	Low income
Denmark	2.8	8.0	2.9	9.8	3.0	8.4	3.5	10.4	3.7	9.3
Finland	2.6	8.1	2.6	7.9	2.9	10.9	2.3	7.8	2.4	8.4
Iceland	5.0	12.6	5.2	11.4	5.0	13.0	7.8	14.8	12.8	26.5
Norway	2.4	5.2	2.0	5.0	2.4	7.3	3.0	9.7	2.3	11.5
Sweden	3.8	11.4	3.6	9.5	3.7	9.9	3.3	10.3	2.9	9.3
Germany	2.7	7.9	2.0	6.4	2.1	8.2	3.3	13.1	2.8	10.3
France	2.9	7.5	3.3	9.2	2.9	9.3	4.2	12.0	4.4	11.9
Great Britain	4.9	12.3	4.7	10.8	6.5	13.9	6.8	19.0	6.5	16.5
Ireland	9.6	25.7	8.4	20.3	9.3	17.8	11.2	25.3	15.2	27.1
Belgium	5.7	21.5	5.6	21.7	7.5	24.1	8.3	25.1	7.7	22.2
Luxembourg	1.6	8.8	1.8	10.6	1.9	9.9	2.0	8.6	1.9	8.0
The Netherlands	4.2	16.2	2.7	11.2	2.8	11.1	2.9	11.4	3.8	13.1
Austria	2.4	7.7	3.3	10.7	5.0	14.3	5.5	18.5	6.0	23.2
Switzerland	:	:	:	:	2.3	6.4	3.6	9.7	3.9	11.3
Bulgaria	35.7	67.2	33.3	66.6	31.1	65.7	27.8	59.2	29.0	59.3
The Czech Republic	9.0	32.9	7.4	29.0	7.8	31.8	7.9	36.6	8.4	37.0
Estonia	4.7	15.5	3.4	12.0	3.1	9.1	7.9	18.3	8.5	27.2
Latvia	18.1	37.6	13.6	33.5	13.2	29.8	17.5	31.6	23.5	46.6
Lithuania	7.9	22.6	4.6	16.7	5.9	14.4	10.8	21.7	12.0	24.5
Hungary	16.2	41.2	13.8	34.2	16.7	44.1	23.8	53.5	25.3	56.3
Poland	20.6	44.7	17.0	39.9	14.4	34.1	14.4	36.3	14.1	36.7
Romania	:	:	23.0	43.6	18.7	33.5	19.4	34.4	20.9	36.9
Slovenia	6.6	18.8	5.1	16.2	8.2	23.8	7.1	21.3	8.9	26.6
Slovakia	12.4	32.3	10.7	37.1	11.6	38.4	11.1	36.5	11.5	36.5
Greece	18.4	34.5	18.8	36.0	20.0	37.7	22.3	38.8	24.2	47.4
Spain	11.1	24.0	10.2	20.7	12.5	23.3	14.4	27.9	14.3	30.1
Italy	15.2	32.2	16.1	32.5	18.1	36.8	16.6	33.8	16.8	36.4
Portugal	14.9	33.1	15.6	36.6	24.2	44.5	23.5	44.5	20.3	44.4

Source: Eurostat, EU-SILC

Generally, between two and four per cent of Nordic households report that it is very difficult to "make ends meet", and the share remains relatively stable from year to year within each country. However, in Iceland the shares are slightly higher, and here we can also see an increase from about five per cent in 2006-2008 to 7.8 per cent in 2009 and as much as 12.8 per cent in 2010. It is difficult to interpret this in any other way than to suggest that Icelandic households generally had a more negative view of their own economic situation as a result of an economic decline. We do not see a corresponding development in other Nordic countries. While the share in-

creases slightly in Denmark, it is only from 2.8 per cent in 2006 to 3.7 per cent in 2010. Sweden has the opposite trend, declining from 3.8 per cent to 2.9 per cent in the same period. There is no trend in Finland, and the shares vary between 2.3-2.9 per cent, and in the same way it varies in Norway between two and three per cent.

For this indicator, the Nordic countries combined are at quite a low level when seen in the European context, but there are also several countries that generally have shares below seven per cent, mostly large and small countries centrally located in Europe (Great Britain, the Netherlands, Austria, Switzerland, Luxembourg, France and Germany). If we look for changes after 2008, like what we saw for Iceland, we can observe these in several countries. Among countries with relatively high and increasing shares of households in difficulties, we can highlight Estonia, Ireland, Greece, Spain, Lithuania and Latvia. Countries with lower shares, such as France and Austria, also show a tendency towards increasing shares during the years of the financial crisis. (For Latvia and Lithuania, the situation is somewhat special, as the level in 2006 was quite high but lowered significantly in 2007 and 2008). When we see this type of effect in so many countries, it is not unreasonable to assume that the financial crisis has affected how households assess their economic situation in a number of countries.

Of course, households with a low income find it more difficult to make ends meet (table 3.3.1). When we include figures that show how high the shares are in this group, it is in order to take a closer look at how difficult it is to have a low income in different countries. As previously mentioned, low income is not the same as poverty, but a measure of economic difficulties for the low income group can help illustrate the extent to which they see themselves as poor. If the low income group has significant economic difficulties, this will represent a challenge for the welfare states. We will not be discussing this in detail for Europe, as the column for low income households in table 3.1.1 shows about the same relationship between countries as the column for the sum for all households. Within the Nordic countries, the relationship between the countries is also relatively similar to what it is for households overall, but there are nevertheless some interesting differences. In Norway, it looks like the situation for low income households has deteriorated during the period, in contrast to households generally. In Iceland, low income households follow the general development, and their situation has thus become more difficult in 2009 and 2010. In Sweden and Finland, low income households also follow the general development, and thus have not seen significant changes. In Denmark, we saw a steady tendency towards an increasing share of households in difficulties, but the situation for low income households varies more from year to year.

A deprivation of common goods and problems in household economies are poverty-related problems and may be a sign of social exclusion. Indicators are created for this based on EU-SILC, and here we have selected an indicator that shows depriva-

tions of relatively ordinary material goods and/or payment problems. Table 3.3.2 shows the share of households that have at least three problems.⁷

The most obvious trend based on this indicator is that the Nordic region does well, with shares well below 10 per cent. The Netherlands, Luxembourg and Switzerland are in the same category. This is also an indicator that differs significantly between different countries, and some countries in Eastern Europe have shares that in part are well above 30 per cent. Bulgaria is clearly the most vulnerable, but here the share fell significantly between 2007 and 2008, and in 2010 it was 55.6 per cent. Romania has the second-highest share, but like in Bulgaria the share fell between 2007 and 2008. In 2010, the share was 49.2 per cent. In southern Europe, Greece and Portugal do quite poorly, with shares that are generally above 20 per cent.

Within the Nordic region, we found the highest shares with deprivations in Finland. In 2006, it was 9.9 per cent. However, in subsequent years it has generally declined (except in 2009-2010), and it was 8.4 per cent in 2010. If we only compare 2006 and 2010, then the share has also fallen in Denmark, Norway and Sweden, but there have been minor fluctuations from year to year, so this is not a clear trend. The greatest changes can be seen in Iceland. There, the share fell from 2007 to 2008, but has since increased, especially from 2009 to 2010. Iceland is thus the only Nordic country in which we can see a development that may be an effect of the financial crisis.

⁷ The indicator counts deprivations on economic grounds in the following manner: 1) Payment problems for mortgages, rent, electricity/gas or other loans. 2) Ability to pay for a one-week holiday. 3) Ability to pay for a meal with meat or fish every other day. 4) Ability to cover an unexpected expense (figure corresponding to the monthly national low-income threshold). 5) Ability to pay for a telephone. 6) Ability to pay for a colour television. 7) Ability to pay for a washing machine. 8) Ability to keep a private car. 9) Ability to keep the home reasonably warm

Table 3.3.2 Share of households that lack at least three central material goods. Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	7.8	7.0	5.4	6.0	6.0
Finland	9.9	9.4	9.1	8.2	8.4
Iceland	7.0	7.4	2.5	3.4	6.5
Norway	6.2	5.1	4.6	5.2	5.3
Sweden	6.2	5.8	4.6	4.8	3.9
Germany	13.5	12.1	13.0	12.5	11.1
France	12.7	12.2	13.1	13.5	12.6
Great Britain	11.0	10.4	11.3	10.3	13.4
Ireland	11.4	10.3	13.6	17.1	19.6
Belgium	12.9	12.0	11.6	11.4	12.3
Luxembourg	2.7	3.0	3.5	4.0	4.1
The Netherlands	6.5	5.6	5.2	5.2	7.2
Austria	10.0	10.1	13.7	10.9	10.7
Switzerland	:	:	6.1	6.7	5.4
Bulgaria	71.4	72.4	55.0	55.5	55.6
The Czech Republic	19.7	16.4	16.2	15.6	15.1
Estonia	17.7	15.4	12.4	17.1	22.3
Latvia	50.4	44.6	35.2	39.7	46.1
Lithuania	41.4	29.6	22.2	27.0	36.0
Hungary	37.4	38.6	37.1	40.3	39.9
Poland	44.0	38.2	32.3	29.5	28.4
Romania	:	53.3	50.3	49.3	49.2
Slovenia	14.4	14.3	16.9	16.2	15.8
Slovakia	35.7	30.2	27.8	24.5	24.9
Greece	23.5	22.0	21.8	23.0	24.1
Spain	11.0	9.5	8.7	11.3	13.2
Italy	13.9	14.9	16.1	15.6	15.9
Portugal	19.9	22.4	23.0	21.5	22.5

Source: Eurostat, EU-SILC

If we look at developments after 2008, we can also see rising shares in countries such as Estonia, Ireland, Spain, Latvia and Lithuania. These are countries we know were badly hit, and this indicator shows that it also affected household welfare.

3.4 Relatively Few People in the Nordic Region with Low Income and Financial Problems

The background for EU-SILC can be found in the Treaty of Lisbon and the struggle to combat poverty and social exclusion, and the need for comparable statistics about income distribution and social exclusion. The international financial crisis from the autumn of 2008 and EU's "Europe 2020" strategy meant that this kind of indicator became even more relevant. An increased risk of poverty and social exclusion is a cen-

tral point on the agenda, and indicators in this area have become important measurements of successful developments in the European welfare states:

Low income as an indicator of poverty risk has been, and is, a central indicator based on EU-SILC. By tracking this indicator from 2006 to 2010, we can conclude that the financial crisis has not led to higher low income shares in Europe generally, but we do find examples of this having happened in some countries. The Nordic region overall has not seen an increase in the low income share as a result of the financial crisis, though it has increased slightly in Denmark. In general, the Nordic countries appear as a region with relatively low shares with low income in the European context through the entire period from 2006 to 2010. In general, women in Europe are more at risk of low income than men, and the gender gap generally ranges from zero to three percentage points in 2010, and this also applies to the Nordic region. However, one result of the financial crisis may be that the gap between women and men's share of low income has narrowed.

One of the central reasons the Nordic countries do well on the overarching indicator showing poverty risk after social transfers, is that the social transfers reduce the low income share. The reduction in the low income share due to social transfers is relatively high in the Nordic countries when we compare to the rest of Europe. Thus the share with a low income before social transfers is relatively high in the Nordic countries compared to many other European countries. For example, this means that when the low income share after social transfers did not increase in Iceland in 2010, this was because social transfers had a marked effect. The increase in low income shares before social transfers suggests that the financial crisis had effects that represented a challenge for the welfare state. It is therefore important to look at these two indicators - low income before and after social transfers - in conjunction. It is also the case that social transfers reduce the low income share among women more than among men in all Nordic countries in the entire period 2006-2010.

The S80/20 ratio is another measurement of income distribution, in which a low ratio indicates a more equal income distribution. The Nordic countries are generally among the 10 countries with the lowest S80/20 ratio in Europe in the period 2006-2010. In general, the S80/20 ratio has remained stable at between 3.3 and 3.9 in the Nordic countries in the period 2006-2010, but in Denmark it increased to 4.6 and 4.4 in 2009 and 2010.

In this report, we place great emphasis on work and high employment being an important basis for the financing and operation of welfare states. It can then be problematic if work does not lead to an adequate income. The share of employed persons who are below the low income threshold is highest in the south and east of Europe, while many countries generally had shares between four and eight per cent, and the Nordic countries do not stand out when viewed as a region. Denmark is the Nordic country that had an increase in the share of employed persons with a low income, while Finland saw a decline. In the three other countries, there were minor fluctuations, but no trends suggesting that this is a growing problem.

In connection with the EU's "Europe 2020" strategy, a new indicator has been developed titled "at risk of poverty or social exclusion" (AROPE). This indicator com-

bines low income, low work intensity and material deprivations. This indicator was relatively stable in all Nordic countries, and with shares from 13.7 to 18.3 per cent in 2010, the Nordic countries did relatively well in a European context. We can see traces of the financial crisis through this indicator as well; in Denmark and Iceland the shares increased slightly after 2008.

In Iceland, there was also an increase in the share of households that reported that it was very difficult to make ends meet. This share grew from about five per cent in 2006-2007, to 7.8 per cent in 2009 and all the way to 12.8 per cent in 2010. In the rest of the Nordic countries, between two and four per cent of households reported that it was very difficult to make ends meet, and the shares were quite stable from year to year. For the indicator summarising material deprivations, the Nordic region does well, with shares that are in part well below 10 per cent.

The sum of indicators for income inequalities and social exclusion thus shows that the Nordic countries as a region do well in a European context, but that the financial crisis has also been noticeable, especially in Iceland but also in Denmark. The low income shares nevertheless remain relatively low. Relatively few people are exposed to low incomes or a risk of social exclusion, and the share that experience severe material deprivations is low. However, at the same time there is reason to note that the low income share before social transfers is not low in a European context, and that especially people in Iceland have a tighter personal financial situation if we look at the shares that struggle to make ends meet.

Chapter 4

Labour Market and Labour Market Activity

One of the central characteristics of the Nordic welfare states is a high degree of employment in the adult population, and it can be argued that the emphasis on this is one of the main characteristics of the Nordic model. In particular, facilitating high employment levels among both genders has had high priority, and in recent decades the inclusion of persons with impaired health and functional abilities in the labour market has also been a priority.

Being employed is the most important contributor to economic independence and the personal welfare of the individual. Though the Nordic welfare state has relatively generous and universal systems that safeguard the income of individuals who cannot support themselves by working, the income from such systems cannot fully replace income from employment such as a salary or business income. Seen from this perspective, employment is therefore primarily an individual benefit.

However, a high employment level in the population is also beneficial for the collective. It contributes to increased production in society, and thus also to financing common benefits through taxes and increased economic activities that secure state incomes. That many people support themselves through work also leads to less pressure on public welfare systems that are to compensate for a lack of income.

A lower employment rate, either because different groups are excluded from the labour market in various ways or through a high rate of part-time work, can therefore be interpreted as central challenges for the welfare state. This is especially the case in a situation where demographic changes mean that an increasing share of the population is of an age where they are not part of the workforce (see chapter 2) and receive their income in the form of a pension. Lower employment rates can not only lead to diminished income opportunities for the state, it will also increase expenses in that more people receive their income through state transfers. In this picture, it is also worth mentioning that an ageing population can also lead to an increased need for health and care services. To the extent that these are publicly funded services, this will also lead to increased pressures on the financing of the welfare state, which in turn imposes high demands on the employment rate in the share of the population of working age.

It is in light of this type of question that we analyse labour force participation and degrees of employment, and we do so in several different ways. First, we use available employment statistics to look at the overall levels of employment and unemployment. This provides a good picture of the overall situation in the labour market,

but does not provide any insights into underlying challenges. We will therefore also look at marginalisation and exclusion from the labour market as separate challenges. Here we also touch on disability as a cause of a lack of labour force participation. We will look at indicators of part-time work to illustrate the challenge of the under-utilisation of labour power, which is also called underemployment. Finally, we will look at employment among seniors, because high employment among seniors is especially important given the demographic development.

In most of these areas there are already a lot of international statistics available, the perhaps most important source of which is the Labour Force Survey (LFS). The EU (Eurostat) and the OECD also publish a lot of statistics. We base our descriptions of the situation in the Nordic countries and in Europe on these statistics. In the 2009 report, we used EU-SILC data to develop new or more in-depth indicators, and we will use some of these again here, though now with a time dimension through which we can follow the development from 2006 to 2010.

4.1 Employment

Employment is highly dependent on economic cycles, so the level will vary over time along with these cycles.⁸ The period we look at here - 2006 to 2010 - was strongly affected by the international financial crisis starting in the autumn of 2008, and this has clear consequences for employment in Europe, though it fluctuates slightly from country to country. Some variation between countries based on different economic cycles must be expected, but in this context we are mostly looking for the significant structural differences. In other words, minor differences are not so relevant. We are primarily looking for differences between regions and different welfare regimes. We will also be looking at gender and age differences as a trend in structural differences between the employment patterns of different countries.

4.1.1 Employment Level in the Nordic Countries and Europe

If we use 2010 as a starting point, the employment rate of persons aged 15 to 64 varies between 78.2 and 69.1 per cent in the Nordic countries (table 4.1.1). Finland had the lowest employment rate, partly due to Finland probably being the country that had the strongest and most durable effects of the problems in the labour market in the 1990s, with the changes in industry and business that this entailed. Iceland had the highest employment rate in 2010, while Denmark, Norway and Sweden had rates that varied from 72.7 to 75.3 per cent.

⁸ The connections between these terms: Unemployed + Employed = The Labour Force. The Labour Force + Those Not in the Labour Force = The Population. In this chapter, the share of employed persons is given as a share of the population

Table 4.1.1 Share of employed persons aged 15 to 64, Europe, 2006-2010

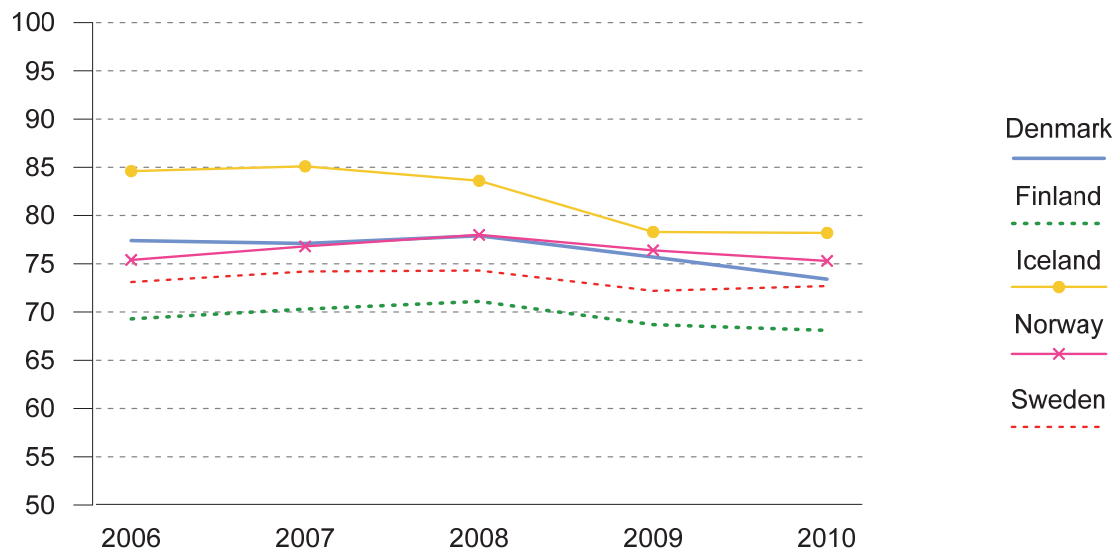
	2006	2007	2008	2009	2010
Denmark	77.4	77.1	77.9	75.7	73.4
Finland	69.3	70.3	71.1	68.7	68.1
Iceland	84.6	85.1	83.6	78.3	78.2
Norway	75.4	76.8	78.0	76.4	75.3
Sweden	73.1	74.2	74.3	72.2	72.7
Germany	67.5	69.4	70.7	70.9	71.1
France	63.7	64.3	64.9	64.1	64.0
Great Britain	71.6	71.5	71.5	69.9	69.5
Ireland	68.7	69.2	67.6	61.8	60.0
Belgium	61.0	62.0	62.4	61.6	62.0
Luxembourg	63.6	64.2	63.4	65.2	65.2
The Netherlands	74.3	76.0	77.2	77.0	74.7
Austria	70.2	71.4	72.1	71.6	71.7
Switzerland	77.9	78.6	79.5	79.0	78.6
Bulgaria	58.6	61.7	64.0	62.6	59.7
The Czech Republic	65.3	66.1	66.6	65.4	65.0
Estonia	68.1	69.4	69.8	63.5	61.0
Latvia	66.3	68.3	68.6	60.9	59.3
Lithuania	63.6	64.9	64.3	60.1	57.8
Hungary	57.3	57.3	56.7	55.4	55.4
Poland	54.5	57.0	59.2	59.3	59.3
Romania	58.8	58.8	59.0	58.6	58.8
Slovenia	66.6	67.8	68.6	67.5	66.2
Slovakia	59.4	60.7	62.3	60.2	58.8
Greece	61.0	61.4	61.9	61.2	59.6
Spain	64.8	65.6	64.3	59.8	58.6
Italy	58.4	58.7	58.7	57.5	56.9
Portugal	67.9	67.8	68.2	66.3	65.6

Source: Eurostat (Labour Force Survey)

If we rank the Nordic countries according to their employment levels, this has remained relatively unchanged during the entire period 2006-2010 (see figure 4.1.1). Iceland has had the highest level of employment every year, and Finland the lowest. The only change in the relationship amongst the Nordic countries is that Norway passed Denmark in total employment in 2008. The development that can be traced to the financial crisis is more interesting. From 2006 to 2008, the situation in the Nordic countries was generally characterised by limited growth in the level of employment. Norway had the highest growth, while Denmark had a slight decline between 2006 and 2007, before increasing again in 2008. The first effects of the financial crisis can be seen in Iceland, which was hard hit by the collapse in the financial sector. Employment in Iceland fell as soon as in 2008 (compared to 2007), but the most significant decline came between 2008 and 2009, when the employment rate for persons

aged 15 to 64 in Iceland fell by 5.4 per cent. However, the decline tapered off quickly, so from 2009 to 2010 the decline was only 0.1 per cent. In other words, despite the financial crisis, Iceland retained its position as the Nordic country with the highest level of employment. The other Nordic countries also saw a decline in their rates of employment between 2008 and 2009. In Sweden, Denmark and Finland the employment rate fell by between 2.1 and 2.4 per cent. In Norway the decline was slightly smaller, at 1.6 per cent. The decline to 2010 continued to be most significant in Denmark (2.3 per cent), and slightly smaller in Norway (1.1 per cent) and Finland (0.6 per cent). In Sweden, the trend turned already between 2009 and 2010, and employment grew by 0.5 per cent. In sum, no Nordic country avoided the effects of the financial crisis altogether. Iceland was the hardest hit: its 2010 employment rate was 6.9 per cent lower than its peak in 2007. However, the tendency seems to have been that the fall in the employment rate tapered off quite quickly.

Figure 4.1.1 Employed persons aged 15 to 64, Nordic region 2006-2010. Per cent



Source: Eurostat (Labour Force Survey)

Table 4.1.1 also shows the employment share in most European countries. In the 2009 report, we only looked at figures from 2006, and concluded that the Nordic countries as a region did best in Europe, though some other countries also had employment levels at a "Nordic level." If we compare the employment levels of different countries in 2010, we can conclude that the Nordic countries still defend their position as the region with the highest employment rate. However, Switzerland is the European country with the highest employment rate in 2010 (78.6 per cent). Some other relatively small Central European countries such as the Netherlands and Austria have employment rates above 70 per cent. Two of the traditional major powers in Europe, Germany and Great Britain, had rates around 70 per cent, while for instance France had a rate of 64 per cent in 2010. These three countries also have quite different welfare models. In former eastern block countries, the employment rates were generally significantly lower than in the Nordic countries, only Slovenia at 66.2

per cent had a rate that is slightly lower than the Finnish rate. If we look at the countries in the south overall, we can see the same trend. Italy, Spain and Greece had employment rates below 60 per cent, while Portugal had a slightly higher rate (65.6 per cent). Based on the employment levels in different European countries, the 2009 report concludes that: The Nordic countries as a region stand out as having a high employment rate.

If we look at the development in the period 2006-2010, we find the same trend in Europe as in the Nordic region. From 2006 to 2007, there was generally an increase in the rate of employment in all countries, though to varying degrees. From 2007 to 2008, growth declined in all countries due to the financial crisis, and in some countries, as in Iceland, the employment rate declined. Look for instance at Ireland, which like Iceland was hard hit by the financial crisis at an early stage. The employment rate there fell by 1.6 per cent from 2007 to 2008. From 2008 to 2009, the development is even clearer: then, the employment rates in nearly all of the countries fall. We can see the greatest impact in Latvia, where the 2009 employment rate was 7.7 per cent lower than the previous year. The decline was also significant in Estonia and Lithuania, at 6.3 and 4.2 per cent, respectively. This thus gives a clear indication of the significant crisis in the Baltic countries. The decline in Ireland also continued, with a decline of 5.8 percentage points from 2008 to 2009, and Spain was also affected by the crisis, and saw a decline of 4.5 percentage points. With the exception of these examples, the decline has been more varied in Europe from 2008 to 2009, but there are two exceptions worth noting, and those are Germany and Poland. In these countries, the employment rates increased in 2009 despite the financial crisis. In Poland, the increase stemmed from a starting point at quite a low level (59.2 per cent in 2008), but in Germany the increase came despite the country already having been at quite a high level (70.7 per cent in 2008). For Germany, growth continued from 2009 and 2010, while there was no change in Poland. The development from 2009 to 2010 was more positive for many other countries as well, and in several countries the development turned again so that there was increased employment. However, in the countries that were hit the hardest between 2008 and 2009, the decline continued in 2010.

In other words, there is quite a large variation in how much the financial crisis affected employment in Europe. Some countries, like Iceland, were strongly affected but compared to Iceland, the decline also lasted longer. However, some countries managed to resist, in that employment did not fall as much, and two countries did not see any decline in their employment rate, which no Nordic country achieved.

4.1.2 Employment among men and women

In the 2009 report, one of the conclusions based on employment data from 2006 was that the most important difference between the Nordic countries and other European countries was the high rate of employment among women. In the Nordic countries, statistics for 2010 show that employment among women was between 2.5 and 4.8 percentage points lower than among men (see table 4.1.2). The smallest gap can be found in Finland, while the largest gaps are in Denmark and Sweden. In Sweden, this

gap remained quite stable during the entire period 2006-2010, while it narrowed in the other Nordic countries. In Iceland, the gap between women and men's rate of employment was as high as 8.3 percentage points in 2007, while it was 3.5 percentage points in 2009 and 3.9 percentage points in 2010. The narrowing of the gender gap thus follows the reduction in the employment rate caused by the financial crisis. It is therefore reasonable to assume that this reduction is not a result of an intentional policy, but is rather caused by the financial crisis affecting industries with a preponderance of male employees, so that the total employment rate fell more among men than among women.⁹ These are the same trends we find in the other Nordic countries as well, and based on the statistics it primarily appears that it was the early effects of the financial crisis - those that emerged in 2008 and 2009 - that caused this development. In 2010, when the effects on the employment rate were tailing off, we actually see the gender gap growing again, except in Denmark.

⁹ For detailed figures about employment by gender, see Appendix Table 4.1

Table 4.1.2 Percentage difference in the rate of employment between men and women, persons aged 15 to 64, Europe, 2006-2010¹⁰

	2006	2007	2008	2009	2010
Denmark	7.8	7.8	8.0	5.2	4.7
Finland	4.1	3.6	4.1	1.6	2.5
Iceland	7.3	8.3	7.7	3.5	3.9
Norway	6.2	5.5	5.1	3.9	4.0
Sweden	4.8	4.7	4.9	4.0	4.8
Germany	10.6	10.7	10.5	9.4	9.9
France	10.3	9.5	9.2	8.4	8.4
Great Britain	11.7	12.0	11.5	9.8	9.9
Ireland	18.6	16.9	14.7	8.9	7.9
Belgium	13.9	13.4	12.4	11.2	10.9
Luxembourg	18.0	16.2	16.4	16.2	15.9
The Netherlands	13.2	12.6	12.1	10.9	10.7
Austria	13.4	14.0	12.7	10.5	10.7
Switzerland	13.6	14.0	11.9	10.8	12.1
Bulgaria	8.2	8.4	9.0	8.6	6.6
The Czech Republic	16.9	17.5	17.8	17.1	17.2
Estonia	5.7	7.3	7.3	1.1	0.9
Latvia	8.0	8.1	6.7	0.1	-0.2
Lithuania	5.3	5.7	5.3	-1.2	-1.9
Hungary	12.7	13.1	12.4	11.2	9.8
Poland	12.7	13.0	13.9	13.3	12.6
Romania	11.6	12.0	13.2	13.2	13.7
Slovenia	9.3	10.1	8.5	7.2	7.0
Slovakia	15.1	15.4	15.4	14.8	12.9
Greece	27.2	27.0	26.3	24.6	22.8
Spain	22.9	21.5	18.6	13.8	12.4
Italy	24.2	24.1	23.1	22.2	21.6
Portugal	11.9	11.9	11.5	9.5	9.0

Source: Eurostat (Labour Force Survey)

The picture of the Nordic countries as a region with high employment among both genders remains in place when we look at the period 2006-2010 (Table 4.1.2). The three Baltic countries also stand out as a region with a relatively small gap between the genders, but as previously mentioned the employment rate here was somewhat lower. In general, the gender gap was larger than five percentage points in all European countries. However, we note that the gender gap generally narrowed in the period 2006-2010, but that this, as in the Nordic region, is unlikely to be a part of an intentional development. It is more closely connected to the financial crisis affecting

¹⁰ The share of employed men less the share of employed women; also see Appendix Ta4.1

men's employment more than women's employment. We can look at Spain and Ireland to illustrate this. The two countries were strongly affected by the crisis, and the gender gap in the employment rate declined significantly between 2008 and 2009. This is also true for the Baltic region. In large countries like Germany, France and Great Britain, the situation was more stable. There, the gender gap was just under ten percentage points, and only declined slightly in the period we cover.

The conclusion that the Nordic countries are characterised by a labour market with a high level of employment for both genders remains in place when we look at data for the period 2006-2010. This is important information to keep in mind when evaluating future challenges for the welfare state and during the rest of this chapter when we interpret other indicators of labour force participation, such as part-time work and labour-market participation among seniors.

4.1.3 Youth Employment

In connection with the economic crisis in Europe, much attention has been paid to the position of young people in the labour market, and there is great fear of having a generation with weak attachments to the labour market. Measuring the labour-market attachments of young people can be challenging, as they also have a high rate of participation in education. In table 4.1.3, we show the share of employed persons aged 15 to 24 from 2006 to 2010, which makes it possible to see the trend during the first years of the crisis. For the Nordic countries, the development in the employment rate of youth aged 15 to 24 generally followed the trend for the overall employment rate, but there was nevertheless a general trend that youth employment decreased slightly more than among everyone, especially from 2008 to 2009. We can see some of the same trend in the rest of Europe, and youth employment declined more than the overall employment rate in Ireland and Spain especially.

Table 4.1.3 Share of employed youth aged 15 to 24, Europe, 2006-2010

	2006	2007	2008	2009	2010
Denmark	64.6	65.3	66.4	62.5	58.1
Finland	42.1	44.6	44.7	39.6	38.8
Iceland	72.1	74.3	71.7	61.5	61.7
Norway	52.4	54.5	57.3	52.6	51.4
Sweden	40.3	42.2	42.2	38.3	38.7
Germany	43.5	45.4	46.6	46.0	46.2
France	29.8	31.0	31.4	30.5	30.3
Great Britain	53.8	52.9	52.4	48.4	47.6
Ireland	50.3	50.4	45.9	35.8	30.5
Belgium	27.6	27.5	27.4	25.3	25.2
Luxembourg	23.3	22.5	23.8	26.7	21.2
The Netherlands	66.2	68.4	69.3	68.0	63.0
Austria	54.0	55.5	55.9	54.5	53.6
Switzerland	63.3	62.6	62.4	61.6	62.5
Bulgaria	23.2	24.5	26.3	24.8	22.2
The Czech Republic	27.7	28.5	28.1	26.5	25.2
Estonia	31.6	34.5	36.4	28.9	25.7
Latvia	35.9	38.4	37.2	27.7	26.4
Lithuania	23.7	25.2	26.7	21.5	19.2
Hungary	21.7	21.0	20.0	18.1	18.3
Poland	24.0	25.8	27.3	26.8	26.3
Romania	24.0	24.4	24.8	24.5	24.3
Slovenia	35.0	37.6	38.4	35.3	34.1
Slovakia	25.9	27.6	26.2	22.8	20.6
Greece	24.2	24.0	23.5	22.9	20.4
Spain	39.5	39.1	36.0	28.0	24.9
Italy	25.5	24.7	24.4	21.7	20.5
Portugal	35.8	34.9	34.7	31.3	28.5

Source: Eurostat (Labour Force Survey)

4.2 Unemployment

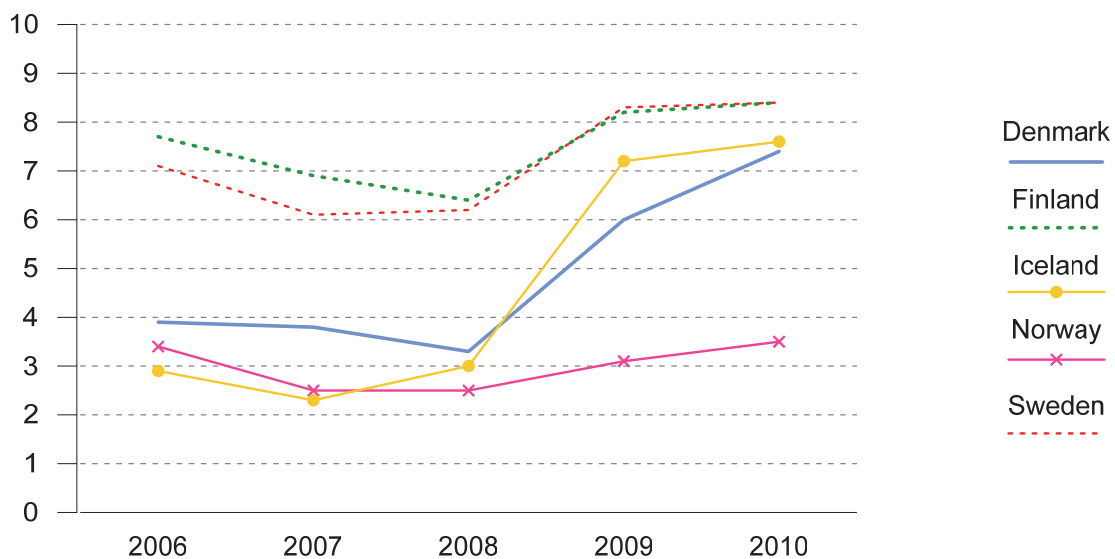
Employment and unemployment are of course linked, but this is about unemployed persons as a share of the labour force. The definition in the Labour Force Survey (LFS) suggests that one must actively be looking for a job and be available to start work immediately in order to be considered unemployed. In a welfare state, work can be seen as both a right and an obligation, where the welfare state is to help secure the right to work. The Nordic welfare states strongly emphasise this, and have a number of public schemes to get people working and keep unemployment down. Persons who are unemployed are also to be secured a minimum income, and thus unemployment is also an expense for the welfare states. In the same way as for the em-

ployment rates, unemployment will of course be closely associated with fluctuations in the economy.

4.2.1 Unemployment in the Nordic Countries and Europe

In 2006, Iceland had the lowest unemployment level in the Nordic region, followed by Norway and Denmark (figure 4.2.1). Sweden and Finland had an unemployment rate at a level slightly above the other three countries. The development until 2008 was generally positive, with falling unemployment across the Nordic countries, though with a small exception for Iceland where traces of the financial crisis can be seen as early as in 2008. 2009 was nevertheless the clearest crisis year with regard to unemployment in the Nordic countries. Unemployment grew in all Nordic countries, though most sharply in Iceland, where it increased from 3.0 to 7.2 per cent from 2008 to 2009. The increase tapered off until 2010, when it only increased to 7.6 per cent of the labour force. Unemployment also grew noticeably in Denmark, Finland and Sweden from 2008 to 2009, and in Denmark it also increased sharply until 2010, while it tapered off in Finland and Sweden. Norway represents an exception from the general trend. While unemployment did rise from 2008 to 2009 and 2010, it did not rise significantly compared to the other Nordic countries.

Figure 4.2.1 Share of unemployed as a share of the labour force, Nordic region, 2006-2010



Source: Eurostat (Labour Force Survey) / Statistics Iceland

Norway is the country in Europe that had the lowest unemployment in 2010, while the other Nordic countries were closer to the middle of the distribution in Europe (table 4.2.1). Norway and other countries with low unemployment (such as Austria, Luxembourg, and the Netherlands) have in common that unemployment did not grow significantly due to the financial crisis. In this context, we can again point to Germany, where unemployment actually fell from 2007 to 2010 (with only a small increase

from 2008 to 2009). Unemployment also fell noticeably in Poland if we look at the period overall, but the decline took place from 2006 to 2008, and unemployment has since increased. We recall that these two countries also stood out slightly with regard to employment. In countries that were significantly affected by the financial crisis, and especially Ireland, the Baltic countries and Spain, we see a noticeable increase in unemployment.

Table 4.2.1 Share of unemployed as share of the labour force, Europe, 2006-2010

	2006	2007	2008	2009	2010
Denmark	3.9	3.8	3.3	6.0	7.4
Finland	7.7	6.9	6.4	8.2	8.4
Iceland	2.9	2.3	3.0	7.2	7.6
Norway	3.4	2.5	2.5	3.1	3.5
Sweden	7.1	6.1	6.2	8.3	8.4
Germany	10.3	8.7	7.5	7.8	7.1
France	9.2	8.4	7.8	9.5	9.8
Great Britain	5.4	5.3	5.6	7.6	7.8
Ireland	4.5	4.6	6.3	11.9	13.7
Belgium	8.3	7.5	7.0	7.9	8.3
Luxembourg	4.6	4.2	4.9	5.1	4.5
The Netherlands	4.4	3.6	3.1	3.7	4.5
Austria	4.8	4.4	3.8	4.8	4.4
Bulgaria	9.0	6.9	5.6	6.8	10.2
The Czech Republic	7.2	5.3	4.4	6.7	7.3
Estonia	5.9	4.7	5.5	13.8	16.9
Latvia	6.8	6.0	7.5	17.1	18.7
Lithuania	5.6	4.3	5.8	13.7	17.8
Hungary	7.5	7.4	7.8	10.0	11.2
Poland	13.9	9.6	7.1	8.2	9.6
Romania	7.3	6.4	5.8	6.9	7.3
Slovenia	6.0	4.9	4.4	5.9	7.3
Slovakia	13.4	11.1	9.5	12.0	14.4
Greece	8.9	8.3	7.7	9.5	12.6
Spain	8.5	8.3	11.3	18.0	20.1
Italy	6.8	6.1	6.7	7.8	8.4
Portugal	8.6	8.9	8.5	10.6	12.0

Source: Eurostat (Labour Force Survey) / Statistics Iceland

4.2.2 Unemployment among men and women

In 2006, the gender gap in unemployment was greatest in Denmark, where women had an unemployment rate 1.2 percentage points higher than men. In the other countries, the gender gap was smaller - below one percentage point - while in Norway men had a higher unemployment rate than women. This may be related to part-

time work, among other things (see chapter 4.4.). If we track the development until 2010, we again see that the financial crisis affected the gender gaps in the labour market. In relative terms, men were harder hit by the crisis, so unemployment grew more among men than among women in all Nordic countries, and in 2010 unemployment was greater among men than among women in all five Nordic countries.

Table 4.2.2 Percentage difference in the unemployment rate of women and men, Europe, 2006-2010¹¹

	2006	2007	2008	2009	2010
Denmark	1.2	0.7	0.7	-1.1	-1.6
Finland	0.7	0.7	0.6	-1.3	-1.5
Iceland	0.4	0.0	-0.7	-2.9	-1.5
Norway	-0.2	-0.1	-0.4	-1.0	-1.0
Sweden	0.3	0.6	0.7	-0.6	-0.3
Germany	-0.1	0.2	0.3	-0.8	-0.9
France	1.6	1.2	1.1	0.5	0.8
Great Britain	-0.9	-0.6	-1.0	-2.2	-1.8
Ireland	-0.4	-0.8	-2.5	-6.9	-7.2
Belgium	1.9	1.8	1.1	0.3	0.4
Luxembourg	2.4	1.7	1.8	1.4	1.4
The Netherlands	1.1	1.0	0.6	0.1	0.1
Austria	0.9	1.1	0.5	-0.4	-0.4
Bulgaria	0.6	0.8	0.3	-0.4	-1.4
The Czech Republic	3.1	2.5	2.1	1.8	2.1
Estonia	-0.6	-1.5	-0.5	-6.3	-5.2
Latvia	-1.2	-0.8	-1.1	-6.4	-6.0
Lithuania	-0.4	0.0	-0.5	-6.7	-6.7
Hungary	0.6	0.6	0.5	-0.6	-0.9
Poland	1.9	1.4	1.6	0.9	0.7
Romania	-2.1	-1.8	-2.0	-1.9	-1.4
Slovenia	2.3	1.9	0.8	-0.1	-0.4
Slovakia	2.4	2.8	2.5	1.4	0.4
Greece	8.0	7.6	6.3	6.3	6.3
Spain	5.3	4.5	2.9	0.7	0.8
Italy	3.4	3.0	3.0	2.5	2.1
Portugal	1.4	2.0	1.3	-0.2	0.4

Source: Eurostat / Statistics Iceland

The financial crisis affected the gender gap in the unemployment rate in the same way in nearly every European country, in "favour" of women. In four of the countries mentioned above (Ireland and the Baltic countries), the unemployment rate for men

¹¹ Unemployment among women less unemployment among men. See Appendix Table 4.2

was from 5.2 to 7.2 percentage points higher than for women, while the clear majority of countries had a gender gap ranging from zero to two percentage points. In other words, the general trend was that in countries where women previously had a higher unemployment rate than men, the rate became more equal, and in countries where women previously had lower unemployment rates than men, the gap increased.

Data on employment and unemployment has been gathered from existing statistics based on the Labour Force Survey (LFS), and like in the previous report, we will not be using EU-SILC to look at this topic in more detail. However, employment and unemployment will always be important indicators, and provide a backdrop to our analysis. We have seen that the Nordic region retained its position as a region with high employment for both genders, but that the financial crisis that began in 2008 also affected the Nordic countries. A general trend appears to be that the financial crisis affected men in the labour market more than women.

4.2.3 Youth Unemployment

Youth unemployment may be a better measurement of young people's position in the labour market than employment, as unemployment requires being considered part of the labour market and thus actively applying for work. Youth unemployment is higher than total unemployment in all European countries in the period we look at here, but the differences between the overall unemployment and youth unemployment vary quite a bit. The largest differences can be found in southern European countries such as Spain, Croatia, Greece and Italy, and the smallest can be found in Germany. Among the Nordic countries, Sweden stands out with a relatively high youth unemployment: in 2010, it was 16.8 percentage points higher than for the population generally. In Finland, the difference was 13 percentage points, while the differences were smaller in Iceland (8.6 percentage points), Denmark (6.6 percentage points) and Norway (5.4 percentage points). The differences between youth unemployment and total unemployment were also generally higher where youth unemployment was high. In 2010, youth unemployment in Spain was 41.6 per cent, while it was above 30 per cent in several southern and eastern European countries. Sweden had the highest level of youth unemployment in the Nordic region, at 25.2 per cent; in Finland it was 21.4 per cent. Iceland and Denmark had slightly lower youth unemployment in 2010, at 16.2 and 14.0 per cent respectively. With youth unemployment at 8.9 per cent, Norway was one of four European countries with youth unemployment below 10 per cent in 2010. The others were Germany (9.9), Austria (8.8) and the Netherlands (8.7).

Table 4.2.3 Share of unemployed as share of the labour force, persons below the age of 25, Europe, 2006-2010

	2006	2007	2008	2009	2010
Denmark	7.7	7.5	8.0	11.8	14.0
Finland	18.7	16.5	16.5	21.5	21.4
Iceland	8.2	7.2	8.2	16.0	16.2
Norway	8.6	7.3	7.2	8.9	8.9
Sweden	21.5	19.2	20.2	25.0	25.2
Germany	13.8	11.9	10.6	11.2	9.9
France	22.4	19.8	19.3	23.9	23.6
Great Britain	14.0	14.3	15.0	19.1	19.6
Ireland	8.6	8.9	13.3	24.4	27.8
Belgium	20.5	18.8	18.0	21.9	22.4
Luxembourg	15.5	15.6	17.3	16.5	15.8
The Netherlands	7.5	7.0	6.3	7.7	8.7
Austria	9.1	8.7	8.0	10.0	8.8
Bulgaria	19.5	15.1	12.7	16.2	23.2
The Czech Republic	17.5	10.7	9.9	16.6	18.3
Estonia	12.0	10.0	12.0	27.5	32.9
Latvia	12.2	10.7	13.1	33.6	34.5
Lithuania	9.8	8.2	13.4	29.2	35.1
Hungary	19.1	18.0	19.9	26.5	26.6
Poland	29.8	21.7	17.3	20.6	23.7
Romania	21.0	20.1	18.6	20.8	22.1
Slovenia	13.9	10.1	10.4	13.6	14.7
Slovakia	26.6	20.3	19.0	27.3	33.6
Greece	25.2	22.9	22.1	25.8	32.9
Spain	17.9	18.2	24.6	37.8	41.6
Italy	21.6	20.3	21.3	25.4	27.8
Portugal	20.1	20.4	20.2	24.8	27.7

Source: Eurostat

In all European countries, unemployment among those below the age of 25 was higher in 2010 than in 2006, with the single exception of Germany, where unemployment fell from 13.8 to 9.9 per cent. Some countries stand out by having had a quite dramatic increase in youth unemployment. This primarily applies to the Baltic countries, Ireland and Spain. We can also conclude that unemployment is in relative terms growing more among youth than among the population generally. This illustrates that youth are more vulnerable and have greater difficulty entering the labour market in times with a difficult economy. For welfare states, it will represent quite a significant challenge if large youth cohorts remain outside the labour market, and thus do not gain a stable income and competence development through work participation. This will affect both the income and expenses of the welfare states.

As previously mentioned, there were significant differences in youth unemployment between the Nordic countries. Norway had the lowest level, and the effects of the financial crisis were also quite limited, though we see an increase from 2008 and 2009. Prior to this year, unemployment fell slightly from 2006 to 2008. Both Denmark and Iceland had lower youth unemployment than Norway in 2006, but in these two countries the financial crisis had a stronger effect if we interpret the situation based on the effect on youth unemployment. From 2006 to 2008, the development was quite stable, but it increased in both countries from 2008 to 2009. In Denmark, it increased from 8.0 to 11.8 per cent, while in Iceland the share nearly doubled, from 8.2 to 16.0 per cent. In Denmark, the increase continued in 2010, while at that point it stabilised in Iceland. Finland and Sweden have followed about the same development as Norway, but the level has grown significantly in all years. From 2006 to 2008, youth unemployment fell slightly, while it increased again from 2008 to 2009. All in all, we can conclude that youth are relatively vulnerable to unemployment, and that youth are relatively speaking harder hit in economic downturns.

4.3 Exclusion, Marginalisation and Disability

The data for the period 2006-2010 shows that the Nordic labour markets did relatively well through the financial crisis that began in earnest towards the end of 2008, though the crisis was also noticeable here. By using data from EU-SILC for the period 2006-2010, we will now look at whether some groups are more at risk of exclusion or of being at the periphery of the labour market than others. Groups that end up at the periphery of the labour market are in a weaker position than persons with a stable attachment to the labour market, and we expect that they are more vulnerable in times of crisis. It is also important to pay attention to this segment of the labour market in periods when the economy is in decline. This is a supplement to analyses that are only based on employment and unemployment, and can uncover other challenges in the labour market.

In this part of the chapter, we will look at three different trends, or phenomena, related to labour-market inclusion. Here we will use three comparable indicators that were developed in connection with the 2009 report and that are based on EU-SILC data. These indicators turn the perspective towards exclusion, marginalisation and disability rather than employment and unemployment. We think this is a useful addition to analyses of the labour market. The way we have built the indicators requires quite detailed information about employment during a calendar year in combination with income data. In this context, EU-SILC has data that can be difficult to find elsewhere. Now that we have data from several years we can also follow the development over time. We have called the three indicators marginalisation, exclusion and disability. The terms and the indicators are defined and constructed in the same way as in the 2009 report (see the text boxes).

4.3.1 Marginalisation

Labour market marginalisation describes a condition in which a person is at the periphery of the labour market. The person is not fully integrated, but is also not entirely excluded by having a permanent and clarified situation outside the labour market. In other words, marginalisation is a process that can be described as uncertainty - it can go either way. It may result in an entry to the labour market, or it may result in a permanent exclusion.

Labour market marginalisation can be viewed from two angles: the individual and the collective. The norms of society and its need for labour indicate that as many people as possible should be integrated in the labour market. However, individuals may have other preferences and want to be outside the labour market for shorter or longer periods. We cannot ignore this when studying labour market marginalisation. There is a distinction between voluntary and non-voluntary marginalisation, but it can be difficult to uncover this in the data about labour market marginalisation. We must also take education into account. Persons who are attending school cannot be considered marginalised, as they are participating in an arena that aims to qualify them for work. This is especially relevant for youth. However, the educational system can contribute to "hiding" a form of marginalisation in that persons who want to be integrated in the labour market but fail to achieve that goal, are "forced" to apply for education. There may also be fluid boundaries in relation to how preferences are formed. If the labour market situation is especially problematic, this may contribute to someone not wanting to work and preferring to, for example, stay at home. Whether this is voluntary or not may then be an open question. These are issues we are unable able to take into consideration in the measurement of marginalisation.

The actual definition of marginalisation is also somewhat problematic. How long should someone not be in school or a job before we classify them as marginalised? And where is the threshold for exclusion? Our definition assumes some ties to the labour market during a calendar year, but the opportunities we have based on the data will often help determine this. Ideally, we would measure marginalisation by looking at labour market attachments over several years. However, for practical reasons we have decided to look at a single year. This also gives us the opportunity to reproduce tables annually, though only as cross-sectional data and not indicators in which we follow the same persons over several years. We have to a large extent elected to discount persons who switch between working and studying or receiving a pension. We want to focus the concept on persons who are moving at the periphery of the labour market in that they are switching between work and something else that is "uncertain", such as unemployment and inactivity. See the text box for a definition. To prevent "noise" caused by persons who for age-related reasons cannot be expected to have stable attachment to the labour market, we have limited the analysis to individuals aged 20 to 64.

Marginalisation - definition

The definition is based on self-reported main activities for each month of the income year. Individuals who have defined themselves as employed for less than half the year (five months or less) and at the same time have defined themselves as unemployed or inactive for at least six months, have been defined as marginalised. Individuals who have studied for six months or more have not been considered marginalised.

4.3.2 Exclusion

Labour-market exclusion is a situation that is distinct from marginalisation in that it represents a more permanent situation. Unemployment is included in the definition of exclusion (see the definition in the text box), but it is also distinct from unemployment as defined in LFS in that we do not necessarily require that the person is actively applying for work and that the unemployment lasts longer. Unemployment may be said to be a type of attachment to the labour market, while exclusion in addition describes a position as being more outside of the labour market. We have used the same age-limit as for marginalisation, i.e. those aged 20 to 64.

We have the same possible difference between voluntary and involuntary exclusion as we do for marginalisation. Some persons may choose to stand outside the labour market and education for relatively long periods. They may take a "year off" or choose to stay at home to perform care tasks etc. For example, it may be asked whether it is reasonable to consider homemakers to be excluded. We have chosen this starting point as we are approaching the issue with participation in the labour market as a starting point and in any case cannot identify occurrences of voluntary exclusion. However, this means that we may include a number of mothers (and fathers) with young children who are staying at home while their children are small. In some cases, public benefits are given to parents of young children who stay at home (for example in Finland and Norway). Mothers and fathers who stay at home on a regular parental leave, are considered to be working according to the EU-SILC guidelines, so this group is not included in the definition of excluded individuals. In order to check whether homemakers significantly affect the share of excluded persons, we have therefore created additional tables with figures for excluded persons in which those who are working in the home are not defined as excluded.

When we discuss the degree of voluntariness, we must also mention that this issue may be related to the general condition of the labour market. If the starting point is that it is very difficult to get a job, it may be that it is easier to "choose" to be outside the labour market for a while. We cannot capture this in our data. Again, the definition of the phenomenon must take the data we have available into consideration. We have data that covers single years, and must therefore make our definitions within this timeframe. Exclusion from the labour market (and education) in some years does not necessarily mean that the individual is permanently excluded, but it is a situation that is more long-term than marginalisation.

Exclusion - definition

The definition is based on a self-defined economic status at the time of the interview. We have defined persons who are unemployed, homemakers or otherwise inactive at the time of the interview and who also had no salary or business income in the reference year for income (in practice the calendar year prior to the interview) as excluded. Additionally, we have added the condition that the interviewee was not in any type of job at the time of the interview.

4.3.3 Disability

Disability is a well-known phenomenon, and all Nordic welfare states have systems for early retirement pensions for persons who are unable to work due to impaired physical or mental health (NOSOSKO 2008). Statistics are therefore available showing the number of recipients and amount of resources spent on these types of benefits. In chapter 1, we saw that compared to the rest of Europe, a large share of the social expenses in the Nordic countries are spent on this.

Though there are indicators and data about the share of disabled persons, we have nevertheless elected to continue to use our indicator based on EU-SILC to make it easier to see it in the context of exclusion and marginalisation. The definitions are also slightly different (see the definition in the text box). Like LFS, we use a definition that does not assume a medical diagnosis or another form of official approval that qualifies the individual for benefits. There may be some who end up outside the labour market for health reasons without an objective diagnosis or the right to a disability pension, and it may be that some are waiting for a diagnosis and clarification. The age group here is also 20 to 64 years.

Disability - definition

The definition is based on a self-defined economic status at the time of the interview. Individuals who consider themselves disabled or unable to work at the time of the interview, and additionally have had no salary or business income in the reference year for income (in practice the previous year) are considered disabled in this analysis. We look at this independently of whether they receive any form of disability benefits. Additionally, we have added a condition that they are not in any form of job at the time of the interview.

It is worth mentioning that the differences between exclusion and disability can be fluid and depend on the subjective assessments of the respondent. Some may have reservations against saying that they are unable to work and prefer to define themselves as inactive in some other way, while others may choose to define themselves as unable to work if it is difficult to find a job. We nevertheless assume that this creates systematic inequalities and therefore does not significantly impact the results.

4.3.4 Marginalisation, Exclusion and Disability in the Nordic Countries

Figure 4.3.1, 4.3.2 and 4.3.3 show the total shares of marginalised, excluded and disabled persons in the Nordic countries in the period from 2006 to 2010. We will initially only discuss some very general characteristics that emerge from these figures, before discussing them in some more detail.

First, we can note that Finland generally has the highest shares of marginalised, excluded and disabled persons in the Nordic region, though there is an exception for disabled persons in 2010, as both Norway and Denmark had higher shares that year. Finland is also the country with the lowest employment rate in the Nordic region, and along with Sweden it is the country with the highest unemployment rate. Iceland, which has the highest employment rate in the Nordic region, and until 2008 also had the lowest unemployment rate, does relatively well in all of our three indicators. This is especially true for the period until 2009. Iceland is still the Nordic country with the lowest incidence of disabled persons in 2010, but we do see that marginalisation and exclusion have increased. Denmark has seen a positive development for both marginalisation and exclusion up to and including 2009, when it had the lowest shares in the Nordic region, but the development turned in 2010. For disability, the picture is somewhat different, and in that area the Danes do relatively poorer. Norway, which is the Nordic country in which the labour market was the least affected by the financial crisis, has relatively low shares of marginalised and excluded persons, and the special situation here is that the shares also decline between 2009 and 2010. However, Norway does have relatively high shares of disabled persons. Sweden is not unlike Norway with regard to marginalisation and exclusion, though the shares are slightly higher, especially in 2010. However, the Swedes have a lower incidence of disability; only Iceland has lower shares in the Nordic region.

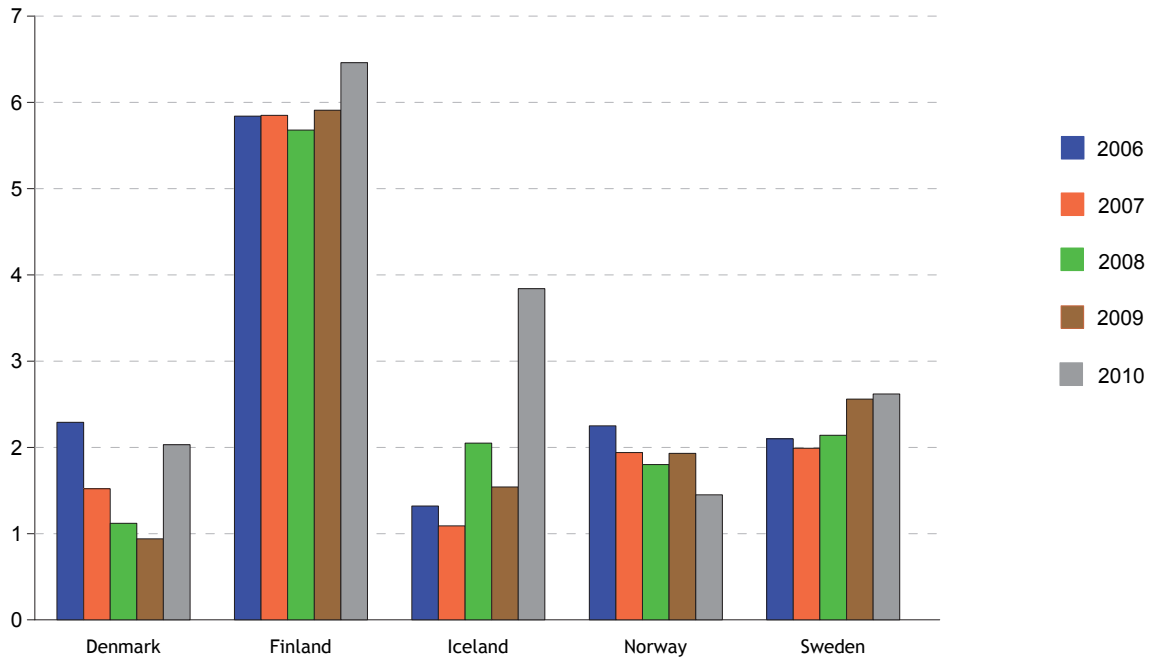
Development 2006-2010

To describe the development of marginalisation in the Nordic region, we can use 2006 as a starting point and look to see if there are any clear trends in the various countries up until 2010.

In Denmark, the share of marginalised persons fell from 2.3 per cent in 2006 to 0.9 per cent in 2009. In other words, there was a clear tendency that fewer persons had marginal attachments to the labour market, but in 2010 the share rose to 2.0 per cent again. The development in the share of marginalised persons thus is not very closely associated with the development in the employment rate, except that the increase in marginalisation between 2009 and 2010 coincided with a decline in employment. The development in the share of excluded persons followed the same pattern as for marginalised persons. In 2006, 2.6 per cent were excluded, though the share had dropped to 1.4 per cent in 2009, which was also a clear trend. However, for exclusion the share also increases again in 2010, to 2.5 per cent. In other words, it seems that a positive trend until 2009, with fewer persons at the periphery of or outside of the labour market, turns again in 2010. In the period (2006-2010) seen as a whole, we can also see a quite steady increase in the share of disabled persons.

There is in other words not the same positive trend until 2009 as for marginalisation and exclusion.

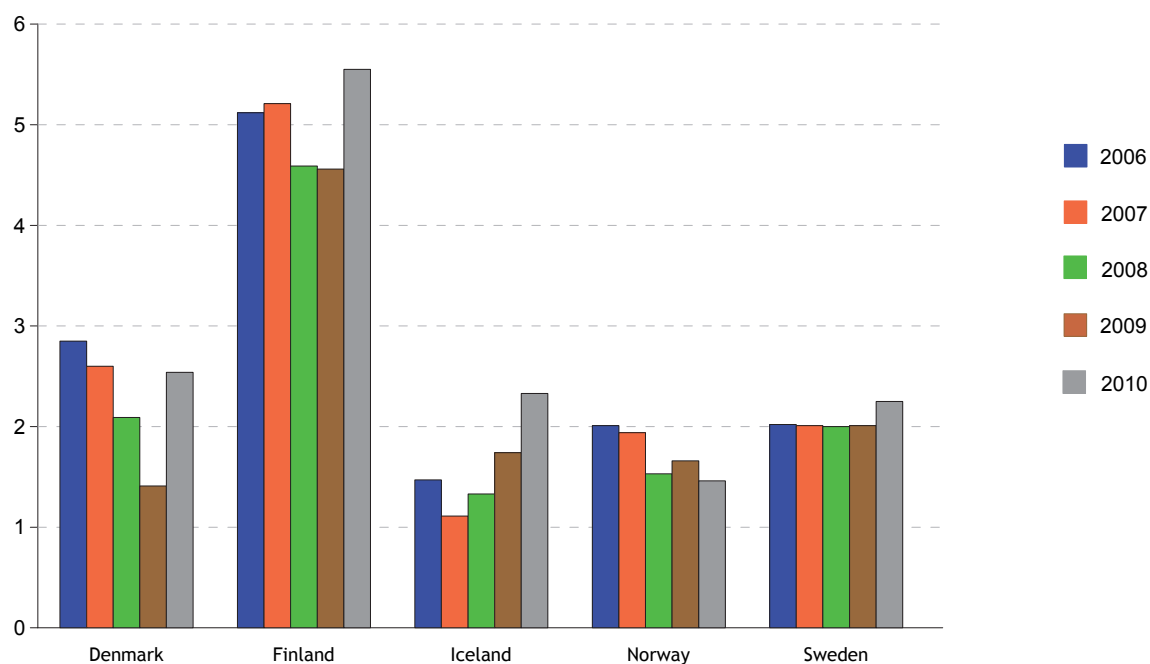
Figure 4.3.1 Marginalisation in the Nordic region, persons aged 20 to 64, 2006-2010. Per cent of total



Source: EU-SILC 2006-2010, User Data Base

As previously mentioned, in Finland the shares of marginalised, excluded and disabled persons were high when viewed in the Nordic context. The share of marginalised persons was relatively stable at about 5.7-5.9 per cent from 2006 to 2009, but like in Denmark the share rose again 2010. In Finland, the share of marginalised persons increased to 6.5 per cent in 2010. The share of excluded persons in Finland also grew between 2009 and 2010 (from 4.5 to 5.6 per cent), but the share had declined between 2006 and 2009. In Finland, there was thus a relatively stable development in the share of persons with weak or no attachments to the labour market in the period from 2006 to 2009, but here too the development was negative from 2009 to 2010. The share of disabled persons also remained relatively stable at between 5.3 and 5.5 per cent in the period from 2006 to 2009, but in contrast to the development for marginalisation and exclusion, the share fell in 2010, to 4.5 per cent. If we look at disability and exclusion together, and look at it as a description of the share of the population outside the labour market, it was quite stable for the entire period viewed as a whole, including between 2009 and 2010.

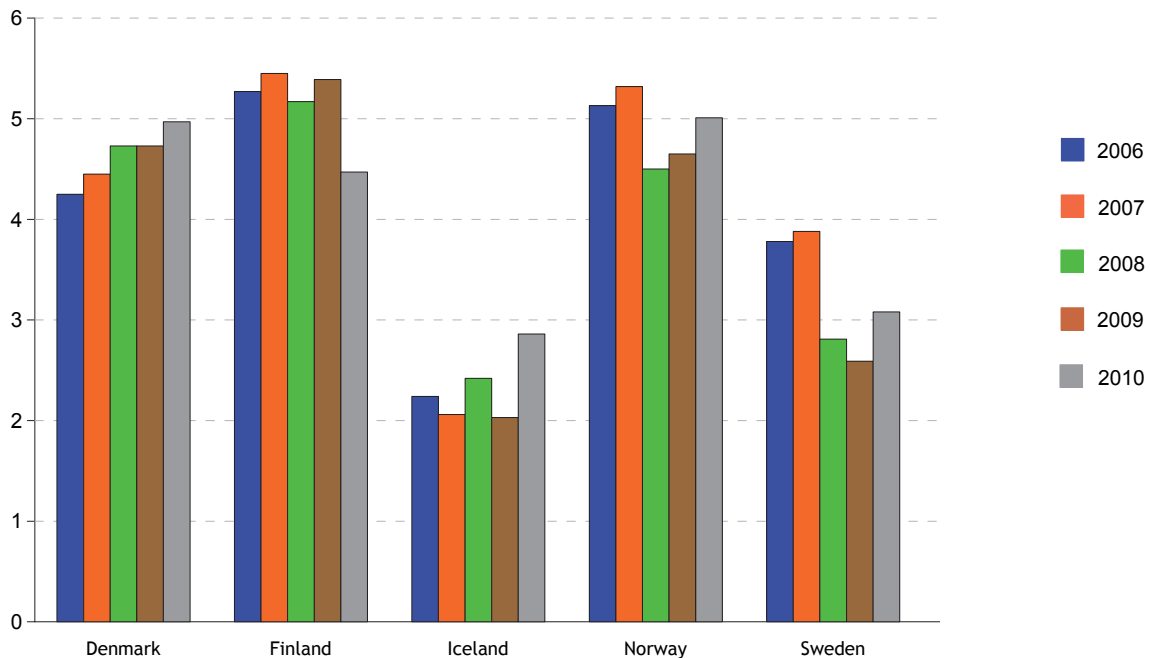
Figure 4.3.2 Exclusion in the Nordic region, persons aged 20 to 64, 2006-2010.
Per cent of total



Source: EU-SILC 2006-2010, User Data Base

Marginalisation in Iceland varied more in its development from year to year: from a relatively stable and low share in 2006 and 2007 (1.3 and 1.1 per cent), the share grew to 2.1 per cent in 2008. In 2009 the share dropped slightly again, to 1.5 per cent, while there was a relatively sharp increase until 2010, when the share reached 3.8 per cent. This is a high share in the Nordic context too. Only Finland had a higher share in 2010. In Iceland, there was a clearer trend regarding exclusion from the labour market, at least from 2007 onwards. Between 2006 and 2007, the share declined from 1.5 to 1.1 per cent (an insignificant change), but after 2007 the share increased every year, and most sharply in 2010, when it reached 2.3 per cent. From being the Nordic country that clearly had the lowest share of disabled persons, Iceland reached a similar level to Denmark and Sweden. The share of disabled persons also peaked in Iceland in 2010, at 2.9 per cent. The shares during the years from 2006 to 2009 vary between 2.0 and 2.4 per cent. There are also clear signs that more Icelandic people are at the periphery or outside of the labour market in 2010 than in previous years. When considering that the 2010 figures largely cover the 2009 calendar year, this fits well with the picture we got from employment and unemployment. In other words, there was a much tighter labour market in Iceland from 2009 onwards.

Figure 4.3.3 Disability in the Nordic region, persons aged 20 to 64, 2006-2010.
Per cent of total



Source: EU-SILC 2006-2010, User Data Base

The development in Norway is unlike any other Nordic country, at least towards the end of the period, from 2009 to 2010. In 2006, 2.4 per cent of persons aged 20 to 64 were marginalised in Norway, and in 2010 the share had declined to 1.5 per cent. Though the decline was not been even from year to year, it shows that there are fewer and fewer persons with weak attachments to the labour market. We see the same development for the share of excluded persons. The decline has not been even from year to year here either, but in the period seen as a whole the share fell from 2.0 to 1.5 per cent. If we look at the third indicator, disability, the share appears to be unchanged if we only look at 2006 and 2010: 5.1-5.0 per cent. However, in the years in between, the share has been both slightly higher (2007) and slightly lower (2008 and 2009), but the fluctuations have been small and insignificant. If we use the share of disabled persons being relatively unchanged and the share of marginalised and excluded persons having declined as a starting point, Norway stands out as having had the most positive development of the Nordic countries.

In Sweden, the share of marginalised persons remained stable at 2.1-2.0 per cent from 2006 to 2008, before it increased to 2.6 per cent in 2009 and 2010. In other words, there was a slight but nevertheless steady increase, so that Sweden in 2010 had a higher share of marginalised persons than Norway, and more similar to the share in Denmark. The share of excluded persons remained stable even longer: it was at 2.0 per cent from 2006 to 2009, and the slight increase we register to 2010, at 2.3 per cent, is insignificant. The share of excluded persons is thus about the same as in Denmark and Iceland. Additionally, the share of disabled persons declined slightly in Sweden if we compare 2006 to 2010 (from 3.8 to 3.1 per cent), and in 2008 and 2009

the share was even lower. This is exactly the same development that we saw in Norway. Overall, the share of the population with weak attachments to the labour market (marginalised) increased slightly in Sweden, while the share that is entirely outside of the labour market (excluded and disabled persons) declined slightly overall.

The development of the rates of marginalisation, exclusion and disability do not provide a clear picture of an even development in the Nordic region. Among other things, this shows that these indicators do not give quite the same picture of the labour market as employment and unemployment. Nevertheless, the result strengthens the impression that Iceland was hit the hardest by the financial crisis: not only did employment decline and unemployment rise, but more people also ended up at the periphery and entirely outside of the labour market. Denmark looked to be in a positive development until 2009, but it looks as if the situation worsened in 2010. This was also partly the case in Finland, but the decline in the share of disabled persons nevertheless results in a somewhat more positive outcome. Sweden seems to be relatively unaffected by the financial crisis, though there are indications that more persons are at the periphery and outside of the labour market in 2010 than was the case in previous years. The reduction in the share of disabled persons adds nuance to the image of the period overall for Sweden as well. Norway is the country in which we see the fewest traces of the financial crisis. Overall, there was a positive development for all three indicators in the period 2006-2010.

4.3.5 Which Factors Affects Marginalisation?

In the last report, we reviewed a number of background variables, and looked at how marginalisation varied according to gender, age, education and health, for example. In the following, we do this for 2006-2010. To this end, we will use data in two different ways. First, we have performed a number of logistic regressions in which we look at how different background variables affect marginalisation (see the text box about logistic regression). The interpretation of these regression analyses will then form the basis for our review of bivariate tables where we see how the proportion of marginalized persons varies between countries and years, broken down by the respective characteristics.

Logistic regression

Logistic regression is a method of analysis that is used to study the net effect of multiple explanatory variables on a dependent variable. The method is appropriate when the dependent variable is dichotomous, or in other words has two independent values. In this report, this method of analysis is used to look at how people are marginalised, excluded or disabled.

How much higher the likelihood that an event will occur at a specific value on the explanatory variable in relation to another category (the reference category) when the other background factors in the model are kept constant is calculated by taking the ratio of the antilogarithm to the parameter estimates for the two values on the explanatory variable; this is called the odds ratio. The odds increase significantly more than the share, so it is important to not mix the two measurements of effects.

The relative strength of the individual explanatory variables can be evaluated by comparing the size of the chi-square of the variables. The greater the chi-square, the stronger the effect of the explanatory variable is on the dependent variable. For more information about logistic regression, see for example Ringdal (2001).

In our analyses, we will concentrate most on whether the explanatory variables have a significant effect on the independent variable, and the direction of the effect. We will not discuss the strength of the effects in any detail. We therefore only present the odds ratios, and have only included those significant to a .95 level. The models have in common that the reference category is a man, aged 35 to 44, who has a higher education, is married or cohabiting, is in good health and was born in the country.

Table 4.3.3 shows the results of the logistic regression in which we look at the likelihood of being marginalised, with gender, age, education, marriage/cohabitation status, health and country of birth as the background variables. The variables have been selected because they are often central explanations of different attachments to the labour market. Gender and age are traditionally issues that affect labour market participation. The same can be said about education, but it has perhaps become even more important over the years (also see chapter 2). That health can affect the opportunity to participate in the labour market is also quite obvious and thus important to include in such analyses (also see chapter 5). Country of birth has primarily been included to enable us to say something about challenges related to the integration of immigrants in the labour market (also see chapter 2). As immigration is also increasing in Nordic countries, this is a factor that should be included in the analyses. Marital/cohabitation status is not as obvious, but we have included it here as it says something about inclusion and social support. The hypothesis is that persons without a cohabitant/spouse are more at risk of falling outside of the labour market. In the table, we have included significant odds estimates that show how of the different background characteristics have effect. We will refer back to this table when we now come to the different characteristics.

Table 4.3.3 Logistic regression, likelihood of being marginalised in the labour market 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Women	1.47	2.45	1.46	0.90	1.18
20-24 Years	1.01	1.10	0.19	1.26	1.20
25-34 Years	2.17	3.14	0.62	1.31	1.84
45-54 Years	0.45	0.58	0.60	0.86	0.98
55-64 Years	0.45	0.34	0.17	0.78	0.80
Compulsory education	1.32	2.20	0.56	1.19	1.46
Upper secondary school	0.92	0.87	0.54	0.77	1.50
Unmarried/no cohabitant	0.94	1.47	1.42	1.68	1.65
Neither good nor poor health	1.98	2.97	1.96	1.87	3.64
Poor health	3.73	2.73	4.90	4.31	2.54
Born in the EU	1.12	2.78	0.17		
Born outside the EU	0.36	1.01	0.27		
Finland					
Women	1.31	1.35	1.63	2.08	1.60
20-24 Years	1.83	2.85	1.62	1.08	1.08
25-34 Years	1.26	1.61	0.99	1.13	1.34
45-54 Years	0.69	0.83	0.49	0.69	0.64
55-64 Years	0.64	0.67	0.35	0.59	0.50
Compulsory education	1.39	1.43	1.50	1.89	2.12
Upper secondary school	0.92	1.45	1.01	1.25	1.97
Unmarried/no cohabitant	1.39	1.23	1.10	1.13	0.81
Neither good nor poor health	1.04	2.15	1.80	1.30	1.35
Poor health	2.88	2.44	3.66	1.34	2.36
Born in the EU	0.84	2.18	3.48	1.99	1.86
Born outside the EU	2.76	2.09	2.87	5.42	2.34
Iceland					
Women	3.66	2.06	1.30	0.98	0.87
20-24 Years	1.74	2.27	0.39	1.61	0.78
25-34 Years	0.57		0.51		1.30
45-54 Years		0.27	1.03		1.35
55-64 Years	0.22		0.29	0.50	0.54
Compulsory education	0.87	0.81	1.23	1.44	2.30
Upper secondary school	4.03	0.48	1.25	0.51	1.12
Unmarried/no cohabitant			1.74		1.40
Neither good nor poor health	2.18	5.03	6.73	0.83	1.64
Poor health	12.87	12.57	5.59	4.86	0.41
Born in the EU			1.50		1.67
Born outside the EU			0.84		1.02

Table continues

	2006	2007	2008	2009	2010
Norway					
Women	2.40	1.24	1.85	1.10	2.42
20-24 Years	1.55	3.28	2.98	0.78	0.72
25-34 Years	1.67	1.87	1.89	1.59	1.12
45-54 Years	0.29	0.59	0.25	0.14	0.31
55-64 Years	0.12	0.23	0.37	0.77	0.18
Compulsory education	2.94	2.70	2.21	2.22	4.86
Upper secondary school	1.89	1.15	1.27	1.31	1.62
Unmarried/no cohabitant		1.26	0.72	1.22	1.28
Neither good nor poor health	1.43	1.33	2.34	2.89	2.18
Poor health	2.47	1.46	4.62	3.21	5.02
Born in the EU	2.19	2.59		1.30	1.29
Born outside the EU		1.06		0.67	0.49
Sweden					
Women	1.13	1.69	1.56	0.90	1.34
20-24 Years	1.83	4.24	4.32	3.81	2.74
25-34 Years	2.44	2.13	3.14	2.08	1.70
45-54 Years	0.55	1.11	0.75	0.91	0.78
55-64 Years	0.74	0.44	0.47	0.76	0.71
Compulsory education	1.71	2.29	1.92	3.00	2.11
Upper secondary school	1.37		1.14	1.18	1.59
Unmarried/no cohabitant	1.06	1.17	0.73	0.98	1.35
Neither good nor poor health	1.03	0.84	2.06	0.82	1.37
Poor health	1.33		2.52		0.47
Born in the EU	2.74	0.24	1.06	0.70	1.05
Born outside the EU	1.26	2.63	1.45	1.12	0.96

Reference group: Non marginalised, male, aged 35 to 44, has a higher education, is married or cohabiting, in good health, and born in the country

Source: EU-SILC 2006-2010, User Data Base

Marginalisation and gender

Women are generally more at risk of marginalisation than men (see table 4.3.4). In other words, they have looser and more transient attachments to the labour market. This is generally true in all Nordic countries in the years from 2006 to 2010, but there are some differences in the trends. In 2006, the gender gap was quite similar, about one percentage point in all countries except Sweden. Though the share of marginalised persons was higher among women than among men in Sweden as well, there was barely any gender gap to speak of.

From the logistic regression, with a man as a reference category in the analysis, we can conclude that gender had a significant effect on marginalisation in all Nordic countries in the period we are looking at, even when we control for other characteristics (see table 4.3.3). It is generally the case that being a woman increases the risk of being marginalised, compared to being a man. However, here there are interesting exceptions in Denmark, Sweden and Iceland. In 2009, the effect was the other way around. In other words, men were more likely to be marginalised when we control for other characteristics. In Iceland, this was also the case in 2010, while by that point it had returned to the "norm" in Denmark and Sweden. A tentative interpretation is then that men become relatively more vulnerable during economic downturns,

and that perhaps this is primarily true at the early stages, as the situation turned again relatively quickly in two of the three countries in which we see this phenomenon. In Finland and Norway, the general finding that women are more vulnerable than men applies to all five years that we are looking at, including when we control for other characteristics.

Table 4.3.4 Marginalisation by country and gender 2006-2010, persons aged 20 to 64. Per cent of total

	2006		2007		2008		2009		2010	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Denmark	1.6	3.0	0.9	2.2	0.8	1.5	0.9	1.0	2.0	2.1
Finland	5.3	6.4	5.2	6.5	4.5	6.9	3.9	8.0	5.3	7.7
Iceland	0.8	1.8	0.6	1.6	1.7	2.4	1.2	2.0	4.0	3.7
Norway	1.5	3.1	1.7	2.2	1.2	2.4	1.5	2.3	1.0	1.9
Sweden	2.0	2.2	1.7	2.2	1.7	2.6	2.6	2.5	2.3	3.0

Source: EU-SILC 2006-2010, User Data Base

If we look in more detail at the shares, we recall that the share of marginalised persons in Denmark declined in the 2006-2009 period, and that in parallel with this development the gender gap also declined because the reduction in the share of marginalised persons was generally composed of women. In 2006, the share of marginalised women in Denmark was 3.0 per cent, while it was 1.0 per cent in 2009. This was also the year in which the regression model showed that women had a lower likelihood of being marginalised than men if we also took other characteristics into consideration. When the development turned and the share of marginalised persons increased again in 2010, this did not lead to a greater gender gap again because the increase was the same among both genders. This means that the share of marginalised Danish men was higher in 2010 than in any of the previous four years. The share among women was higher in 2006 and the same in 2007.

In Finland, the development was somewhat different. Though the share of marginalised persons overall was quite similar for 2006-2009, it hides a different development among women and men. The share of marginalised women increased from 6.4 per cent in 2006 to 8.0 per cent in 2009. The increase was clearly sharpest between 2008 and 2009. However, men had the opposite development: the share of marginalised men declined from 5.3 per cent in 2006 to 3.9 per cent in 2009. Thus the gender gap increased, and ended at 4.1 percentage points in 2009. When the overall share of marginalised persons increased again in 2010, this was because it increased among men, and this thus "caught up" on some of the gap, which then became 2.4 percentage points. If this is an effect of the financial crisis, it shows that it had a slightly stronger effect on women than on men, and that the effect first affected women. However, it is generally the case that women are more at risk of marginalisation in all five years, including when we control for other characteristics in a regression model.

In Iceland, the gap between women and men is more stable from 2006 to 2009, at just below one percentage point. Though there have been changes in the total share

of marginalised persons, the effect has generally been the same for both genders. When the share of marginalised persons then increases significantly in 2010, it increases for both women and men, but the increase is sharpest among men, so that in practice there is no gap between women and men (a barely higher share among men). Thus, though the regression showed that men were more likely to be marginalised than women in 2009 and 2010 when we take multiple characteristics into consideration, this does not result in significantly higher shares among men than among women.

In Norway, the share of marginalised persons fell slightly from 2006 to 2008, before increasing slightly again in 2009. From 2006 to 2007, the share fell among women and increased among men, thus reducing the gender gap, but in the period to 2008 it increased again because there was the opposite development. From 2009 the gap declined slightly again, and it remained stable in 2010. However, the fluctuations are relatively small and reflect the fact that women generally have a greater likelihood of being marginalised, including when we take other issues into consideration in a regression.

In Sweden, the gender gap has also fluctuated slightly in the period, and it increased from 0.3 percentage points in 2006 to 0.9 percentage points in 2008. This was caused both by a decline in the share among men from 2006 to 2007 and an increase in the share among women from 2007 to 2008. In 2009, the total share of marginalised persons in Sweden increased compared to previous years, and this was solely caused by an increase among men. In the regression we saw this in the form of men having a greater likelihood of being marginalised than women that year, including when multiple characteristics were taken into consideration. However, though we can observe a higher share among men than among women in table 4.3.4, the gap is so small that in practice they are the same. From 2009 to 2010, the total share of marginalised persons in Sweden remained unchanged, though the gender gap nevertheless grew because there was a reduction among men and an increase among women.

It is still the case that women are generally more at risk of marginalisation than men, though this picture was also more nuanced in some of the countries in the crisis years of 2009 and 2010. In 2006, the Nordic countries were quite similar with regard to gender gaps related to marginalisation, but in 2010 the gap widened (though the countries were even more dissimilar in 2009). In Denmark, the gap nearly disappeared. In Sweden, it has fluctuated slightly, and that is also the case in Norway, and these two countries had about the same gender gap in 2010. In Iceland, the gaps were quite stable until 2010, when an increase in marginalised men led to men being more at risk than women. Finland is still a bit of an exception, with a high share of marginalised persons and an increasing gender gap until 2009. Though it fell again in 2010, it was still high in a Nordic context. In other words, in 2010 the Nordic region was less homogeneous with regard to gender gaps related to marginalisation than it was in 2006.

Marginalisation and age

Studies of unemployment have shown that unemployment and weak ties to the labour market at a young age can be negative for a future career, and can contribute to a devaluation of salaried work (Bourdieu 1995). Salaried work is desired but nevertheless unachievable (Gallie, White, Cheng and Tomlinson 1998). The danger is thus that weak attachments to the labour market are something youth carry with them throughout their working-aged lives. This means that it is interesting to look at young people's attachments to the labour market in greater detail than just in terms of employment and unemployment. This may be of special interest now in a period with great economic difficulties in Europe, and in a labour market that to a large extent seems to exclude youth, at least if we look at the unemployment levels (see chapter 4.2.3). We also have the challenge of seniors being excluded from the labour market, and we will discuss this later on in this chapter. When the share of the population that is of working age declines, it will be problematic if some groups are systematically excluded from the labour market.

Table 4.3.5 shows the marginalisation of different age groups for the years 2006-2010. The interplay between age and marginalisation manifests itself somewhat differently in the Nordic countries, and also to some extent over time. This is also partly confirmed by logistic regressions in which we also control for multiple characteristics. These regression analyses nevertheless also show that there are clear commonalities. When we use the group aged 35 to 44 years as a reference group, it is generally the case that those who are younger are more likely to be excluded, and those who are older are less likely to be excluded. However, these are general trends with exceptions, and we will here briefly discuss each country.

Table 4.3.5 Marginalisation by country and age group 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	20-24 years	2.9	1.8	0.3	1.3	2.3
	25-34 years	4.0	3.1	1.7	1.2	3.0
	35-44 years	2.5	1.4	1.7	0.8	2.1
	45-54 years	1.1	0.9	0.9	0.8	1.5
	55-64 years	1.4	0.7	0.4	0.9	1.7
Finland	20-24 years	12.7	13.9	11.8	8.4	9.8
	25-34 years	6.7	7.5	7.1	8.4	10.2
	35-44 years	5.7	4.7	6.0	6.2	6.3
	45-54 years	4.2	4.1	3.5	4.1	4.4
	55-64 years	4.0	4.0	3.9	4.3	4.0
Iceland	20-24 years	2.5	1.8	2.2	1.6	3.5
	25-34 years	1.1	0.9	1.9	2.1	4.5
	35-44 years	1.6	1.2	2.2	1.7	3.6
	45-54 years	0.8	1.5	2.7	1.2	4.2
	55-64 years	1.2	1.6	1.2	1.0	3.0
Norway	20-24 years	4.6	6.0	4.8	2.1	2.0
	25-34 years	4.3	3.1	2.9	3.4	2.4
	35-44 years	2.6	1.7	1.6	1.9	1.7
	45-54 years	0.7	0.8	0.6	0.8	0.9
	55-64 years	0.5	0.4	0.8	1.6	0.6
Sweden	20-24 years	4.4	6.5	5.8	6.7	7.4
	25-34 years	3.7	2.8	3.8	3.8	3.9
	35-44 years	1.7	1.6	1.5	1.8	1.6
	45-54 years	0.9	1.2	1.0	1.7	1.3
	55-64 years	1.2	0.6	0.7	1.3	1.4

Source: EU-SILC 2006-2010, User Data Base

Starting in Denmark, we find the general trend of a decline in the share of marginalised persons from 2006 to 2008/2009, which then increased again in 2010 in all age groups. The moment when the trend turns varies a bit, and if we are to read any effect of the crisis from this, it is that it was first noticeable among the youngest and oldest, among whom the share of marginalised persons was at the lowest in 2008 and then increased in 2009 and 2010. In the group aged 25 to 54, the lowest level can be found in 2009, and then it increases again in 2010. In general, the group aged 25 to 34 is most likely to be at risk of this type of loose attachment to the labour market. This is also generally confirmed by the regression analyses, in which this age group generally has a higher likelihood of being marginalised than the reference group (aged 35 to 44), including when we control for other characteristics. However, 2008 is an exception: in that year, all age groups actually have a lower likelihood than the reference groups. It is also in the youngest age groups (aged 20 to 34) that we see the greatest fluctuations, so these are groups that are more sensitive to changes in the labour market. This may of course also be related to changes in educational pat-

terns. Figures broken down to individual age cohorts also show that there were fluctuations within the different age groups, but this is too much detail to discuss in the present context, and it may also partly be caused by random effects when the selections are broken down to such small subsidiary groups.

In Finland, the share of marginalised persons remained more stable, with a small increase in 2010, and there are quite clear differences between the age groups. The share of marginalised persons aged 45 to 64 remained quite stable at around four per cent during the entire period. The regression analyses show that for the entire period 2006-2010, persons aged 45 to 64 were less likely to be marginalised compared to the reference group of persons aged 35 to 44, including when we take multiple characteristics into consideration. The group aged 35 to 44, which is the reference group in our regression models, has also had a quite stable situation, but with a slight increase in 2008, so that the share has been about six per cent in the three last years of the period. There have been more changes in the younger groups. In the years 2006 to 2008, we find the clearly highest share of marginalised persons among those aged 20 to 24; the share peaked at 13.9 per cent in 2007. In the same period (2006-2008), the share in the group aged 25 to 34 was about seven per cent (6.7-7.5 per cent). In 2009, the share fell noticeably among the youngest, while it increased for those aged 25 to 34, so that the share was the same for these two groups (8.4 per cent). These tendencies cancel each other out so that the total share remains quite stable. The increase in the period to 2010 was caused by an increase in both of the younger age groups, where the share was about the same at around ten per cent in 2010. Beneath the apparent stability in Finland there was in other words a convergence between the two youngest age groups, and it was also the youngest that caused the increase in 2010. Even when we control for other characteristics, the tendency that being young increases the risk of marginalisation in Finland in the period 2006-2010 is confirmed.

In Iceland, marginalisation was generally low up to and including 2009, and with a slightly different variation according to age in the different years. Furthermore, the connection between age and marginalisation was also less clear in Iceland than in the other Nordic countries when we look at the results of the regressions (table 4.3.3). In 2006 and 2007, we find the highest share of marginalised persons in the group aged 20 to 24. The regression model also shows an increased likelihood for these years compared to the reference group (aged 35 to 44). Other age groups have lower or an insignificant difference compared to the reference group. This changes somewhat in 2008 and 2009, when there were fewer differences between the age groups. Furthermore, in 2008 all age groups except those aged 45 to 54 were less likely to be marginalised than the reference group when we also control for other characteristics, while age had no significant effect in 2009, when we only have an effect for the youngest (greater likelihood) and the oldest (less likely). The most interesting aspect of the development in Iceland is that the increase in the share of marginalised persons in 2010 had similar effects in all age groups. In other words, if these are effects of an economic crisis, we cannot say that it affects youth or seniors significantly more than others, but the regression models nevertheless show that age had some

effect, and that the risk of marginalisation was lowest for the youngest and oldest in 2010 when we also take other characteristics into consideration.

Behind the relatively stable share of marginalised persons in Norway (a slight tendency towards a reduction), there were also some different trends in the development for the different age groups. For the group aged 35 to 64 it was quite stable, though with small fluctuations between the years. If we look at the results of the regressions (table 4.3.3), they show that the group aged 45 to 64 was less likely to be marginalised than the reference group (aged 35 to 44) in every year. Those aged 20 to 24 were most at risk of marginalisation in the period 2006-2009, with a peak in 2007. Those aged 25 to 34 were also quite at risk in 2006, but here the share declined in 2007. However, between 2008 and 2009 there was a noticeable decline in the group aged 20 to 24 while it levelled off for those aged 35 to 44, which thus became the age group most at risk of marginalisation in 2009 and 2010. Like in Finland, we see that the youngest group was no longer the group most at risk of marginalisation, and the groups aged 20 to 24 and 35 to 44 moved closer together. We can also see this in the results from the regressions where we also take other characteristics into consideration. Those aged 25 to 34 had a higher likelihood of being marginalised than the reference group (35 to 44 years) during the entire period, while for the youngest (20 to 24) this was true up to and including 2008, while they had a lower likelihood in 2009 and 2010.

In Sweden, the highest overall level occurred in 2009 and 2010, and if we look at the age groups we can conclude that this increase from the previous years was primarily caused by an increase among the youngest segment. The regression analyses then show that even if we take other characteristics into consideration, being aged 20 to 34 means having a higher risk of being marginalised compared to those aged 35 to 44. Like in Norway and Finland, the shares remained quite stable among those aged 35 to 64. Further, the regression analyses show nearly without exception that those aged 45 to 64 had a lower likelihood of being marginalised compared to the reference group. If we stick to the actual shares, Sweden too did not have significant changes among those aged 35 to 34, except for a slight and insignificant reduction in 2007. However, among young people there were quite clear tendencies that the share of marginalised persons is increasing. In 2006, the share in this group was 4.4 per cent, and in 2010 it had increased to 7.4 per cent.

There were also varying trends with regard to age and risk of marginalisation. However, it remained the case that being below the age of 35 entailed an increased risk of having loose attachments to the labour market. In Sweden, this was most noticeable among the youngest, while in Denmark, and gradually also in Norway and Finland, it appeared to be those aged 25 to 34 who were most at risk. In Iceland, it looks like the financial crisis contributed to diminishing the age effect, in that marginalisation also increased among the middle-aged and elderly.

Marginalisation by level of education

As we have mentioned previously in this report, the labour market has undergone great technological development during the past 30 to 40 years, and requirements to formal competencies to enter the labour market have increased. This also entails a shift from training in companies to an ever-increasing emphasis on formal competency based on education completed prior to starting work (Ugreninov 2007). This has been happening in parallel with an educational revolution in which ever-increasing portions of the population complete education beyond the compulsory level, and often complete higher education. On this basis, it may be expected that people who lack formal competency from an educational institution are at greater risk of having weak attachments to the labour market during times of crisis. Therefore, we will also use education as a background variable to look at different attachments to the labour market. Is it the case that groups with limited education to a greater extent than others have weak attachments to the labour market, and perhaps are at greater risk of being entirely excluded from the labour market during economic downturns?

In table 4.3.6, education is divided into three groups based on ISCED codes.¹² When we look at marginalisation, it is primarily the case that those with the least education were the most at risk. The logistical regressions also confirm that education was relevant, and was very significant in all Nordic countries when we also control for other characteristics (see table 4.3.3). In these models, higher education is used as a reference group, and we can also conclude that those who have only completed primary and lower secondary school were generally more at risk of marginal labour market attachments when we also take gender, age, health and country of birth into consideration. The picture is less clear-cut for those who completed upper secondary school. Whether they were more or less at risk of marginalisation than those who have higher education varies, both between countries and over time within the countries. In Finland, Norway and Sweden we have the clearest findings suggesting that those with upper secondary education were more at risk of marginalisation. Furthermore, this is also a trend that was common to all Nordic countries in 2010. However, there were some nuances we will discuss for each country.

¹² ISCED - the International Standard Classification of Education - UNESCO 1997

Table 4.3.6 Marginalisation according to country and education 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Compulsory education	2.4	2.5	1.2	1.3	2.5
	Upper secondary school	1.9	1.2	0.8	0.8	1.9
	Higher education	2.7	1.3	1.6	0.9	1.6
Finland	Compulsory education	6.4	6.9	6.5	6.8	7.0
	Upper secondary school	6.5	6.7	6.0	6.0	6.9
	Higher education	4.3	4.0	4.3	4.7	4.9
Iceland	Compulsory education	1.4	1.6	2.8	2.3	5.3
	Upper secondary school	1.7	0.7	1.9	1.2	3.7
	Higher education	0.6	1.3	1.4	1.3	2.6
Norway	Compulsory education	3.5	3.9	3.3	3.1	3.2
	Upper secondary school	1.9	1.6	1.4	1.7	1.1
	Higher education	1.7	1.1	1.2	1.2	0.8
Sweden	Compulsory education	2.5	2.6	2.7	4.4	3.5
	Upper secondary school	2.2	2.2	2.3	2.5	2.8
	Higher education	1.7	1.4	1.7	2.0	2.0

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the different educational groups generally followed the overall trend. The share of marginalised among those with the least education fell in 2008 and 2009, and then returned to its previous level again in 2010. Those with upper secondary school as their highest level of education followed the same trend. The regression models also show that in 2008, both of these groups had a lower likelihood of being marginalised than those with higher education, in line with the shares in table 4.3.6. For the group with higher education, the share fluctuated a bit more. The share was relatively high in 2006, lowest in 2009, but generally higher than among those with upper secondary school only in all years, except in 2010. When we look at the regression models, the results also show that persons with higher education generally were more at risk of being marginalised than those who have completed upper secondary school, except in 2010.

In Finland, there was little difference between persons with primary and lower secondary school and persons with upper secondary both in 2006 and 2010, but both in 2008 and 2009 there was some degree of difference (although statistically insignificant) that may suggest that the least educated become at risk more quickly when the labour market becomes more difficult. For the group with higher education, it was not before 2009 and 2010 that we could see tendencies towards increased marginalisation, but the change is small and insignificant. In general there is not much in Finland to suggest that the financial crisis had very different impacts on groups with different educational attainments with regard to marginal attachments to the labour market. The regression analyses, where we also control for multiple characteristics, generally confirm this in that the most educated generally had the lowest risk of being marginalised, and the least educated had the highest risk.

In Iceland too there was little difference between persons with primary and lower secondary school and persons with upper secondary school in 2006, but from 2007 and 2009 there was about one percentage point more marginalisation among the least educated, and in 2010 this difference increased further though the difference was still insignificant. The difference compared to those with higher education was small in the period 2006-2009, but grew slightly in 2010. In other words, the share of marginalised persons increased in all educational groups in 2010, but there were small signs that the economic downturn slightly increased the differences between the educational groups. The analyses in which we control for multiple characteristics do not give a clear picture of the significance of education for marginalisation in Iceland in the period 2006-2010, but in 2010 the result was about the same as in Finland. In other words, the most educated had the lowest risk and the least educated had the highest risk of being marginalised. For those with the least education, the situation was relatively speaking more positive in 2006 and 2007, but it appears that they were more at risk as of 2008.

In Norway, the relationship between the educational groups remained quite stable throughout the period, though there were some minor fluctuations. Though the share of marginalised persons declined in all educational groups from 2006 to 2010, the share remained the highest among the least educated. When we also control for other characteristics, we see stable results for the period 2006-2010, which shows a clear correlation between having less education and being more at risk of marginalisation.

In Sweden from 2006 to 2010, we see a slight increase in the share of marginalised persons among the groups with upper secondary school and higher education. The results for the group with primary and lower secondary school have fluctuated more. In 2009, the share of marginalised persons in this group was 4.4 per cent, against 2.5 per cent in 2006. The share fell slightly again in 2010. This cannot be interpreted as a major impact of the economic downturn, and the effect seems to taper off somewhat after one year, but it illustrates that those with the least education are also the most at risk of having weak attachments to the labour market. However, though there were some fluctuations in the shares from year to year, the regression analyses generally show the same correlation between education and marginalisation, as in Norway.

In sum, we can conclude that education is significant in relation to marginalisation, and generally this goes in the direction we expect: that the least educated are the most at risk. This is also true when we control for the effects of gender, age, health and country of birth. As there were some variations between the countries and from year to year, it is difficult to say whether the financial crisis affected the risk of marginalisation for different educational groups. However, for 2010 we can conclude that the least educated had the highest share and a higher risk of marginalisation than those with higher education.

Marginalisation of couples and singles

In the 2009 report, we also used household type as a background variable. This time, partly for practical reasons, we have used a simpler variable that only distinguishes between whether the person is married or cohabiting in contrast to being single. The variable does not contain the same information as to household type, but the hypothesis behind it is that those who live as a couple have more stable relationships with more social support that can make it easier to participate in the labour market when compared to those who do not live as a couple. In other words, the hypothesis is that those who are not married or cohabiting more often have weak or no attachments to the labour market. We will not be emphasising this as it is primarily to be considered a control variable in the regression models. However, the analyses show that the hypothesis is generally strengthened when we look at the Nordic region from 2006 to 2010. Persons who live in a couple were generally less at risk of marginalisation than those who did not. However, there were exceptions in some years in most countries, and the variable did not have a significant impact every year. Furthermore, we cannot determine whether the financial crisis affects this to any extent.

Marginalisation in the Nordic countries, by health

Participation in the labour market may also be limited due to health issues. Illness or injury can lead to impairments that either make it difficult to get established in a full-time job or that make it difficult to remain in a job. In the final instance, it can cause disability and an inability to work. One challenge will therefore be that the labour market is adapted to permit individuals with impaired health situations to have the opportunity to participate and to prevent to the greatest extent possible that persons have to resort to disability benefits. Here we have used one of the health indicators in EU-SILC, self-evaluations of health, to look at how this affects weak labour market attachments.¹³ In chapter 5, we return to how health can affect work activity in general, and present more of the health indicators. We must emphasise that the impact can go both ways. Impaired health can lead to difficulties in the labour market, and difficulties in the labour market can also negatively affect (the assessment of) one's own health.

In table 4.3.7, we have divided the share of marginalised persons according to self-evaluated health. Additionally, we have included self-evaluated health in the regression models that also consider multiple characteristics (see table 4.3.3). In the previous report we could conclude, based on 2006 data, that the share of marginalised persons was quite similar for persons who assess their own health to be good and those who assess it as being neither good nor bad. This was generally true in all Nordic countries, though of course the shares varied. A common trend was that those

¹³ In the 2009 report, we also used a tripartite division of impaired functional ability and broke down marginalisation, exclusion and disability according to this characteristic as well. We have not included that in this report. If we had, the results would generally have corresponded to those we get in a tripartite division of self-evaluated health, so our assessment is that impaired functional ability does not provide much additional information in this particular context

who considered their own health to be poor were more at risk of marginalisation than others, and this was especially the case in Iceland and Finland. The results of the regression analyses showed a corresponding correlation in all Nordic countries in 2006. However, in 2010 we could no longer conclude that this was a general Nordic trend.

Table 4.3.7 Marginalisation, according to country and self-evaluated health 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Good health	2.2	1.6	1.1	0.9	1.7
	Neither good nor poor health	3.2	3.7	1.7	1.6	4.7
	Poor health	5.6	4.0	4.1	3.8	3.5
Finland	Good health	5.6	5.0	5.6	5.7	6.1
	Neither good nor poor health	5.0	7.7	6.7	6.3	6.4
	Poor health	12.2	7.9	11.3	6.8	9.4
Iceland	Good health	1.1	0.7	1.6	1.2	4.5
	Neither good nor poor health	1.8	3.2	10.5	1.1	8.2
	Poor health	6.9	7.3	8.2	5.0	2.1
Norway	Good health	2.4	2.4	1.6	1.6	1.1
	Neither good nor poor health	2.5	2.7	3.0	4.3	2.7
	Poor health	4.4	2.7	3.9	3.9	7.0
Sweden	Good health	2.3	2.0	1.9	2.9	2.7
	Neither good nor poor health	2.1	1.4	3.0	2.2	3.4
	Poor health	2.7	1.8	3.2	2.3	1.2

Source: EU-SILC 2006-2010, User Data Base

In Denmark, a clearer tripartite division emerged in 2007, where the marginalisation declined with improved health. In line with the general decline, the shares generally fell in all of the three "health groups" until 2009. However, in 2010, marginalisation grew among those with good health and with neither good nor bad health - mostly in the latter group - while the share continued to decline among those in poor health. In Denmark in 2006, 5.6 per cent of those in poor health were marginalised; in 2010 the corresponding share was 3.5 per cent. The same development for the group in neither good nor bad health showed shares of 3.2 and 4.7 per cent, and the shares were below 2 per cent in 2008 and 2009. Here, we must emphasise that these are small groups for which the changes are insignificant; only the increase among those in good health from 2009 to 2010 is significant. However, when we control for other characteristics, we get similar results. Impaired health clearly correlates with being marginalised in Denmark, but both in 2007 and 2010 persons with neither good nor bad health actually had a higher risk of being marginalised than those in poor health. In other words, it may look like it is the "mid-range" that was hit the hardest by the development and was more likely to be marginalised. Why not those in poor health? One possibility is that this group to a larger extent is completely excluded from the labour market, which we will discuss in further detail later.

In 2010, like in 2006, it remained the case in Finland that the share of marginalised persons was quite similar for those with good and neither good nor bad health, while it was higher for those in poor health. However, in the intervening years it has fluctuated quite a bit. In particular, the share for those in poor health has varied from year to year, which may in part be because this is quite a small group, and may in part be because it is a group with weaker attachments to the labour market than others. The regression analyses also suggest that the effect that health had on marginalisation varied slightly from year to year, but it was generally the case that impaired health increased the risk of marginalisation, and it increased most for those in poor health.

In Iceland, we can see some of the same trends as in Denmark, but those in poor health were the least marginalised in 2010, and those in neither good nor bad health were most marginalised (2.1 per cent and 8.2 per cent). The groups are small in Iceland, so the actual differences in shares and the changes in these are insignificant. Yet when we control for other characteristics, where those in good health are the reference group, we find that those in poor health had a lower and those in neither good nor bad health had a higher risk of marginalisation in 2010. However, 2010 was an exception. After 2008, the share of marginalised persons declined steadily for those in poor health, and the regression analyses also suggest that being in poor health was the "worst" in 2006 and 2007, but that the effect has declined since. Has the financial crisis contributed to turning around the effect health has on marginalisation? For those in neither good nor bad health, it has varied quite a bit, and it is difficult to find a good explanation for this. Some of it may be random, but generally this group was also at higher risk compared with those with good health (except for 2009). In 2010, a high share of those in good health was marginalised (4.5 per cent), and it is possible that this reflects some of the problems in the labour market.

In Norway, the share of marginalised persons among those in good health declined somewhat during the period, and was at 1.1 per cent in 2010, which represents a definite decline in this group. The situation for those in neither good nor bad health generally remained stable (with a small peak in 2009) and was at 2.7 per cent in 2010. For those in poor health, the share of marginalised persons increased in the period when viewed overall, and was at 7.0 per cent in 2010. In Norway, a clear tripartite division thus emerged during the period, in which the share of marginalised persons in 2010 increased in step with impaired health. This is generally confirmed by the regression analyses, where we also take other characteristics into consideration.

In Sweden, the situation in 2010 was quite similar to the one we saw in Iceland. In other words, the most marginalisation could be found among those in neither good nor bad health, and the least among those in poor health. The share has fluctuated somewhat in the different health groups in Sweden; in 2006, there were no significant differences. The greatest differences according to health can be found in 2010, but the differences between "health groups" were generally small and insignificant in Sweden. Analyses that also control for other characteristics also show that the signif-

ificance of health varied quite a bit from year to year in Sweden, and suggest that self-evaluated health may not be the most important explanatory factor.

As previously mentioned, marginalisation must be seen in connection with exclusion. This is especially true for groups that as a starting point are vulnerable in the labour market, including those with impaired health. As a starting point, a decline in marginalisation should be interpreted as being positive, but if it is caused by an increase in exclusion and/or disability this will of course change the interpretation. Marginalisation can go both ways, either in the form of increased participation in the labour market or in the form of becoming entirely excluded from the labour market. The results of our analyses shows that there are no clear conclusions to be drawn regarding how health affects marginalisation in the Nordic countries, and that it may vary slightly from year to year.

Marginalisation in the Nordic region by country of birth

We have previously discussed immigration as a challenge the welfare states must handle in the times ahead (see chapter 2). Including immigrants in the labour market must be seen to be central in this context. We have therefore used information about country of birth in EU-SILC to look at the situation, though this does give us a somewhat limited picture as we have only been able to divide country of birth into three categories: Born in the country, born in an EU country and born outside of the EU. The somewhat special situation in the Nordic region is that two countries are not EU members, and that persons born in Norway and in Iceland thus are classified as born outside of the EU when resident in other countries. Table 4.3.8 shows marginalisation in these three categories in the Nordic countries 2006-2010.

Table 4.3.8 Marginalisation by country and country of birth, 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Born in the country	2.2	1.5	1.2	1.0	2.0
	Born in the EU	6.5	2.1	0.1	0.0	1.0
	Born outside the EU	2.3	1.6	1.0	0.7	2.8
Finland	Born in the country	5.6	5.7	5.4	5.6	6.0
	Born in the EU	9.7	9.3	11.4	7.5	9.3
	Born outside the EU	16.1	11.7	14.5	18.1	19.1
Iceland	Born in the country	1.2	1.1	1.9	1.6	3.7
	Born in the EU	2.7	1.3	4.2	0.8	5.5
	Born outside the EU	2.1	0.6	2.9	1.9	4.9
Norway	Born in the country	2.1	1.9	1.7	1.8	1.4
	Born in the EU	3.7	2.6	1.9	2.7	2.0
	Born outside the EU	4.2	3.2	4.1	3.4	2.2
Sweden	Born in the country	1.9	1.8	1.9	2.5	2.5
	Born in the EU	2.7	1.2	1.9	1.8	1.8
	Born outside the EU	4.4	4.3	3.9	3.9	3.8

Source: EU-SILC 2006-2010, User Data Base

In the previous report, where we only had data for 2006, we concluded that persons born in the respective countries were the least at risk of marginalisation. In 2010, this is only correct for Finland, Iceland and Norway. In Denmark and Sweden, persons born in other EU countries were the least at risk in 2010. When we control for gender, age, education and health, it also turns out that country of birth to some extent had very varying effects on marginalisation in the Nordic region.

In Denmark, marginalisation declined from 2006 to 2009, and declined the most for persons born in another EU country. When we control for other characteristics, persons born in another EU country were more at risk than persons born in Denmark in 2006 and 2007, but were less at risk in 2008. During this period, persons born outside of the EU were less at risk or had the same risk of marginalisation as persons born in Denmark. In 2009 and 2010, the regressions suggest that country of birth is not very significant, so the differences we see in the table were likely caused by gender, age, education and health.

Finland stands out in that persons born outside of the EU had a high degree of marginalisation. Persons born in EU countries also had a higher degree of marginalisation than those born in Finland. This is generally the case for every year from 2006 to 2010, so we can interpret this as a tendency even though the groups of persons born outside of Finland were small and the differences were often insignificant year on year. The regression analyses generally confirm that persons who were not born in Finland were more at risk of marginalisation (there was a small exception for 2006, when persons born in EU countries were less at risk than those born in Finland). However, the ratio between those born within and outside the EU becomes somewhat more nuanced when we control for multiple characteristics. In 2007 and 2008, per-

sons born in the EU were most likely to be marginalised, and in the other years this applies to persons born outside of the EU.

In Iceland, where there was relatively little immigration and the number of observations for persons born outside of Iceland was quite low, it looks like country of birth generally was of little significance in relation to the risk of marginalisation. Table 4.3.8 shows some differences, but the analysis that controls for multiple characteristics suggests that these were caused by factors other than country of birth. Country of birth only had significant effects in 2008 and 2010, when persons born in other EU countries were more at risk of marginalisation than persons born in Iceland. We can also see this in the table, with 4.2 and 5.5 per cent of marginalised persons in these years. In the same years, persons born outside the EU had higher shares of marginalised persons than persons born in Iceland, but this is likely because of other characteristics in 2008, when the regression analysis shows less likelihood for persons born outside the EU.

In Norway too there was some variation from year to year regarding whether country of birth was a factor that affected marginalisation when we also control for other issues. Table 4.3.8 nevertheless shows the same ratio from year to year between groups divided by country of birth, though annual differences when seen in isolation are quite insignificant. The highest share can be found among those born outside the EU, and the lowest share can be found among those born in Norway. However, when we control for multiple characteristics this shifts slightly. It is only in 2007, 2009 and 2010 that country of birth was significant, and persons born in the EU were most at risk of marginalisation in these years. Furthermore, in 2009 and 2010, persons born outside the EU actually were less at risk of marginalisation compared to those born in Norway.

Sweden is similar to Finland and Norway in that we find the highest share of marginalised persons among those born outside the EU in all five years. Persons born in EU had a lower share of marginalised persons than those born in Sweden, except in 2006. However, in Sweden too the picture becomes more nuanced when we take multiple characteristics into consideration. Country of birth had a significant effect on marginalisation in all five years, and until 2009 persons born outside the EU were more at risk than those born in Sweden. However, the opposite was true in 2010. For persons born in EU, whether the risk is higher or lower than for those born in Sweden fluctuates from year to year.

How and whether country of birth affects the risk of having weak attachments to the labour market also varied quite a bit within the Nordic region. Seen in isolation, the shares suggest that persons born outside the EU were most at risk in Finland, Norway and Sweden, but it is only in Finland and partly in Sweden that the regression analyses help confirm this. In Denmark and Iceland this varied more from year to year. Neither do the regression analyses give a clear answer to how country of origin affects marginalisation, and in some years it does not seem to have any impact whatsoever. However, we can again point out that this is about marginalisation, which presumes some level of connection to the labour market. Later, we will see that be-

ing born outside the EU increases the likelihood that someone is excluded from the labour market in the Nordic region.

4.3.6 Which Factors Affect Exclusion?

In the same way as for marginalisation, we will now look at how the same background characteristics affect exclusion from the labour market from 2006 to 2010. We use the data in the same way: first by presenting results from logistic regressions (see the previous text box about logistic regression), then by reviewing the different characteristics with support in bivariate tables, where we see how the share of excluded persons varies between countries and years, broken down by the respective characteristics. Table 4.3.9 shows the results of logistic regressions in which we look at the likelihood of being excluded, with gender, age, education, marriage/cohabitation status, health and country of birth as the background variables. We have only included significant odds estimates in the table.

Table 4.3.9 Logistic regression, likelihood of being excluded from the labour market 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Woman	2.23	1.99	2.75	1.18	
20-24 Years	0.26	0.51	0.29	2.42	0.50
25-34 Years	0.75	1.11		2.70	1.33
45-54 Years	0.59	0.76	0.44	1.53	1.01
55-64 Years	0.56	0.75	1.00	0.24	0.50
Compulsory education	2.02	1.93	1.38	1.65	7.11
Upper secondary school	0.62	0.75	0.70	0.55	1.68
Unmarried/no cohabitant	2.19	1.75	2.43	1.67	2.48
Neither good nor poor health	1.34	1.85	4.12	4.24	3.68
Poor health	3.80	5.94	2.27	3.71	15.58
Born in the EU		2.34		3.59	
Born outside the EU		3.05	2.54	2.13	1.28
Finland					
Woman	1.40	1.31	1.44	1.71	1.24
20-24 Years	1.06	0.51	0.53	0.33	1.19
25-34 Years	1.02	1.02	0.85	1.09	1.16
45-54 Years	0.87	0.59	0.52	0.56	0.85
55-64 Years	0.74		0.47	0.61	0.74
Compulsory education	3.42	2.80	5.55	3.83	3.74
Upper secondary school	1.72	1.91	2.26		1.63
Unmarried/no cohabitant	1.62	1.64	1.55	1.54	1.66
Neither good nor poor health	1.53	1.89	1.61	1.98	1.41
Poor health	2.90	2.45	1.42	3.19	1.59
Born in the EU	1.29	0.89	1.39	3.99	1.67
Born outside the EU	9.98	3.43	6.80	7.91	5.60

Table continues

	2006	2007	2008	2009	2010
Iceland					
Woman	3.06	11.31	1.38	0.84	1.41
20-24 Years				0.53	0.56
25-34 Years	0.39			0.54	
45-54 Years	0.81			0.57	1.01
55-64 Years	0.40			0.97	
Compulsory education	1.60	1.59	10.49	0.98	1.28
Upper secondary school	0.80	4.34	7.02	0.65	
Unmarried/no cohabitant	0.68		1.39	1.50	0.77
Neither good nor poor health		4.85	3.80	3.33	3.47
Poor health	7.68	3.37	3.83	19.32	4.42
Born in the EU	3.38	1.11		1.40	1.34
Born outside the EU	5.16	8.28	9.16	4.04	4.32
Norway					
Woman	4.18	2.25	3.82	2.78	1.78
20-24 Years	3.50	1.18	1.63	0.78	0.32
25-34 Years		1.01	1.35	1.97	1.48
45-54 Years	1.13	0.51	0.96		0.98
55-64 Years	1.19	1.33	1.09	0.80	
Compulsory education	8.62	3.52	4.35	3.32	5.28
Upper secondary school	4.35	1.43	1.11	1.19	1.12
Unmarried/no cohabitant	0.62	1.46	1.21	1.76	1.15
Neither good nor poor health	0.73	0.68	0.14	2.67	0.78
Poor health	2.81	0.92	0.96	3.23	1.23
Born in the EU	0.49		0.70	4.77	2.30
Born outside the EU	2.98		2.55	7.92	3.25
Sweden					
Woman	1.11	1.44	0.87		1.17
20-24 Years	1.41	1.19	0.96	3.25	1.04
25-34 Years	1.08	0.75	1.24	1.43	0.91
45-54 Years	0.67	0.84	0.72	0.83	0.66
55-64 Years	0.70	0.65	0.58	0.67	0.64
Compulsory education	2.20	2.99	3.51	3.90	2.61
Upper secondary school	1.51	1.27	1.08	1.64	1.72
Unmarried/no cohabitant	1.37	1.14	1.66	1.19	2.67
Neither good nor poor health	1.85	1.47	2.10	1.90	1.94
Poor health	2.66	1.76	4.98	4.17	7.11
Born in the EU	0.90	0.77	2.57	0.99	0.77
Born outside the EU	5.02	3.12	4.23	3.77	2.61

Reference group: Non marginalised, male, aged 35 to 44, has a higher education, is married or cohabiting, in good health, and born in the country

Source: EU-SILC 2006-2010, User Data Base

Exclusion and gender

Exclusion entails even weaker attachments to the labour market than marginalisation, and here too the trend is that women were more at risk than men. In 2006, the gender gap in the Nordic region ranged from one percentage point in Sweden to 2.6 percentage points in Norway. Here too the development to 2010 has been slightly different between the Nordic countries, and it is generally not that different from the trend we saw for marginalisation. There are signs that suggest that the financial crisis affects how gender gaps in the labour market play out. Here we will take a brief look at what happens if we exclude homemakers from the definition of excluded persons.

Table 4.3.10 Excluded, by country and gender 2006-2010, persons aged 20 to 64. Per cent of total

	2006		2007		2008		2009		2010	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Denmark	1.9	3.9	1.7	3.5	0.9	3.3	1.2	1.7	2.5	2.6
Finland	4.3	6.0	4.1	6.3	3.5	5.6	3.3	5.9	4.8	6.3
Iceland	0.7	2.3	0.2	2.1	0.8	1.9	1.3	2.2	1.9	2.8
Norway	0.8	3.3	1.1	2.8	0.6	2.5	0.8	2.5	0.9	2.1
Sweden	1.5	2.5	1.5	2.5	1.8	2.2	1.9	2.1	1.9	2.6

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the share of excluded persons also declined in the period 2006-2009, and like for marginalisation, the gender gap also narrows during this period because the decline was greater for women than for men. However, here the development is uneven. This is primarily because the fall in the share of excluded men largely took place between 2007 and 2009, while the corresponding fall among women only took place between 2008 and 2009. The gender gap was therefore at its widest in 2008 (2.4 percentage points), while it was at its narrowest in 2009 (0.5 percentage points, no statistically significant gap). When the development shifted in the period to 2010, and the overall share of excluded persons increased, the gender gap disappeared completely because the increase was stronger among men than among women. If we look at the effect of gender using regression models in which we also control for other characteristics, these trends are confirmed, including that gender was of significance for exclusion in 2010. The same tendency applies if we exclude homemakers (not in the table). The gender gap then narrows primarily because this reduced the shares among women, but the erroneous classification of homemakers in 2009 and 2010 makes it difficult to interpret these figures.

The development in Finland is again slightly different. While the share of marginalised persons overall was quite stable in the period 2006-2009, the share of excluded persons fell slightly in the same period. However, the reduction was primarily for men, while the share of excluded women was more stable. The share of excluded men was 4.3 per cent in 2006 and 3.3 per cent in 2009, while the corresponding figures for women were 6.0 per cent and 5.9 per cent. Thus the gender gap grew slight-

ly and was at 2.6 percentage points in 2009. In 2010, the share of excluded persons grew again, and though it increased for both genders, it was absolutely most noticeable for men so that the gender gap declined again to 1.4 percentage points (not a statistically significant difference). In Finland, 4.8 per cent of men and 6.3 per cent of women were excluded in 2010. The regression models confirm the tendency for Finland too. The effect of gender is greatest in the years in which the gap is the widest, and women were more at risk of being excluded than men in all years. More than in any other Nordic country, the gender gap was affected when homemakers were included in the definition. If we exclude homemakers, the share of excluded women is noticeably lower (about three percentage points) while it remains stable among men. Thus the gender gap also "turns" so that men are excluded more frequently than women.

In Iceland, the share of excluded women remained quite stable between 1.9 and 2.3 per cent for the entire period 2006-2009 before increasing slightly to 2.8 per cent in 2010. For men the share varied more, and thus the gender gap also varied. The share of excluded men was generally low in Iceland, and it was lowest in 2007 at 0.2 per cent. It then increased to 1.3 per cent in 2009 and 1.9 per cent in 2010, which was probably related to the financial crisis. Thus the gender gap was widest in 2007 at 1.9 percentage points, while it was narrowest in 2009 and 2010 at 0.8-0.9 percentage points (insignificant difference). The regression analyses that also controlled for other characteristics also show that the effect of gender was at its greatest in 2007, when women were noticeably more at risk of being excluded. The effect fell in subsequent years, and in 2009 women actually were less at risk than men when other characteristics are taken into consideration. This turns again in 2010. If we exclude homemakers, we see the same tendency as in Finland: the share reduces among women and only to a limited extent among men. Thus the gender gap also disappears, and the tendency is more towards men being more excluded than women, especially in 2009 and 2010.

In Norway, the development in the share of excluded persons has been quite similar to the development for marginalisation. It fell slightly from 2006 to 2008, increased again in 2009 and then fell again in 2010. From 2006 to 2007, the share fell among women and increased among men, thus narrowing the gender gap. However, in the period to 2007 it grew again because the share of excluded men also declined. Until 2009 and 2010, the gap narrowed slightly again because the share of excluded women decreased. The regression analyses again confirmed the trends from table 4.3.10: women are more likely to be excluded even when we control for multiple characteristics, but the effect varies slightly from year to year. For Norway, there is an error in the coding of homemakers up to and including 2009, which means that they do not affect the levels at all ¹⁴. If we exclude homemakers from the definition of exclusion in 2010, the share of excluded women is reduced, leaving no gap between men and women.

¹⁴ Homemakers were erroneously coded as "other inactive" up to and including 2009

Like for marginalisation, Sweden had the narrowest gender gap for exclusion in 2006, and this remained the case in the entire period to 2010. The share of excluded persons has also remained quite stable for the entire period, with a slight increase in 2010. A slight increase in the share for men and a slight decrease in the share for women led to the gender gap nearly disappearing in 2009 (0.2 percentage points), but the increase in excluded persons in 2010 was caused by an increase among women, so the gender gap then grew slightly again (0.8 percentage points). Strictly speaking, the gender gap is not significant in any year, but given that it remains steady over time we can nevertheless rely on there being a gap. However, when we control for other characteristics, it seems that gender was less significant in Sweden than in the other Nordic countries. In 2009, gender had no significant effect, and in 2008 women were less at risk of exclusion than men even when other characteristics are taken into consideration. In 2006, 2007 and 2010, women were slightly more likely to be excluded compared to men. Sweden follows the pattern for most of the other countries in that homemakers affect the share of excluded women. If we exclude homemakers, the share among women drops so that the gender gap in 2006, 2007 and 2010 disappears, and in 2008 and 2009 men become more likely to be excluded than women.

Like for marginalisation, we can observe a slightly larger differences between the Nordic countries in terms of gender gaps related to exclusion, at least if we look at the period until 2009. In 2010, it was more similar again, and the gender gap varied between 0 and 1.4 percentage points. The gap had again disappeared in Denmark, while in the other countries a small gap remained, suggesting that women were excluded more often than men. Nevertheless, in general the gender gap was smaller in 2010 than in 2006, and it is important to underline that this has not been a steady trend, and that it varied slightly from year to year. The regression analyses suggest that gender had slightly less effect on exclusion in the Nordic countries in 2010 than it did in 2006 when we also control for age, education, couples, health and country of birth. This indicator also illustrates that the actual definition is important. Women define themselves as homemakers more often than men, and if we exclude them from the definition of excluded persons, the share among women falls in all Nordic countries, and the gender gap disappears or reverses so that men were excluded more often.

Exclusion and age

Table 4.3.11 shows exclusion presented in the same way as for marginalisation. The link between age and exclusion does not provide a clear picture for the Nordic region; it varies between countries and years.

Table 4.3.11 Excluded, by country and age group 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	20-24 Years	1.5	2.1	0.6	1.7	2.9
	25-34 Years	3.0	2.8	2.4	1.9	2.7
	35-44 Years	3.2	2.7	2.6	1.4	2.0
	45-54 Years	2.5	2.5	1.2	1.9	3.3
	55-64 Years	3.3	2.7	2.7	0.4	2.1
Finland	20-24 Years	5.5	4.6	5.5	4.6	9.1
	25-34 Years	5.4	6.3	5.1	5.4	6.1
	35-44 Years	5.0	5.1	5.2	5.1	5.5
	45-54 Years	4.4	3.5	3.2	3.1	4.1
	55-64 Years	5.6	6.3	4.6	4.8	5.1
Iceland	20-24 Years	1.0	0.3	0.3	0.8	1.9
	25-34 Years	0.9	1.1	1.4	1.3	2.6
	35-44 Years	1.7	1.1	1.3	1.9	2.3
	45-54 Years	1.8	0.8	1.2	1.2	1.7
	55-64 Years	1.8	2.1	2.3	3.5	3.1
Norway	20-24 Years	3.5	3.1	2.6	1.4	1.5
	25-34 Years	2.0	2.2	1.5	2.5	1.7
	35-44 Years	1.8	1.9	1.4	1.4	1.5
	45-54 Years	1.7	1.3	1.5	1.8	1.2
	55-64 Years	2.1	1.9	1.3	1.2	1.4
Sweden	20-24 Years	2.8	3.0	3.2	4.4	4.6
	25-34 Years	2.2	1.9	2.3	2.1	2.2
	35-44 Years	1.9	1.8	1.8	1.8	2.2
	45-54 Years	1.6	1.7	1.5	1.3	1.7
	55-64 Years	2.2	2.2	1.9	1.7	1.7

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the trend for exclusion is quite similar to the trend for marginalisation. The overall share fell from 2006 to 2009, and increased again in 2010. This trend can generally be found in all age groups as well, with small exceptions for persons aged 20 to 24 and 45 to 54, who did not follow the trend between 2006 and 2007. In contrast to marginalisation, there were no clear trends suggesting that specific age groups were more at risk than others, but in the same way as for marginalisation the fluctuations from year to year were most visible for the youngest (aged 20 to 24), but this is a small group so some changes may be due to random variation. There were also large fluctuations among the oldest, but this was primarily caused by a very small share in 2009. In regression analyses we have used the group aged 35 to 44 as a reference group, and the results show that age effects vary quite a bit in Denmark year on year. Compared to the reference group, it was only the oldest that generally were less likely to be excluded - for other age groups it varies quite a bit.

Finland had a higher share of excluded persons than the other Nordic countries, and there were no significant changes during the period. There was a slight decline from

2007 to 2008, and then an increase again in 2010. In general, the 45 to 54 year old group was least vulnerable, while the other age groups are more similar over time. The most interesting trend is that the increase in 2010 was most noticeable in the 20 to 24 year old age group, where the share of excluded persons increased from 4.6 per cent in 2009 to 9.1 per cent in 2010. This is not dissimilar to the trend for marginalisation, but there the increase extended to slightly older persons. The regression analyses confirm that age was significant for exclusion in Finland, but what the effect as compared to the reference group (35 to 44 year old) changed a bit from year to year. Those who were older than the reference group were generally less at risk of exclusion, including when we take other characteristics into consideration. This also applied to the youngest (aged 20 to 24) in 2007 to 2009, while they were more at risk in 2006 and 2010. Those aged 25 to 34 were generally slightly more at risk (except in 2008).

Iceland generally had low shares of excluded persons in 2006-2008, and though comparatively the shares were not high in 2009 and 2010 either, there was an increase that affected all age groups. The interesting feature of exclusion in Iceland is that the proportions were highest among those aged 55 to 64, which is a bit contrary to what was otherwise characteristic of the labour force participation of seniors in Iceland. The youngest cohorts were least vulnerable, but we see an increase from 2009 to 2010 for this group too. However, regression analyses show that age generally was of limited significance when we also take other characteristics into consideration. In 2009, it appears to have had some significance, and in that year all age groups were slightly less likely to be excluded than the reference group (persons aged 35 to 44); it was lowest for the youngest, and there was not much difference for the oldest. The youngest were also less at risk than the reference group in 2010, while there was little or no impact on other age groups.

The decline in the share of excluded persons in Norway from 2006 to 2010 can generally be found in all age groups, but there were nonetheless features that are worth noting. In the period 2006-2008, the youngest (aged 20 to 24) were most at risk, but in 2009 the share in this group fell, while it increased among persons aged 25 to 34, and thus the latter group became the ones most at risk. However, in 2010 the share declined in this group too, and there was relatively little difference between the age groups. In other words, the tendency is for the decline to primarily benefit the youngest, and that age differences level out. Regression analyses also show the greatest change for the youngest compared to the reference group (aged 35 to 44). Persons aged 20 to 24 go from being more to being less at risk of exclusion as of 2009, while persons aged 25 to 34 generally are more at risk, and are relatively most at risk in 2009. For those aged 45 and above, the share fluctuates more from year to year.

In Sweden, the development in age differences has gone in a slightly different direction to that in Norway, and is more similar to the development in Finland. Youth aged 20 to 24 were most at risk in all the years we look at. In the years from 2006 to 2008, the share ranged from 2.8 per cent to 3.2 per cent for this group. In other age groups, the share also remained stable, but at a slightly lower level. In 2009, the share among the youngest increased to 4.4 per cent. This did not affect the overall level, because it was offset by a slight decline in other age groups, but in 2010 it increased slightly in all age

groups, so then the overall level also rises slightly. However, where the trend was towards more equal shares in the different age groups in Norway, youth have become relatively more at risk in Sweden. Regression analyses also show that the youngest were the most at risk, especially in 2009 though with an exception in 2008. The Swedish data also shows that persons aged 45 to 64 generally were the least at risk of exclusion, including when we take other characteristics into account.

The only clear common feature in the Nordic region is that persons aged 45 and above had the lowest risk of exclusion, but here too Iceland was something of an exception. There were otherwise few consistent trends in how age impacts exclusion. Among the youngest age groups there were some fluctuations from year to year, and in some cases it looked like age was insignificant when other issues are taken into consideration.

Exclusion in the Nordic region, by level of education

Table 4.3.12 breaks down exclusion by level of education for the years 2006 to 2010. A general impression is that education had a greater effect on exclusion than on marginalisation when we look at the bivariate correlations in table 4.3.6 and 4.3.12. Regression models that take multiple characteristics into consideration simultaneously also confirm that education was an important background variable when illuminating exclusion.

Table 4.3.12 Exclusion, by country and level of education 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Compulsory education	4.8	4.4	3.1	2.6	6.7
	Upper secondary school	1.6	1.4	1.4	0.8	1.5
	Higher education	2.4	2.0	1.6	1.1	0.8
Finland	Compulsory education	8.8	8.4	7.9	7.6	9.1
	Upper secondary school	4.5	5.3	4.5	4.4	5.3
	Higher education	3.2	3.1	2.4	2.6	3.0
Iceland	Compulsory education	2.1	1.3	2.2	2.5	3.3
	Upper secondary school	1.4	1.3	1.3	1.5	1.0
	Higher education	1.0	0.7	0.5	1.4	0.7
Norway	Compulsory education	3.7	3.4	2.7	2.9	2.9
	Upper secondary school	1.5	1.3	1.0	1.1	1.0
	Higher education	0.6	0.8	0.8	0.8	0.7
Sweden	Compulsory education	3.7	4.2	4.9	4.8	5.2
	Upper secondary school	1.6	1.6	1.5	1.9	2.2
	Higher education	1.2	1.4	1.4	1.1	1.2

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the groups for all levels of education followed the general trend with regard to exclusion: the share declined from 2006 to 2009, and then increased noticeably again in 2010. However, those with higher education represent an exception, as their share also declined in 2010. In other words, it seems that for labour

market exclusion, the financial crisis exacerbated differences due to education. This is partly confirmed by the regression analyses, as they show that persons with upper secondary school were less at risk of exclusion than those with higher education (the reference group) until 2010, when this situation turns. Persons with primary and lower secondary school generally had the highest risk of all groups divided by level of education. We found the strongest effect from education in 2010, which again indicates that education is more significant.

Finland had the highest share of exclusion in the Nordic region, and the differences between the levels of education is clear. The differences also appear to remain quite stable over time, though the level changes slightly in the different groups. Persons with the least education were generally three times more likely to be marginalised than those with the highest education, and the financial crisis does not appear to have affected this ratio. These findings are also strengthened by the logistic regressions in which we control for multiple characteristics.

In Iceland, the ratio between the different educational levels changed slightly from year to year. Those with the lowest education were the least excluded in 2007, but the share increased in the period to 2010. For persons with upper secondary school the share was much more stable, but it fell slightly in 2010, and for those with higher education the share fell from 2006 to 2008, increased in 2009, and fell again in 2010. In other words, there were no clear tendencies indicating that there were effects of the crisis, yet there was nevertheless an increase among those with the lowest education in the crisis years 2009 to 2010. When we also control for other characteristics, we get a slightly different impression. As of 2006 to 2008, it looks like education had an increasingly strong impact in that higher education lead to less risk of exclusion. However, in 2009 persons with the highest education were the most at risk of exclusion when other characteristics are taken into consideration simultaneously. In 2010, there was no significant effect of upper secondary school versus higher education, while those with primary and lower secondary school were slightly more at risk than those with higher education. This may suggest that the financial crisis relatively speaking made the situation for persons with higher education worse, but that this did not last long.

In Norway, there are no traces of the crisis when we look at the share of excluded persons. From 2006 to 2010, this share fell quite steadily. At the outset, the share of excluded persons was low among those with higher education, and here it has not declined in the period to 2010 (0.6- 0.7 per cent). The reduction in the share of excluded persons was caused by changes in the groups with primary and lower secondary school and with upper secondary school, and this also contributed to the differences due to education being smaller in 2010 than in 2006. The effect of education nevertheless remains when we look at the results of the regressions. Through the entire period it is the case that persons with primary and lower secondary school were more at risk of exclusion than those with higher education, and the same applied to those with upper secondary school, though to a lesser extent. However, the effect of education seems to decline slightly between 2006 and 2007.

In Sweden, the share of excluded persons remained quite steady from 2006 to 2010, and the ratio between groups divided by levels of education also appears to remain steady, though with tendencies to a stronger difference where the share of excluded persons increased among those with upper secondary school and primary and lower secondary school, while it declined slightly for those with higher education. The regression analyses confirm this tendency towards a tripartite division, where those with upper secondary school generally were slightly more at risk of exclusion than those with higher education (the reference group), while the effect of primary and lower secondary school was even stronger in a negative direction.

There is no doubt that persons with primary and lower secondary school were most at risk of exclusion in the Nordic region, and that the financial crisis caused an increased exclusion for this group in all countries except Norway. However, education also correlates with other characteristics, and when we control for gender, age, health, couples and country of birth, the results for Iceland show that the effect of education changed in 2009. In the other countries education remained an important variable with a clearer effect.

Exclusion for couples and singles

Are persons who are living as part of a couple less at risk of exclusion from the labour market than those who are single? We found this correlation for marginalisation to some extent. We will not be going into detail about this background variable either, but nevertheless our regression analyses give quite a clear picture that shows that not living as part of a couple increases the risk of being excluded from the labour market. However, it is difficult to reach any clear conclusions about whether this effect is affected by the financial crisis. Iceland is an exception for this background variable. There, single persons were less at risk of exclusion in 2006 and 2010, and we find no effect in 2007. Whether the increased risk of exclusion among single persons in 2008 and 2009 was related to the financial crisis is difficult to say.

Exclusion in the Nordic region, by health

The analyses also showed that there was a somewhat unclear correlation between health and marginalisation. In the previous report, we concluded that the correlation between health and exclusion was clearer. Table 4.3.13 and the multivariate analyses suggest that this is a conclusion that generally remains the same in 2010.

Table 4.3.13 Exclusion, by country and self-assessed health 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Good health	2.4	1.6	1.2	1.1	1.3
	Neither good nor poor health	3.7	3.5	6.3	3.7	5.3
	Poor health	13.2	15.6	5.3	4.0	18.9
Finland	Good health	4.6	4.2	4.3	4.0	5.1
	Neither good nor poor health	7.3	8.3	7.3	7.6	7.6
	Poor health	13.3	11.2	6.7	12.1	8.2
Iceland	Good health	1.0	0.5	0.7	0.9	1.4
	Neither good nor poor health	2.5	2.5	2.9	3.3	4.9
	Poor health	7.9	1.0	3.4	16.3	6.4
Norway	Good health	1.4	1.9	1.4	1.2	1.0
	Neither good nor poor health	1.6	1.4	0.5	2.7	1.6
	Poor health	4.4	2.1	1.6	3.9	2.9
Sweden	Good health	1.5	1.4	1.3	1.6	1.5
	Neither good nor poor health	3.5	2.6	3.2	2.8	3.0
	Poor health	4.3	3.5	8.0	6.5	10.7

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the share of excluded persons fell from 2006 to 2009, and in this period the difference according to self-assessed health also declined significantly. In 2006 and 2007, there were high shares among those in poor health (13.2 and 15.6 per cent), but this fell significantly in the period to 2008 and 2009 (5.3 and 4.0 per cent). We have no good explanation for this change, but it also meant that the difference to those in neither good nor bad health disappeared. The share among persons in good health also declined slightly, but it declined from a lower 2006 level. However,

in 2010 this changed again: the overall share increased and the tripartite division based on health returned. Among those in poor health, 18.9 per cent were excluded in 2010, compared to 5.3 and 1.3 per cent for those in neither good nor bad health and good health respectively. The regression analyses show roughly the same effect. Here those in good health were the reference group, and then the likelihood of exclusion was much higher among those in poor health, especially in 2010. Among those in neither good nor bad health, the likelihood of exclusion was also higher, and in 2008 and 2009 it was also higher for those in poor health when we take multiple background variables into consideration.

The situation in Finland was not dissimilar to the situation in Denmark. The lowest share of excluded persons can be found among those in good health, from 4.0 to 5.1 per cent. Among those in neither good nor bad health, we find shares ranging from 2.7 to 3.9 percentage points higher. We find the highest shares among those in the poorest health, except in 2008, when the share was higher among those in neither good nor bad health. The share of excluded persons among those in poor health also varied somewhat, from 13.3 per cent in 2006 to 6.7 per cent in 2008 and 8.2 per cent in 2010. When we control for multiple characteristics, this also looks to be a significant effect. Impaired health entails a higher risk of being excluded, and poor health entails an even greater risk than neither good nor bad health, except in 2008 when this relationship was inverted.

In Iceland too, the lowest share of excluded persons can be found among those in good health, from 0.5 to 1.4 per cent. Among those in neither good nor bad health the share was higher, and the share here peaked in 2010 at 4.0 per cent. We also recall that the overall share of excluded persons increased in Iceland in 2010. Among those in poor health, the share of excluded persons fluctuated noticeably from year to year. Some of this may be caused by random impacts because this is a small group. In 2007, the share in this group was down to 1.0 per cent, and in 2009 it had risen 16.3 per cent. The increase in 2009 can be interpreted as an effect of the financial crisis, but the share among those in poor health fell again to 6.4 per cent in 2010. The regression analysis in which those in good health constitute the reference group also provides results that fluctuate from year to year, though in every year it shows that those with impaired health were more at risk of being excluded. We find the strongest impact for those in poor health in 2009, when the share peaked, while in 2007, when the share was at its lowest, this group was actually less at risk than those in neither good nor bad health.

Norway stands out a bit in this area, as it was not always those in good health that had the lowest share of excluded persons. In fact, we found lower shares among those in neither good nor bad health in both 2007 and 2008. In these two years there is also very little difference compared to those in poor health, while we find a slightly higher share in this group in the other years. The regression analyses also do not give a clear answer as to how health impacts exclusion in Norway. Being in neither good nor bad health generally results in a lower risk of exclusion compared to being in good health (the reference group) when we also control for other characteristics. The exception was in 2008, when the reverse was true. Among those in poor health,

we also found a lower risk in 2007 and 2008, and though we found a higher risk compared to the reference group in the other years, this is a somewhat surprising finding. Some of this may be caused by a clearer correlation between health and disability, which we discuss later.

In contrast, in Sweden we find a more expected correlation between health and exclusion when we look at table 4.3.13. Those in good health had a stable and low share of excluded persons (1.3-1.6 per cent), and the share was slightly higher among those in neither good nor bad health, though here too it was relatively stable (2.6-3.5 percent). The highest shares can be found among those in poor health, and the trend from 2006 to 2010 was for it to increase somewhat, from 4.3 to 10.7 per cent, and thus the differences in exclusion according to health condition are strengthened. Regression analyses that look at the effect of health controlled for other characteristics confirms this tripartite division in all five years.

We can thus conclude that there is quite a clear correlation between health and exclusion in all Nordic countries in the period we are looking at, except in Norway. There are some features that suggest that the financial crisis in the short term may have exacerbated this correlation in Iceland, Denmark and Sweden, but we cannot conclude that this was a general feature.

Table 4.3.14 Exclusion, by country and country of birth 2006-2010, persons aged 20 to 64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Born in the country	2.5	2.2	1.7	1.2	2.3
	Born in the EU	0.0	5.5	2.0	2.6	2.5
	Born outside the EU	10.0	9.4	9.3	4.2	6.5
Finland	Born in the country	4.7	4.9	4.3	4.0	4.9
	Born in the EU	9.6	7.4	6.2	10.9	5.4
	Born outside the EU	20.8	21.0	16.9	22.6	26.3
Iceland	Born in the country	1.3	0.9	1.2	3.2	2.1
	Born in the EU	2.8	3.0	3.1	1.6	2.4
	Born outside the EU	5.7	4.2	3.1	4.2	8.2
Norway	Born in the country	1.6	1.4	1.2	1.0	1.1
	Born in the EU	1.8	0.7	0.7	1.3	1.1
	Born outside the EU	8.3	10.3	7.9	11.2	7.6
Sweden	Born in the country	1.3	1.3	1.3	1.4	1.7
	Born in the EU	3.2	2.3	3.5	1.8	1.8
	Born outside the EU	9.1	8.4	7.6	7.4	7.5

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the share of excluded persons among foreigners changed from year to year, both for those born in the EU and those born outside the EU. The share was always highest for those born outside the EU, but the difference in relation to those born in the EU was at its smallest in 2009 and 2010. On this basis, it almost looks as if the financial crisis had a positive effect for those born outside the EU, and regression analyses also show that the negative effect of being born outside the EU declined

slightly compared to the reference group (born in Denmark). However, a number of issues other than the financial crisis may also have played a part here. The regression analyses also show that it was only in 2007 and 2009 that persons born in the EU had a higher risk of being excluded than those born in Denmark; in the other years it did not have a significant impact.

In Finland, persons born outside the EU were excluded far more often than persons born in the EU and in Finland. Though the group is small, the differences compared to those born in Finland are statistically significant. The share of excluded persons among those born outside the EU fell slightly from 2007 to 2008 (21.0 to 16.9 per cent), but it then increased again, and was at 26.3 per cent in 2010. The share for persons born in the EU also varied somewhat: it peaked in 2009 (10.9 per cent) and was at its lowest in 2010 (5.4 per cent). The share among those born in the EU was higher than for those born in Finland in every year, and when we also take gender, age, education, couples and health into consideration, this confirms that being born in an EU country rather than being born in Finland (the reference group) entailed a higher risk of exclusion, except in 2007. However, the regression analyses also confirm that there was a significantly higher risk for persons born outside the EU.

Iceland follows the same pattern as the other countries, in that persons born outside the EU were excluded more frequently than others, and the share peaked in 2010 (8.2 per cent). 2008 represents a small exception, as the share was the same for persons born in and outside of the EU. In general, the share of excluded persons was the lowest among those born in Iceland, but here too there was a small exception. In 2009, the share among persons born in Iceland was relatively high (3.2 per cent), and higher than for persons born in the EU. However, here we must bear in mind that the groups born outside of Iceland were small, so changes and differences were quite insignificant. Though the share of excluded persons among persons born outside the EU increased in 2010, the regression analyses do not suggest any relative increase in the risk for this group compared to persons born in Iceland (the reference group), and persons born outside the EU had the highest risk of exclusion in all years including when we take multiple characteristics into consideration. Persons born in the EU were generally more at risk than persons born in Iceland, except in 2008, when we found no significant effect.

In Norway too, we found the pattern with the highest share of excluded persons among persons born outside the EU, with a peak in 2009 (11.2 per cent), and the lowest share in 2010 (7.6 per cent). There was a statistically significant difference compared to persons born in Norway in all years. Furthermore, another feature is that there was very little difference between persons born in the EU and persons born in Norway. The differences between the three groups were quite stable, but greatest in 2007 and 2009 because the shares among those born outside the EU were relatively high then. However, the regression models show that country of birth did not have a significant effect in 2007 when we also control for multiple characteristics. These analyses also show that being born in EU countries entailed less risk of being excluded compared to being born in Norway in 2006 and 2008, but that this relationship reversed in 2009 and 2010. Might this be a sign of a tighter labour mar-

ket? Persons born outside the EU generally had a significantly higher risk of exclusion than persons born in Norway (though with an exception in 2007), and we see the greatest impact in 2009.

Sweden too does not stand out from the common pattern in which persons born outside the EU were excluded more frequently than others, though the share in this group declined slightly from 2006 (9.1 per cent) to 2010 (7.5 per cent). Until 2008, persons born in the EU were excluded more frequently than persons born in Sweden, but in 2009 and 2010 this difference almost disappeared. However, the regression analyses show that being born in the EU generally entailed a lower risk than being born in Sweden if we also take other characteristics into consideration, except in 2008. For persons born outside the EU, the regression model gives the same answer as for all other Nordic countries; in other words, there was a higher risk of exclusion than for persons born in the country.

4.3.7. Which Factors Affect Disability?

We will now turn to look at self-reporting of disability and being unable to work based on the same background characteristics as for marginalisation and exclusion in the years from 2006 to 2010. Table 4.3.15 shows the results of logistic regressions (see the previous text box about logistic regression) that test the likelihood of being disabled or unable to work controlled for the variables of gender, age, education, marital/cohabitation status, health and country of birth. As before, we use this in the discussion of the correlation between the different characteristics and the phenomenon we are studying, in this case disability.

Table 4.3.15 Logistic regression, likelihood of being disabled or unable to work, 2006-2010

		2006	2007	2008	2009	2010
Denmark	Woman	2.32	1.53	1.12	1.63	1.92
	20-24 Years			0.07		0.02
	25-34 Years			0.07		0.19
	45-54 Years			1.40		1.66
	55-64 Years			2.64		4.85
	Compulsory education	3.41	2.18	1.75	2.78	2.75
	Upper secondary school	1.38	0.99	0.99	1.46	0.87
	Unmarried/no cohabitant	1.69	1.94	2.19	1.51	1.84
	Neither good nor poor health	8.85	9.34	6.13	11.54	6.57
	Poor health	31.09	18.49	29.07	34.59	22.86
	Born in the EU	0.76	1.53	2.02	0.43	0.51
	Born outside the EU	0.69	1.03	0.65	1.52	1.33
Finland	Woman	1.23	1.18	1.35	1.25	1.01
	20-24 Years	0.19	0.32	0.28	0.54	0.40
	25-34 Years	1.05	1.10	0.56	0.47	0.47
	45-54 Years	3.16	1.81	1.87	1.43	1.60
	55-64 Years	6.32	3.36	3.64	2.76	2.51
	Compulsory education	3.77	3.52	2.99	3.95	6.47
	Upper secondary school	2.85	2.54	2.22	2.49	3.31
	Unmarried/no cohabitant	2.42	2.31	2.25	2.54	2.42
	Neither good nor poor health	3.44	6.07	7.30	7.38	5.69
	Poor health	9.43	24.17	25.84	19.15	18.84
	Born in the EU		1.68		2.33	
	Born outside the EU		0.78		0.74	2.20
Iceland	Woman	2.74	3.07	1.23	1.77	1.90
	20-24 Years			0.15	0.20	0.21
	25-34 Years			2.05		
	45-54 Years			3.67	2.72	1.39
	55-64 Years			4.10	5.83	1.59
	Compulsory education	2.08	10.17		5.08	18.14
	Upper secondary school	2.49	7.04		1.96	10.14
	Unmarried/no cohabitant	2.14	1.40	2.74	1.52	2.01
	Neither good nor poor health	30.54	32.87	21.28	13.48	44.61
	Poor health	155.05	197.57	114.96	47.92	158.61
	Born in the EU					
	Born outside the EU				1.97	

Table continues

		2006	2007	2008	2009	2010
Norway	Woman	1.85	1.81	1.29	1.42	1.43
	20-24 Years		0.16		0.16	0.31
	25-34 Years		0.84		0.74	0.76
	45-54 Years		2.21		1.59	2.32
	55-64 Years		7.03		3.55	5.10
	Compulsory education	4.60	5.44	4.42	3.89	9.50
	Upper secondary school	2.61	2.26	1.70	1.92	3.47
	Unmarried/no cohabitant	1.58	2.21	1.93	1.48	1.93
	Neither good nor poor health	5.42	5.58	4.92	4.82	5.39
	Poor health	16.19	16.43	14.11	18.13	20.39
	Born in the EU	2.13		0.93	0.68	0.74
	Born outside the EU	0.83	0.68	0.67	0.24	0.33
Sweden	Woman	1.20	1.77	1.44	1.40	1.03
	20-24 Years	0.14	0.26	0.05	0.02	
	25-34 Years	0.56	1.36	0.47	0.52	
	45-54 Years	1.36	2.36	2.10	1.79	
	55-64 Years	2.65	5.64	6.56	4.64	
	Compulsory education	4.83	4.62	4.63	5.98	7.53
	Upper secondary school	3.27	2.58	3.70	2.33	3.81
	Unmarried/no cohabitant	2.09	1.74	1.54	1.73	2.16
	Neither good nor poor health	9.99	8.33	6.89	8.32	8.39
	Poor health	22.48	23.97	21.47	36.04	27.78
	Born in the EU	1.58	2.09	2.13	0.75	1.55
	Born outside the EU	1.82	1.12	1.31	1.37	

Reference group: Not disabled or unable to work, male, aged 35 to 44, with higher education, married or cohabiting, in good health, and born in the country

Source: EU-SILC 2006-2010, User Data Base

Disability and gender

Disability, as conceptualised here, is also something that women generally are more at risk of than men, but here there were some exceptions and some variation between the Nordic countries. If we use 2006 as a starting point, the gender gap was greatest in Norway, at 2.7 percentage points, while there was barely a gap in Finland, at 0.1 percent. Data for 2010 shows about the same picture with regard to gender gaps as in 2006. However, if we look at the intervening years, more nuances emerge in the impression of apparent stability, and this shows that this way of defining disability is affected by more than just the health situation. Regression analyses show that gender impacts disability in all Nordic countries in the years from 2006 to 2010, including when we take multiple background characteristics into consideration. Being a woman increases the risk of reporting disability.

Table 4.3.16 Disabled or unable to work, by country and gender 2006-2010, persons aged 20 to 64. Per cent of total

	2006		2007		2008		2009		2010	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Denmark	3.1	5.4	3.4	5.5	3.9	5.6	3.8	5.7	3.8	6.2
Finland	5.2	5.3	5.5	5.4	5.0	5.3	5.6	5.2	4.8	4.1
Iceland	1.3	3.2	1.1	3.1	1.7	3.1	1.2	2.9	1.9	3.9
Norway	3.8	6.5	3.9	6.8	3.8	5.3	3.9	5.4	3.9	6.1
Sweden	3.4	4.1	3.0	4.7	2.4	3.3	2.1	3.1	2.7	3.5

Source: EU-SILC 2006-2010, User Data Base

In Denmark, the share of disabled persons increased quite steadily from 4.3 to 5.0 percent in the course of the period. Women were disabled more often than men, but the gender gap narrowed slightly in the period to 2008 as the increase in the share of disabled persons was slightly greater among men than among women. The changes were small and insignificant, but the slight increase we see signs of among men happened in the period to 2008. The share of disabled men was 3.8 per cent in 2009, compared to 3.1 per cent in 2006. The corresponding shares for women were 5.7 and 5.4 per cent, and in other words a smaller increase. However, from 2009 to 2010 the share remained unchanged among men, while it grew to 6.2 per cent among women, and thus the gender gap was back to the 2006 level. During the period seen as a whole, the increase in the share of disabled persons has been equally divided between women and men, though over slightly different periods. The regression analyses give approximately the same picture: women were more at risk of being disabled, but the gender effect declined slightly from 2006 to 2008 before increasing slightly in the period to 2010.

In Finland, the share of disabled persons remained stable in the period from 2006 to 2009, but fell in 2010, and the differences between women and men were small and insignificant. We find the widest gap in 2010, when the share of disabled men was 0.7 percentage points higher than the share of disabled women, in other words the same year as the overall share declined slightly, and though the reduction took place among both genders it was greatest among women. If we compare to the other Nordic countries, the limited gender gap in Finland is primarily caused by Finnish men reporting being disabled more frequently than their Nordic brothers. With some variation, the share of Finnish men reporting being disabled was about 5.0-5.5 per cent in 2006 to 2009, while it was 4.8 per cent in 2010. Finnish women were not particularly frequently disabled in the Nordic context: in 2010, there were higher shares among both Danish and Norwegian women. However, though the gender gap was small in Finland, and in some years it was higher among men than among women, the regression analyses that take multiple characteristics into account show that gender nevertheless had an impact on disability. Being a woman entails a higher risk than being a man in all the years we look at. The effect appears to have been minimal in 2010.

In Iceland, the overall share of disabled persons has not varied much in the period from 2006 to 2009, but increased slightly in 2010 (insignificant change). Seen as a whole, the gender gap also remained relatively stable. In 2006 and 2007 it was at two percentage points, and in 2009 and 2010 it was at 1.8 and two percentage points, respectively. In 2008, the gap was slightly narrower because a slightly higher share of men reported being disabled that year, but the effect was too small to say whether there was something special about 2008. The regression analyses also confirm that women were more at risk of being disabled than men, though the analyses may also suggest that the gender effect declined slightly from 2007 to 2008, before increasing slightly again in the period to 2010 (not unlike in Denmark).

Norway was the Nordic country with the widest gender gap with regard to disability in 2006 and 2007, at 2.7 and 3.0 percentage points. The wide gap is primarily caused by the share of disabled women being higher than in the other Nordic countries. In 2008 and 2009, the gender gap in Norway declined because the share of disabled women declined by about 1.5 percentage points compared to 2007, and Norwegian women were then at about the level of Danish and Finnish women with regard to disability. This also contributed to a decline in the overall share for disability. However, in 2010 the share of disabled women grew slightly again, so that both the overall level and the gender gap increased again. Regression analyses give about the same picture as for Denmark and Iceland: a gender effect that declined slightly from 2006 to 2008, before increasing again in the period until 2010.

In Sweden, the share of disabled persons fell in 2008 and 2009 compared to 2007 and 2006, before increasing a little again in 2010. Between 2006 and 2007, the gender gap grew because the share of disabled men declined at the same time as the share among women grew. Subsequently, it declined among both genders, and most among women, so that the gender gap was at about one percentage point in 2008 and 2009. The increase in the period to 2010 did not lead to a change in the gender gap because it affected women and men to about the same extent. The regression analyses also show that in Sweden, gender had an effect on disability even when we control for other characteristics, women are slightly more at risk than men, but in Sweden this effect appears to decline slightly from 2007 to 2010.

If we look at everything as a whole, there was no significant changes in the gender gap related to disability in the Nordic countries from 2006 to 2010, though of course there was some variation from year to year. Finland continues to stand out a bit, because the share of disabled men remained quite high and thus narrowed the gender gap. The gender gap is also quite narrow in Sweden, at about one percentage point, while Norway, Denmark and Iceland have gender gaps at about two percentage points. The three latter countries have in common that the gender gaps were slightly narrower in 2008 and 2009.

Disability and age

Of course, disability correlates with age, but it is uncertain whether it is age in and of itself that is the greatest challenge. With some minor differences, we can say that the share in the Nordic countries exceeded five per cent in the age cohorts from

about 50. This applies to most years. Nevertheless, there were of course some differences, and it is also interesting to look at whether and to what extent we can trace effects of the financial crisis on disability in different age groups.

Table 4.3.17 Disabled or unable to work, by country and age group 2006-2010, people aged 20-64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	20-24 Years	0.2	0.1	0.2	0.3	0.1
	25-34 Years	1.6	0.9	0.2	0.4	0.7
	35-44 Years	2.0	2.3	2.6	2.8	2.2
	45-54 Years	5.2	5.0	5.7	5.6	6.0
	55-64 Years	9.9	11.2	12.0	12.0	12.2
Finland	20-24 Years	1.2	0.7	0.5	1.3	1.2
	25-34 Years	1.7	1.9	1.0	1.2	0.9
	35-44 Years	1.7	1.9	2.0	2.3	2.1
	45-54 Years	5.4	5.3	4.5	4.9	4.6
	55-64 Years	13.7	13.8	14.1	13.8	10.7
Iceland	20-24 Years	0.1	0.3	0.2	0.1	0.5
	25-34 Years	1.2	0.7	1.4	0.9	1.4
	35-44 Years	1.6	1.5	1.0	0.7	2.2
	45-54 Years	2.6	2.3	3.5	2.7	3.7
	55-64 Years	5.5	5.7	5.6	5.7	6.0
Norway	20-24 Years	0.2	0.3	0.1	0.5	0.8
	25-34 Years	1.5	1.8	1.1	1.8	1.7
	35-44 Years	3.0	2.4	2.2	2.6	2.8
	45-54 Years	4.9	5.2	4.2	5.2	6.1
	55-64 Years	13.8	15.0	13.6	11.7	11.8
Sweden	20-24 Years	0.6	0.4	0.1	0.2	0.3
	25-34 Years	1.4	1.3	0.8	0.6	1.1
	35-44 Years	2.3	1.8	1.1	1.3	1.2
	45-54 Years	4.1	4.3	2.4	2.5	3.2
	55-64 Years	8.7	9.5	8.0	6.9	8.3

Source: EU-SILC 2006-2010, User Data Base

If we group the data into age groups, as shown in table 4.3.17, we see the expected correlation with age in Denmark as well. From 2006 to 2010 the share of disabled, defined in the manner specified here, has steadily risen from 4.3 to 5.0 per cent, and the prevalence of disability is increasing with age. In the youngest age groups the prevalence is low and there are small changes over time, so it is difficult to comment on the development. Among 35-44 year olds the situation is relatively stable, but with slight indications of an increase from 2006 to 2009, before a small reduction again in 2010. The main reason for the steady increase in the total share is found in the group aged 55-64, where the share of disabled has risen from 9.9 to 12.2 per cent, a clear increase if the period is viewed as a whole. The increase has been relatively steady throughout the period, so it is difficult to attribute this to the fi-

nancial crisis. Nonetheless, there are strong indications that age in itself does little to explain disability, but that other conditions contribute to the differences between the age groups. When we control for several characteristics, for example education and health, the correlation between age and disability is not so strong in Denmark. In 2006, 2007 and 2009 we do not find a significant effect. However in 2008 and 2010 we see that compared with the reference group (35-44 year olds), the younger people have a lower and the older people have a higher risk of being disabled or unable to work.

Finland had a higher share of disabled people than Denmark up to and including 2009, while the share fell a little in 2010. The relationship between age groups is very similar to that in Denmark, and the share stays at around and below 2 per cent in the age groups under 45 years old. There can appear to be a little fluctuation in the group aged 20-24, while the share in the group aged 25-34 is possibly slightly reduced from 2006 to 2010. The reason for the reduction in 2010 is principally to be found in the group aged 55-64, where there is a statistically certain decline from 13.8 per cent in 2009 to 10.7 per cent in 2010. The reason for this is not known, but at any rate there is little to indicate that the financial crisis should have led to any increase in the share who define themselves as being disabled, either in total or in any age group. The regression analyses show that age has an effect in all the years in Finland, even when we control for other characteristics, and the risk of disability generally increases with age. Nonetheless, there are small exceptions to this linear trend, and that is that 25-34 year olds have a slightly greater risk than the reference group (35-44 year olds) in 2006 and 2007.

Iceland has the lowest share of disabled people in the Nordic countries, even though it rose a little in 2010. However, the relationship between age groups is very similar to that in Denmark and Finland, clearly highest in the group aged 55-64, where the share stays between 5.5 and 6 per cent. The increase in 2010 is primarily due to the share increasing for 35-54 year olds. The younger age groups also show a small, but uncertain, increase from 2009 to 2010. The increase in 2010 can therefore not be ascribed to a specific age group, but may be interpreted as a sign that the labour market has become a little tighter and that more people are therefore defining themselves as being disabled. As with Denmark, there are things that indicate that other conditions are contributing to creating differences between age groups. Age in itself does not have an effect in the regression models for 2006 and 2007, and for 25-34 year olds we do not find significant effects compared with the reference group (35-44 year olds) in 2009 and 2010 either, while in 2008 this group has a slightly higher likelihood of being disabled than the reference group. For 2008-2010 the regressions show that the youngest (20-24 year olds) have a lower risk of disability, while 45-64 year olds have a higher risk than the reference group. If there are some trends as a result of the financial crisis in Iceland, it must be that age has become a more important variable in connection with disability.

In Norway the share of disabled is relatively high, on a par with Denmark in 2010, and it has generally remained so during the period 2006-2010, but with a slight drop in 2008-2009. The drop in these two years is principally due to a reduction in the

share among the oldest (aged 55-64), from 15 per cent in 2007 to 11.7 per cent in 2009. The share among the oldest remained at this level in 2010 as well, but an increase among 45-54 year olds up to 6.1 per cent still led to a small increase again in the total share. In the younger age groups the changes from year to year are small, but generally follow the total trend. A small exception is an indication of an increase among the very youngest (20-24 year olds). However all changes in age groups are too small to be statistically certain. With some similarities to Denmark and Iceland, there is also variability regarding whether or not age has an effect on disability from year to year when we also take account of more characteristics. In the years in which age has a significant effect, this is fairly clearly linear with increasing risk of disability with age.

The total level of disability is lower in Sweden than in Norway, but follows the same trend with a slight reduction in 2008-2009, followed by a small increase again in 2010. This trend is clearest in the oldest age groups, 45-64 year olds. For the oldest, 55-64 year olds, the share fell from 9.5 per cent in 2007 to 6.9 per cent in 2009, only to increase again to 8.3 per cent in 2010. For the group aged 45-54 the corresponding shares are 4.3, 2.5 and 3.2 per cent. We can see some of the same tendency in the younger age groups as well, but the changes are small. The changes in the age groups are too small again to be statistically certain. As in Norway, the regression analyses show that there is a linear correlation between increasing age and the likelihood of being disabled, even when we control for other characteristics. However in Sweden age does not have an independent effect in 2010, but we cannot comment on whether or not this is due to changes caused by the financial crisis.

That changes in disability in different age groups are small and rarely significant is a recurring finding in substantially all of the countries, and this contributes to illustrating that disability is less affected by fluctuations in the labour market than marginalisation and exclusion. The changes are occurring over a longer time and in smaller jumps than changes that are to a greater extent created by shorter economic cycles. The regression analyses also show that differences between age groups may be partly due to other underlying characteristics, and that the connection between age and disability is not always equally clear. A fairly safe assumption is that a large part of the age differences can be explained by education and health.

Disability in the Nordic countries by education

The connection between disability and education is more indirect and, as has been previously mentioned, should be viewed in connection with age, but we can also assume that occupation is an important factor here. Different educations provide different results in the labour market, which in turn influence both the burden of the work and the possibilities for customised work in the event of impaired health. The effect of education may therefore be said to be indirect. Table 4.3.18 shows the share of disabled by education, and from this data we can interpret education as being a resource that contributes to a lower degree of disability. In all Nordic countries in the years 2006-2010 there are, without exception, to some extent significantly higher shares of disabled among those with the lowest education than among those

with higher education. Regression analyses also show that a low level of education is associated with a greater likelihood of being disabled, even when we control for gender, age, health and other factors.

Table 4.3.18 Disabled or unable to work, by country and education, 2006-2010, people aged 20-64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Compulsory education	9.8	9.4	10.1	10.7	11.5
	Upper secondary school	2.5	2.9	2.8	3.1	2.8
	Higher education	1.7	2.3	2.7	2.3	2.5
Finland	Compulsory education	12.8	12.7	12.2	13.7	12.2
	Upper secondary school	4.8	5.0	4.9	5.1	4.4
	Higher education	1.5	1.6	1.8	1.9	1.3
Iceland	Compulsory education	4.0	4.6	5.2	4.3	6.3
	Upper secondary school	1.8	1.4	2.0	1.5	2.2
	Higher education	0.5	0.2	0.1	0.4	0.4
Norway	Compulsory education	10.7	11.0	9.3	10.5	12.9
	Upper secondary school	5.0	5.3	4.5	4.5	5.1
	Higher education	1.5	1.5	2.0	1.7	1.1
Sweden	Compulsory education	10.1	10.6	6.7	7.5	9.1
	Upper secondary school	3.7	3.7	2.9	2.6	3.2
	Higher education	1.0	1.1	0.7	0.9	0.9

Source: EU-SILC 2006-2010, User Data Base

In Denmark the share of disabled has risen slightly from 2006 to 2010, and we find this increase in all education groups, to the least extent among those with upper secondary school education and to the greatest extent among those with compulsory education. To some extent the education difference has therefore increased, but this is small and uncertain. The difference between those with the lowest and the highest education was relatively large in 2006, and has remained so throughout the whole period. If we use those with higher education as the reference group and also control for more characteristics, then low education also has a negative effect in the form of a higher likelihood of being disabled. The effect of upper secondary school compared with higher education is not unambiguous, and goes a little in both directions. It is therefore a low level of education that stands out.

In Finland there is also a relatively clear difference between those with the lowest and highest education, and there is also a clearer separation between those with upper secondary school and those with higher education than there is in Denmark. Logistic regressions confirm this tripartition even when other characteristics are taken into consideration. The situation has remained relatively stable throughout the whole period, even though there was a relatively high share among those with the lowest education in 2009. We find the reduction in the total share of disabled in 2010 in all education groups.

In Iceland the share of disabled is increasing among those with compulsory education and those with upper secondary school from 2006 to 2010. Among those with higher education it remains low, even though it was even lower in 2007 and 2008. Even though the share of disabled is lower in Iceland than in the other Nordic countries, the difference between the education groups is noticeable, and is highest in 2010. To comment on whether or not this is an effect stemming from the crisis would really require more data spanning several years. Regression analyses also give a clear effect of education on disability in 2009 and 2010. Similar for 2007, while education does not give a significant effect in 2008. In 2006 there was not a large distinction between upper secondary school and compulsory education.

Norway is quite similar to Finland, both with regard to the total share of disabled and the relationship between education groups. The difference between the education groups was lowest in 2008, when the total level was also lowest. The increase from 2008 to 2010 primarily occurred among those with the lowest education, and this in turn contributed to increasing the education differences. The regression analyses confirm a tripartition between education groups also when other characteristics are controlled for.

The development in Sweden also bears a strong resemblance to that in Norway, even though the total level is slightly lower. The regression analyses also give the same impression of the effect of education on disability. The drop in disability in Sweden that appeared in 2008 contributed to reducing the difference between education groups, but as was the case in Norway, an increase appeared again among those with lower education that contributed to increasing the education differences again up to 2010.

The results thus confirm that education is an important factor in explaining that some people become disabled or unable to work, and that there are clear differences between education groups. We also see that there are tendencies for the financial crisis to have contributed to greater differences between education groups, especially in Denmark and in Iceland, but also in Norway and Sweden where the education differences were smaller in the years immediately preceding the crisis. In Finland the difference by education is a little more stable.

Disability for couples and single persons

Not living as a couple raises the risk of being excluded from the labour market, and also to some extent the risk of being marginalised. Do we find the same correlation when it comes to disability? Yes, the regression analyses for the Nordic countries indicate that that's the case. Across all the countries, not living in a couple relationship gives a significant effect that gives a greater risk of being disabled, also when we control for gender, age, education, health and country of birth. Whether or not this effect is affected by the financial crisis is difficult to comment on, but it therefore suggests that living in a couple relationship quite clearly contributes to a "protection" against being disabled or unable to work.

Disability in the Nordic countries by health

We have previously mentioned the challenges that exist in a labour market that is arranged in such a way as to enable people experiencing impaired health to have the chance to participate. This can counteract people becoming disabled. While we pointed out an unclear correlation between health and marginalisation, we could establish that the correlation between health and exclusion was clearer. Then the hypothesis is naturally that there is also a strong correlation between health and describing oneself as disabled or unable to work, which we established in the previous report from 2009. We concluded then that health, not surprisingly, is the most important background variable for explaining disability. These are conclusions that remain valid when we now look at the entire period 2006-2010. The most interesting is perhaps not that health is important, but rather that other conditions can also play a vital role. Nonetheless we will look briefly at differences by health, as shown in table 4.3.19. Here we will again be using self-assessed health as the measure for health, and refer to chapter 5 for more about the connection between health and work.

Table 4.3.19 Disabled or unable to work, by country and self-assessed health 2006-2010, people aged 20-64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Good health	1.0	1.2	1.2	0.9	1.4
	Neither good nor poor health	12.6	15.1	11.2	12.7	12.1
	Poor health	33.2	27.7	39.8	35.1	30.1
Finland	Good health	2.4	1.6	1.2	1.6	1.5
	Neither good nor poor health	11.3	14.3	13.9	16.7	13.7
	Poor health	30.3	43.3	40.7	37.3	36.1
Iceland	Good health	0.3	0.1	0.3	0.5	0.2
	Neither good nor poor health	9.1	6.6	9.7	8.1	12.7
	Poor health	34.1	29.7	36.8	27.8	40.5
Norway	Good health	1.6	1.8	1.6	1.6	1.6
	Neither good nor poor health	12.7	14.2	10.4	10.3	12.6
	Poor health	32.1	32.2	30.0	33.3	33.4
Sweden	Good health	0.9	1.1	1.5	1.1	1.2
	Neither good nor poor health	12.5	12.0	14.6	13.2	13.7
	Poor health	25.4	29.2	34.2	37.6	30.6

Source: EU-SILC 2006-2010, User Data Base

If we divide up the population by self-assessed health, the differences in the share of disabled are fairly stable in Denmark for the entire five year period we are looking at, even if there are small fluctuations. The share of disabled changes the most from year to year for the group with poor health, but the group is small so this is partly uncertain. The highest share was in 2008 at 39.8 per cent, but it falls again to 30.1 per cent in 2010 (this change is statistically certain). The fluctuations in this group can indicate that those with poor health are most vulnerable when changes take

place in the labour market, but at the same time we also see that the share declines among those with impaired health in a period when the total share increases a little. The effect of health on disability naturally exists even if we control for other characteristics; in any case health is the most decisive factor determining whether a person is disabled or not, and this applies in all the years we are looking at.

Disability by health in Finland gives roughly the same picture as in Denmark, but in general there are bigger differences between those with good and poor health in Finland than in Denmark. Also in Finland the share of disabled varies to some extent among those with poor health, and changes are more certain than in Denmark. The share was at its highest at 43.3 per cent in 2007, but steadily declines again to 36.1 per cent in 2010. The regression analyses show that the effect of poor health versus good health (the reference group) is significant in all the years, but again with some fluctuations that generally follow the changes in shares among those with poor health.

In Iceland the share of disabled among those with poor health exhibits some variability from year to year, but this group is so small in Iceland that the changes are not statistically certain. The differences between those with good and poor health are naturally enough certain, and were greatest in 2010 when the share among those with good health was 0.2 per cent compared with 40.5 per cent among those with poor health. Again we can simply establish that the regression analyses confirm the strong effect health has on disability.

In Norway there is a stable share of disabled among those with poor health, around 30-33 per cent. The difference in comparison with those with good health is therefore also relatively stable, more on a par with the differences in Denmark than in Finland. But in Norway health is also naturally the characteristic that matters most for whether a person is disabled or not.

In Sweden the share of disabled among those with poor health rises steadily from 25.4 per cent in 2006 to 37.6 per cent in 2009. It falls again in 2010, to 30.6 per cent, but this change is uncertain. Nonetheless, this indicates that changes in the labour market affect this group. The regression analyses also show a corresponding fluctuation in the effect that poor health has on disability, even if naturally the effect is strong in all the years in Sweden as well.

Health, measured here by self-assessed health, is therefore a very important characteristic in explaining disability in the Nordic countries in the period 2006-2010. This is evident since disability in itself is also a measure of health, even though it is directly connected to labour force participation. There are some differences in the impact of health in the five countries, and it also fluctuates a little from year to year. The share of disabled changes the most among those with poor health, to some extent uncertain changes, but this nonetheless indicates that these are groups that are sensitive to changes in the labour market. Perhaps of greatest interest is that there is not a stable correlation between health and disability, but that it is therefore affected by conditions in the labour market. It is also interesting that regression analyses show that other characteristics also affect disability even when we control

for health; impaired health therefore does not entail the same risk for everyone. We will also address this area in more detail in the chapter on health (see chapter 5).

Disability in the Nordic countries by country of birth

In the previous report we concluded that country of birth has relatively little effect on disability in 2006, even though there were smaller variations from country to country. Table 4.3.20 shows that this still varies a little when we look at the period 2006-2010, and that there are no clear Nordic patterns. In analyses where we control for other characteristics as well (see table 4.3.15), it also shows that there is variability regarding how and whether or not country of birth has an effect on disability.

Table 4.3.20 Disabled or unable to work, by country and country of birth, 2006-2010, people aged 20-64. Per cent of total

		2006	2007	2008	2009	2010
Denmark	Born in the country	4.2	4.4	4.7	4.5	4.7
	Born in the EU	3.0	5.5	5.2	4.0	5.2
	Born outside the EU	5.7	5.5	5.9	8.4	8.8
Finland	Born in the country	5.4	5.6	5.3	5.5	4.6
	Born in the EU	2.3	2.6	3.4	3.9	3.0
	Born outside the EU	2.0	1.8	0.3	1.7	1.8
Iceland	Born in the country	2.3	2.1	2.5	2.1	2.9
	Born in the EU	1.2	1.0	0.0	1.0	0.4
	Born outside the EU	1.9	1.3	3.0	1.9	4.0
Norway	Born in the country	5.2	5.5	4.7	5.0	5.2
	Born in the EU	4.8	2.5	0.7	2.1	2.8
	Born outside the EU	4.4	4.4	2.4	2.6	3.3
Sweden	Born in the country	3.3	3.3	2.5	2.4	2.8
	Born in the EU	7.7	11.2	7.7	4.6	7.2
	Born outside the EU	6.4	5.9	3.4	3.2	4.0

Source: EU-SILC 2006-2010, User Data Base

In Denmark we generally find the highest shares of disabled among people born outside the EU, a small group where changes are uncertain, but it can appear that the shares are increasing such that 8.8 per cent in this group report that they are disabled or unable to work in 2010. Among people born in Denmark the share remains more stable, and the variation among people born in the EU is uncertain. When we use country of birth in regression analyses with gender, age, education, couples and health, the correlation varies from year to year. People born outside the EU have a higher likelihood of disability than people born in Denmark (the reference group) in 2007, 2009 and 2010, but lower in 2006 and 2008. For people born in the EU the likelihood is higher in 2007 and 2008, lower in the other years. In other words, this is when we also take into account other characteristics with the people, and it shows that perhaps country of birth does not have a clear effect on disability in Denmark.

But could it be the case that the results for 2009 and 2010 show a worsened situation for people born outside the EU?

It is also difficult to interpret the findings for Finland. The share of disabled is highest in all years among people born in Finland, and then follows the total trend in terms of development, while the share is lowest among people born outside the EU. In this group the share fluctuates from 0.3 to 2.0 per cent, but this is not certain since the group is small. The shares among people born in EU countries are a little higher than among those born outside, and also fluctuate from 2.3 to 3.9 per cent, but these fluctuations are uncertain as well. This difference from Denmark may be due to differing compositions of foreign-born people. When we also control for other conditions, it does not look as though country of birth is very significant in Finland, in several years it does not have a significant effect at all. In 2007 and 2009 people born outside the EU had a lower likelihood of being disabled than people born in Finland (the reference group), but it was the opposite case in 2010. People born in the EU had a higher likelihood than people born in Finland in 2007 and 2009. In total it is therefore difficult to reach a conclusion about the significance of country of birth in the five year period, and as to whether or not there have been any changes as a result of the financial crisis either.

Iceland has a relatively small immigrant population, and even though the share of disabled among people born outside the EU fluctuates from being lower than among people born in Iceland in some years to being higher in other years, this variation is uncertain because the group is so small. The group born in the EU is also small, and here the shares of disabled are generally small. However regression analyses show that country of birth has hardly any significance for disability in Iceland when we also take into account other characteristics with the people. Being born outside the EU gives a greater likelihood of being disabled than being born in Iceland in only one year (2009).

As with Finland and Iceland, in Norway we also find the highest shares of disabled among people born in the country. This group is also the biggest and creates the total trend. However we also see that people born outside the country's borders follow a similar trend, a small reduction in 2008 and 2009, only to increase again in 2010. When we also control for more characteristics we find that being born outside Norway, either in or outside the EU gives a lower risk of being disabled compared with being born in Norway. We find the lowest risk for those born outside the EU.

Sweden bears a closer resemblance to Denmark than to the other Nordic countries when we look at the share of disabled by country of birth. We find the lowest shares among people born in Sweden, while people born in EU countries most often report being disabled. The share among people born outside Sweden also fluctuates a little more than among people born in Sweden. In general regression analyses also confirm that being born outside Sweden entails a higher risk of being disabled than being born in Sweden (the reference group). However in 2009 we find a lower risk for people born in the EU, and in 2010 there is no certain effect from being born outside the EU. This can indicate that the causal pattern from 2006-2008 is changing slightly even though the share of disabled among people born abroad is still higher.

Therefore it is difficult to find a pattern for whether or not and how country of birth affects disability in the Nordic countries. In Denmark it can appear that being born outside the EU gradually entails greater risk of disability, in Finland there is little indication of a lasting effect for country of birth, and the same can be said for Iceland. In Sweden it may indicate that country of birth gradually has diminishing significance for disability, even though people born in Sweden generally have a lower likelihood. In Norway it appears that people born in Norway have a slightly higher likelihood of disability compared with people born abroad.

4.3.8 Marginalisation, exclusion and disability in Europe

Are the inhabitants of the Nordic countries more often or more rarely marginalised, excluded or disabled than other Europeans, or are they on a similar level? Are there any indications that the Nordic welfare states are more successful than others when it comes to inclusion in the labour market? We will try to provide some answers to these questions in this report. In the figures we show the shares for each individual country for two years, 2006 and 2010. For more detailed data for all the years 2006-2010, refer to the appendix tables 4.3, 4.4 and 4.5.

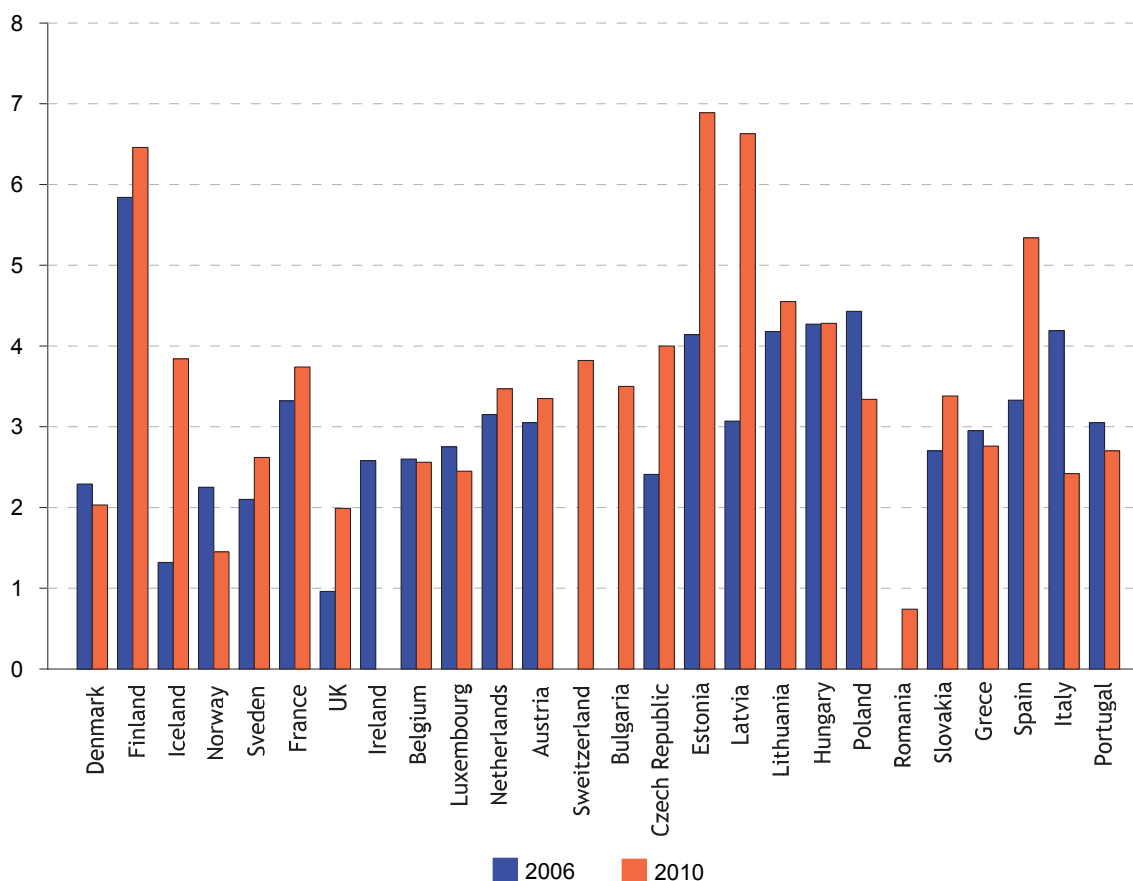
Figure 4.3.4 shows the share of marginalised people in Europe in 2006 and 2010. Unfortunately some of the countries are missing data in one of the years. In 2006 the share in the Nordic countries, except for Finland, was from 1.3 to 2.3 per cent. Only Great Britain had a share that was lower than this (1.0 per cent). Countries such as the Czech Republic, Ireland, Belgium, Slovakia and Luxembourg also had relatively low shares of under 3 per cent. Finland, which represents an exception in the Nordic countries, actually had the highest share of marginalised people in Europe at 5.8 per cent in 2006. Except for the low shares in four Nordic countries, we cannot claim that there were clear regional features in the marginalisation in Europe in 2006. The spread was also relatively little, a median of 3.1 per cent and if we omit Finland there were 3.4 percentage points between the highest and lowest share, with Finland the variation was 4.8 percentage points.

In 2010 the situation has changed quite substantially, and the Nordic countries no longer constitute a unified unit if the European countries are ranked by share of marginalised people. Norway and Denmark are among the countries with the lowest share in Europe, but Romania has the lowest share at 0.7 per cent. Great Britain still has a low share as well at 2.0 per cent. The increase in marginalisation in Sweden to 2.6 per cent in 2010 means that the share is still relatively low in a European context, but countries such as Italy, Luxembourg, Belgium, Portugal and Greece also have shares at a similar level. At 3.8 per cent in 2010 Iceland is in the upper layer in Europe, while Finland at 6.5 per cent is only surpassed by Latvia and Estonia at 6.6 and 6.9 per cent respectively. In 2010 there are no clear regional features in the marginalisation in Europe, nor do the Nordic countries stand out. The spread is a bit larger than it was four years previously, if we choose to omit the low share in Romania, the difference between the highest and lowest share was 5.4 percentage points, and the median was 3.4 per cent, a little higher than in 2006.

For 2006 and 2010 we have figures from 23 European countries, and if we look at the development between the two years, the share of marginalised people has risen in 13 countries, and the greatest increase has been in Latvia, followed by Estonia and Iceland. The share has fallen in 7 countries, in Italy the most. Nor is it possible to see

any clear regional features in Europe when it comes to changes, increases or reductions in the share of marginalised people. We have also previously shown that development within the Nordic countries is not homogeneous either.

Figure 4.3.4 Marginalisation in Europe, people aged 20-64, 2006 and 2010. Per cent of total



Source: EU-SILC 2006-2010, User Data Base

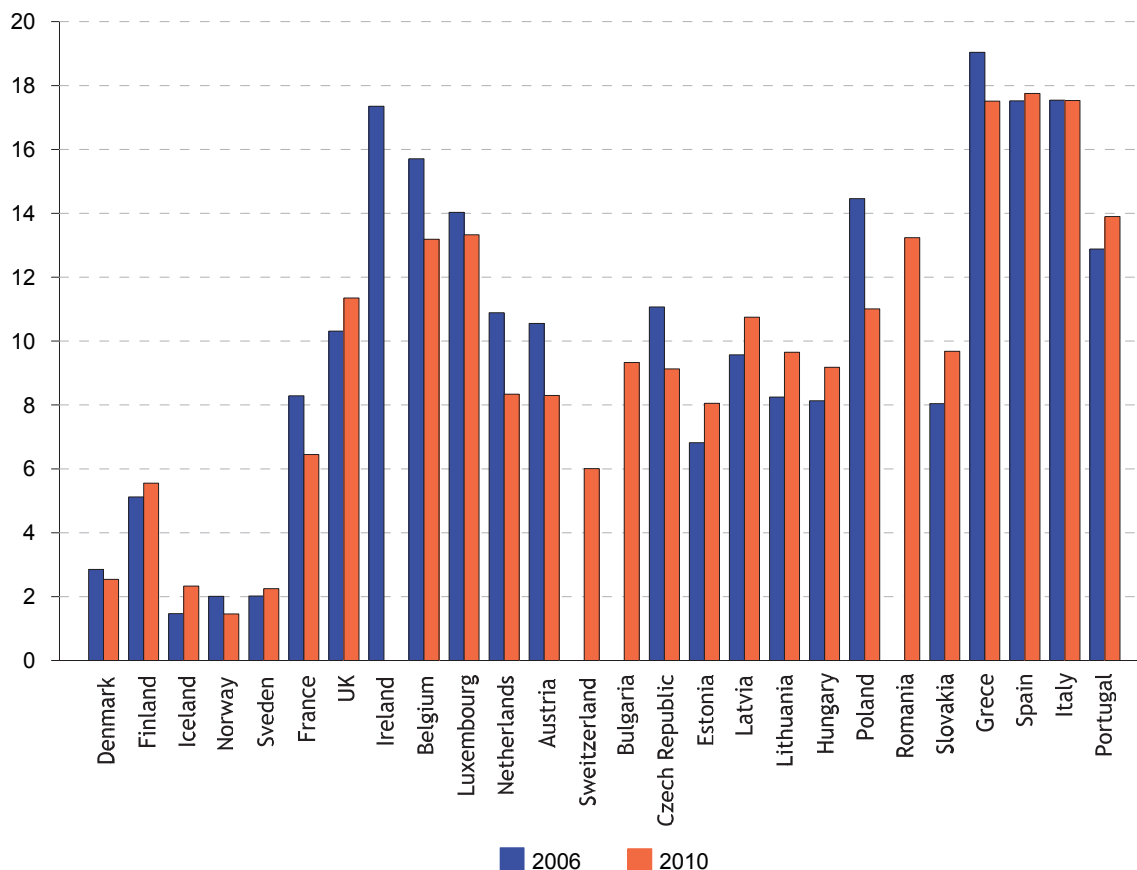
Figure 4.3.5 shows exclusion represented in the same way as marginalisation in the previous figure, data for all the years 2006-2010 are shown in the appendix table 4.4. Here the picture is much more unambiguous and stable for the Nordic countries compared with Europe. Both in 2006 and 2010 the Nordic countries have the lowest shares of excluded people in Europe. In both 2006 and 2010 Finland had the highest share in the Nordic countries at 5.1 and 5.6 per cent respectively. In 2006 six countries outside the Nordic countries had under 10 per cent exclusion, and they were Estonia, Slovakia, Hungary, Lithuania and France. The highest shares were in southern European countries such as Greece, Italy and Spain, at 19, 17.5 and 17.5 per cent respectively. Ireland also had 17.4 per cent. Low shares in the Nordic countries and high shares in the south are the clearest regional features in 2006.

We do not have 2006 figures for Switzerland, but in 2010 it was the country that most closely followed the Nordic countries with 6.0 per cent excluded. In 2010 it is

also even clearer that the highest shares are found in southern Europe. The development in exclusion between 2006 and 2010 differs in Europe as well. In ten countries the share of excluded has fallen; Poland showed the greatest reduction with the share being 3.5 percentage points lower in 2010 than in 2006. We also recall that Poland was one of the few countries that showed an increase in employment during the financial crisis. We also see a reduction in exclusion in some countries in central Europe, and in this regard we can say that this gives a slightly more positive picture than the employment data showed. Nevertheless in some countries exclusion rose during this period, but not by more than 1.6 percentage points at the most, in Slovakia. In the Baltic states the shares also increased between 2006 and 2010.

When it comes to exclusion we can nonetheless conclude that the Nordic countries have stable lower shares than the rest of Europe, and that a slightly differing development among the Nordic countries during the years of the financial crisis does not undermine this conclusion.

Figure 4.3.5 Exclusion in Europe, people aged 20-64, 2006 and 2010. Per cent of total

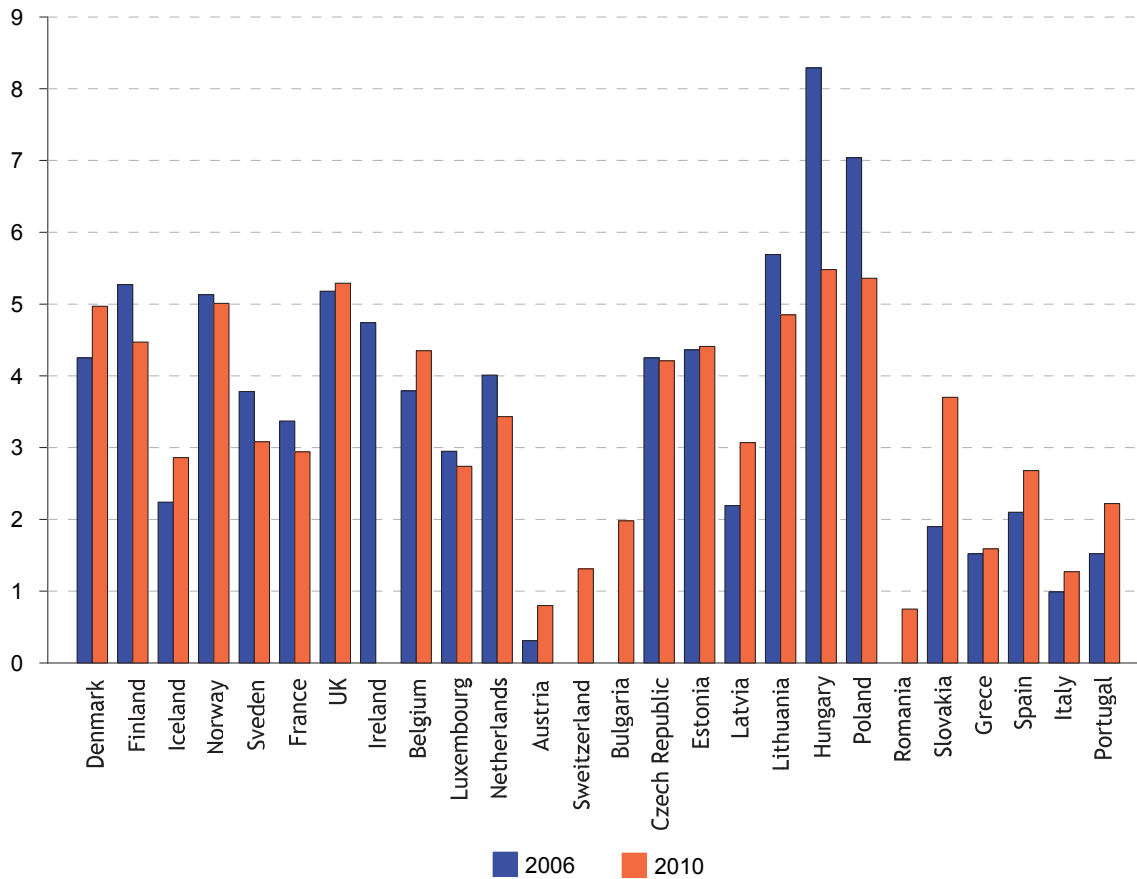


Source: EU-SILC 2006-2010, User Data Base

The shares of people who report being disabled or unable to work in the different European countries are shown in figure 4.3.6, and here we clearly see that the Nor-

dic countries are not a united unit, and that the Nordic countries in general are not among the European countries with the lowest shares. For both years as a whole Austria is the country with the lowest share of disabled, but we also find generally low shares in the south. In 2006 seven countries had an equal or lower share of disabled than Iceland, which had the lowest share in the Nordic countries at 2.2 per cent. Norway and Finland are among the countries with the highest shares, but the level is still slightly lower than in Poland and Hungary, which were the two countries with the highest shares, 7.0 and 8.3 per cent respectively. Nor do the Nordic countries constitute a unified group in a European context when it comes to the development between 2006 and 2010. Iceland and Denmark are among 11 countries in which the share rose. The greatest increase was in Slovakia where the share grew by 1.8 percentage points from 2006 to 2010. The increase was very small in many countries, so it can be to some extent uncertain. Finland, Sweden and Norway were among the 11 countries where the share of disabled fell a little from 2006 to 2010, here the changes to some extent are also small. We see the greatest reduction in the two countries that had the highest share in 2006, Poland and Hungary. In these countries the shares fell by 1.7 and 2.8 percentage points respectively. Nonetheless, the changes from 2006 to 2010 do not entail large adjustments in the ranking between the countries.

Figure 4.3.6 Disabled or unable to work in Europe, people aged 20-64, 2006 and 2010. Per cent of total



Source: EU-SILC 2006-2010, User Data Base

4.3.9 Employment, unemployment, marginalisation, exclusion and disability

In this part of the chapter we will try to summarise some key points that have been discussed up to this point. Are there some general features that are important to note when considering the challenges facing the welfare state?

Our approach in this chapter is that it is in the welfare state's interest to have the highest possible participation in working life, and that it is unfortunate if groups systematically find themselves outside or on the periphery of the labour market. The first thing we can note in this context is that the financial crisis also affected the Nordic countries. Employment fell across all the Nordic countries after 2008. The most severely affected country was Iceland, where employment in 2010 was 6.9 percentage points below what it was in the top year of 2007. Nonetheless, we can see a tendency for the decline in employment to flatten out relatively quickly in the Nordic countries. Elsewhere in Europe there is relatively large variation in the severity of the financial crisis' impact on employment figures. Some countries were hit hard, and the decline appears to be prolonged. However some countries managed to withstand

the crisis and employment did not fall so much, and two countries did not see any reduction in employment at all, something none of the Nordic countries managed. Nonetheless, we can determine that the Nordic countries are defending their position as the European region with the highest employment, also in 2010.

The Nordic countries are also a region characterised by high employment among both genders, a finding which also holds true for the period from 2006-2010, even though women in general have lower employment rates than men. However this gender difference was affected by the financial crisis in that men were relatively speaking more severely affected than women. Gender differences in employment are thereby reduced, particularly in countries severely affected by the financial crisis, but also in the Nordic countries with the exception of Sweden. Men are also most vulnerable to unemployment, and in 2010 unemployment was higher among men in the Nordic countries than among women in the Nordic countries.

When we look at the development in employment and unemployment during the years of the crisis from 2008 onwards, it is also particularly interesting to highlight the development among young people. It is a challenge if the crisis leads to young people being left outside the labour market, and this is a trend that is difficult to reverse. There is every reason to be aware of this, as employment among young people in the Nordic countries falls more than total employment, especially from 2008 to 2009, thus in the first "acute" phase of the crisis. We see some of the same development in the rest of Europe, and unemployment is also increasing in this group. Unemployment among people under 25 years old is higher in 2010 than in 2006 in almost all the countries in Europe, also in the Nordic countries. The only exception to this is Germany.

In the report from 2009 we introduced three new indicators based on microdata from EU-SILC. The indicators marginalisation, exclusion and disability have been designed with the idea of describing shares who find themselves on the periphery or are more permanently ostracised from the labour market. These indicators do not provide an unambiguous picture of the development in the Nordic countries in the period from 2006 to 2010. Nonetheless, they reinforce the impression that Iceland was hardest hit by the financial crisis, where more people find themselves on the periphery of and completely outside the labour market. Denmark appeared to be developing positively up to 2009, but it looks as if the situation has deteriorated in 2010. This also partly applies to Finland, but a reduction in the share of disabled people in 2010 means that the outcome is however a little more positive. Sweden looks to be relatively little affected by the financial crisis, even though there are indications that more people are on the periphery and outside in 2010 than in prior years. The reduction in the share of disabled adds nuance to the picture for the period as a whole for Sweden as well. Norway is the country where we see fewest traces of the financial crisis, as a whole there were positive developments in all three indicators in the period 2006-2010.

The indicator for marginalisation in the Nordic countries, particularly for Iceland, Sweden and Denmark, reinforces the assumption that men are relatively speaking more vulnerable than women during economic downturns. But the results also indi-

cate that this principally applies in the initial phase since this turns again relatively quickly in two of the three countries where we see this phenomenon. Still it is generally the case that women are more vulnerable to marginalisation than men, even though this picture is also nuanced in some of the countries in the crisis years 2009 and 2010. While the Nordic countries were relatively homogeneous with regard to gender differences in marginalisation in 2006, they were more heterogeneous in 2010. When it comes to age and risk for marginalisation there have therefore been slightly different trends in the Nordic countries as well. It is still the case that being under 35 years old entails a higher likelihood of having a loose connection to the labour market, in Sweden this is most noticeable among the youngest, while in Denmark, and gradually also in Norway and Finland, it appears to be the group aged 25-34 that is most exposed. In Iceland it can appear that the financial crisis has contributed to smoothing out some of the age effect in that the marginalisation is also increasing among the middle-aged and older. In 2010 it is also the case that those with lower education have the highest share and higher risk of marginalisation than those with higher education, but it is difficult to tell whether or not the financial crisis has affected different education groups' risk of marginalisation. A little surprisingly, we can also ascertain that it is no longer a general feature that people with impaired health are more vulnerable to marginalisation in the Nordic countries. When we control for gender, age, education and health, it turns out that country of birth has to some extent a very varying effect on marginalisation in the Nordic countries. In 2006 people born in the respective countries were the least vulnerable to marginalisation. In 2010 this only holds true for Finland, Iceland and Norway. In Denmark and Sweden people born in other EU countries are the least vulnerable in 2010.

The indicator for exclusion in the Nordic countries also shows that the gender differences are smaller in 2010 than they were in 2006. In Denmark there is no difference, while the other countries have a small difference which indicates that women are still more frequently excluded than men. For age the correlations are more unclear, but a general feature in the Nordic countries is still that the risk of exclusion is least for people aged 45 and over, but also with an exception for Iceland here. However education shows quite a clear effect on exclusion, and there is no doubt that people with compulsory education are most vulnerable to exclusion in the Nordic countries, and that the financial crisis has entailed increased exclusion in this group in all countries, with the exception of Norway. There is also a relatively clear correlation between health and exclusion in all the Nordic countries in the period we are looking at, except for in Norway. There are certain features that indicate that the financial crisis may have strengthened this correlation in the short term in Iceland, Denmark and Sweden, but we cannot establish this as a general feature. People born outside the EU are more often vulnerable to exclusion from the labour market than others, without exception in all the Nordic countries up to 2010. Even though we also control for other characteristics, analyses show that being born outside the EU gives a higher likelihood of being excluded.

Being a woman raises the risk of reporting oneself as being disabled or unable to work, which is also an indicator that describes a position outside working life. Re-

gression analyses show that gender has an effect on disability in all the Nordic countries in the years 2006-2010, also when we take into account more background characteristics. For this indicator there are not large changes in gender differences in the Nordic countries from 2006 to 2010. Finland continues to stand out a little because the share of disabled men remains a little high and thereby compensates for the gender differences among the Finns. Naturally, disability occurs more frequently with rising age, and with some small differences we can state that the share of disabled in the Nordic countries comes above 5 per cent in the age classes from about 50 years old. This generally applies in all years. Otherwise it is worth mentioning that the correlation between age and disability is not always equally clear. A fairly safe assumption is that a large part of the age differences can be explained by education and health. Health is naturally especially important for explaining disability in the Nordic countries in the period 2006-2010. The share of disabled changes the most among those with poor health, which can indicate exposure to changes in the labour market. But the fact that there is not a stable correlation between health and disability, at the same time as regression analyses show that other characteristics also affect disability, emphasises that impaired health does not entail the same risk for everyone. In Denmark it can appear that being born outside the EU gradually entails greater risk of disability. In Finland there is little to indicate that country of birth has a lasting effect, and the same can be said for Iceland. In Sweden it may indicate that country of birth gradually has diminishing significance for disability, even though people born in Sweden generally have a lower likelihood. In Norway it appears that people born in Norway have a slightly higher likelihood of disability compared with people born abroad.

When we then turned our attention to Europe and compared the Nordic countries with other countries on these indicators, we saw that in 2006 the Nordic countries were a fairly unified region with the least marginalisation in Europe (Finland had the highest share). In 2010 the Nordic countries are more "dispersed" when compared with the rest of Europe. However when it comes to exclusion the Nordic countries have stable lower shares excluded than the rest of Europe. A slightly differing development among the Nordic countries during the years of the financial crisis does not undermine this. However the Nordic countries cannot be said to represent a unified group when it comes to disability, and Norway and Finland are among the countries with the highest shares in both 2006 and 2010.

4.4 Part-time work

In this part of the chapter we will look in more detail at part-time work. This can represent a challenge in that there exists an unused potential for work among people who work part-time. LFS (Labour Force Survey) provides detailed data on participation in the labour market. Therefore we will not use a lot of time on a general characterisation of the level of part-time employment in the Nordic countries, but focus instead on what characterises those who work part-time in the Nordic countries. With the help of EU-SILC we can give general characteristics about who the part-time em-

employees are. In addition, EU-SILC has detailed information on how many months the interviewees have had part-time work and another main activity during the year. This is information that is not provided by LFS, and we will try to look in more detail at the part-time workers in the light of these and other background variables. We will also try to comment on the reasons for part-time work.

4.4.1 Part-time work as a phenomenon - and challenge for the welfare state

Part-time work is a complex phenomenon. To some extent part-time is an adaptation related to the characteristics of the individual employee. By this we mean his or her preferences and wishes, the person's skills and opportunities in the labour market and his/her role in the family and society. In part, part-time work is a characteristic of certain sectors in working life, in that some businesses to a greater extent than others are organised around short work sessions. Here there is demand for employees who are willing to work part-time, also often outside normal working hours, and the work is spread over more employees than in sectors where full-time work is standard. In this way the extent of part-time work in society reflects the mutual adaptation between those demanding the labour and those providing their labour in different working hours arrangements (Kjeldstad and Nymoen, 2004:9). Employment and part-time work is also linked to the welfare state's family policies. The Nordic countries have all had a family policy that aims to allow full gender equality in working life for men and women with younger children. Good leave of absence arrangements in connection with birth and expanding kindergarten capacities are both conditions that are intended to facilitate employment for both women and men. This has been an element in securing high levels of employment among women in the Nordic countries, but the part-time shares are still high. Whether the part-time work is voluntary or not is an important difference, and statistics are drawn up about underemployment, which LFS defines as part-time employees who have actively sought longer working hours by contacting a public employment office, advertising themselves, asking their current employer, etc. They must be available to start working more hours within one month. The underemployed represent a potential for work that is important to capture. Norwegian research in recent years has also emphasised the importance of the demand side as a structuring factor for the individual employee's working hours, and different employees' working hours arrangements are assumed to be to a large extent the result of differences in time arrangements between industries and companies (Kjeldstad and Nymoen, 2004). Typical jobs with a high share of women within nursing, care and services represent a type of work where it is appropriate for the employer to operate with fixed part-time positions in order for the organisation to function smoothly. There are many perspectives on and attempts to explain part-time work. For our purposes, this brief introduction will merely serve as a backdrop for further review and description of part-time workers in the Nordic countries.

Self-defined economic status, working hours, part-time work at the time of the interview and part-time work in the reference year - definitions

The question on working hours in EU-SILC is only asked of those who answer that their main activity at the time of the interview is full-time or part-time work. Consequently, EU-SILC captures fewer "in work" than for example Arbeidskraftsundersøkelsen (the Labour Force Survey), which only requires a person to have worked for 1 hour in the reference week to be asked the question about work, and the survey can therefore not be used to comment on the level of employment in the individual countries.

Working hours are mapped by asking how many hours per week the interviewee normally works, and asking them to include hours of paid overtime and extra work at home in connection with this work.

Based on the question on self-defined economic status and normal working hours, in this chapter we have created a variable that distinguishes those who work full-time from those who work part-time. We have defined part-time workers as those who work fewer than 32 hours per week as well as those who work 32-36 hours per week and state that this is part-time work. We have defined full-time workers as those who work 32-36 hours per week and state that this is full-time work as well as all those who work 37 hours or more per week. We have also differentiated between short (1-19 hours) and long (20-36 hours) part-time work. In the cases where there is a discrepancy between the information on full-time/part-time in the question on economic status and the question on working hours, the question on working hours has been decisive.

4.4.2 Employment and part-time work in the Nordic countries and Europe

The Nordic countries are characterised by generally high employment, and the level of employment is among the highest in Europe. Nonetheless differing economic cycles mean that the levels vary a little between the countries. Another characteristic of the labour market in the Nordic countries is that it is relatively equal compared with the rest of Europe when it comes to level of employment. The difference between men's and women's share of employment is relatively small in the Nordic countries. Women in the Nordic countries have a rate of employment that is generally much higher than we find elsewhere in Europe. But we see a different picture of equality in the labour market when we look more closely at the employed women and men.

The Nordic countries have a high share of part-time compared with the rest of Europe, and it is women who primarily work part-time. This data is presented in table 4.4.1 where we see part-time employees as a share of total employment in 2006 and 2010. Figures for the entire period 2006-2010 are shown in the appendix table 4.6.¹⁵

Finland is the country that stands out the most of the Nordic countries since the share of part-time is relatively low (Finland also has the lowest employment in the Nordic countries). In 2010 the Finnish share of part-time was 14.5 per cent, corresponding to the level in 2006 and 2007, but a little higher than in 2008 and 2009. The other Nordic countries have shares of part-time of 25 per cent or more in 2010; the highest is in Norway at 27.2 per cent, followed by Iceland at 26.2 per cent, Sweden at 25.4 per cent and Denmark at 25.0 per cent. Iceland, and to some extent Denmark during the period 2006-2010 have had a tendency towards increasing shares of part-time. This can also be said about Sweden up to 2009, but then the share fell a little again in 2010. In Norway it has remained more stable, but with a weakly falling tendency. Over time the shares of part-time have therefore risen a little in the period 2006-2010 in the Nordic countries viewed as a whole, and even though this coincides with a slight fall in employment in the same period, there is not a clear tendency for the share of part-time to follow the development in total employment from year to year.

Part-time work occurs much more frequently among women than among men. The gender difference is lowest in Finland, where the share of part-time is also the lowest. The difference in the share of part-time between Finnish women and men is about 10 percentage points, and it remains relatively stable. The gender differences in the other Nordic countries are much larger. In Denmark the difference was 23.4 percentage points in 2006 and 23.0 percentage points in 2010. In the interim the difference has changed a little from year to year, generally so that the gender difference becomes smaller when the share of part-time falls, and vice versa. The gender difference is a little higher still in Iceland, but there we do not see exactly the same development as occurred in the share of part-time, the differences were equal in 2007/2009 (25.7 percentage points) and 2008/2010 (26.9 percentage points) respectively. In Sweden there is a tendency for the gender difference in the share of part-time to fall a little during the period, from 29.2 percentage points in 2006 to 27.6 percentage points in 2010. This tendency is even stronger in Norway, which in 2006 was the Nordic country with clearly the largest difference in the share of part-time work between women and men, 32.3 percentage points, while the share in 2010, 27.6 percentage points, is more similar to that in Sweden than Iceland.

It can thereby appear that the challenge with part-time work is most shared by the four countries Denmark, Iceland, Norway and Sweden, while Finland has a lower share of part-time work from the outset. Compared with the rest of Europe, the

¹⁵ The separation between full-time and part-time is based on a spontaneous answer provided by the respondents in LFS for all countries. The exceptions are the Netherlands, Iceland and Norway, where part-time is determined based on if the person normally works fewer than 35 hours per week, while full-time is determined by if the person works for 35 or more hours per week. Sweden also follows this definition, where this criterion is also used for the self-employed

Nordic countries as a region have a relatively large element of part-time work. This is connected with the total employment and then employment among women in particular. But it is nonetheless not completely the case that low employment among women automatically gives a low share of part-time (and vice versa). Here, for example, Finland is an exception, since the share of part-time is relatively low in a European context as well, even though female employment is relatively high. The Netherlands is also a country that stands out with a very high, and rising, element of part-time work, particularly among women. The share of part-time work among women in the Netherlands was 76.4 per cent in 2010. Switzerland also has a high share of part-time, particularly among women, at 60.3 per cent. Otherwise it is primarily in North and West Europe that we find a large element of part-time. In South and East Europe it occurs much less frequently, and that is despite the fact that certain countries also have a relatively high rate of employment among women (for example Slovenia and Portugal). There is also a relatively clear tendency for the share of part-time to have increased in Europe between 2006 and 2010, based on the fourth quarter figures which we have used in our analysis. It is also a common feature for all countries that the share of part-time work is higher among women than among men, and the differences broadly follow the level of part-time. Where the share of part-time is high, the gender difference in the share of part-time is also high.

Table 4.4.1 Share employed part-time of all employed people aged 15-64, by gender. Europe, 2006 and 2010, 4th quarter

	2006			2010		
	Total	Men	Women	Total	Men	Women
Denmark	23.6	12.6	36.0	25.0	14.1	37.1
Finland	14.3	9.0	19.9	14.5	9.5	19.7
Iceland	:	:	:	26.2	13.2	40.1
Norway	27.8	12.5	44.8	27.2	14.1	41.6
Sweden	24.5	10.8	40.0	25.4	12.3	39.9
Germany	24.8	8.4	44.7	25.2	8.6	44.5
France	17.3	5.5	30.5	17.6	6.7	29.7
Great Britain	24.4	9.2	42.0	25.7	11.1	42.5
Ireland	16.4	5.8	30.6	22.7	11.6	35.2
Belgium	21.7	6.9	40.6	24.2	9.0	42.3
Luxembourg	17.1	2.6	36.2	16.8	3.7	33.8
The Netherlands	45.7	22.1	74.4	48.3	24.2	76.4
Austria	20.9	5.6	39.3	24.1	7.7	43.2
Switzerland	:	:	:	34.5	12.7	60.3
Bulgaria	1.6	1.1	2.2	2.2	2.0	2.4
The Czech Republic	4.3	1.6	7.9	5.0	2.0	8.9
Estonia	6.8	2.9	10.7	9.9	6.3	13.6
Latvia	4.9	3.6	6.3	9.5	7.8	11.2
Lithuania	8.9	7.9	10.0	7.9	6.4	9.4
Hungary	3.6	2.3	5.2	5.7	3.8	7.8
Poland	8.6	6.0	11.8	7.5	4.8	10.8
Romania	8.8	9.1	8.5	9.3	9.4	9.2
Slovenia	8.0	5.7	10.9	9.9	7.3	13.0
Slovakia	2.6	1.1	4.6	3.7	2.4	5.3
Greece	5.4	2.5	9.9	6.3	3.8	10.0
Spain	11.7	3.9	23.0	13.3	5.4	23.2
Italy	13.4	4.5	26.7	15.1	5.3	29.4
Portugal	8.3	4.5	12.8	8.5	5.0	12.3

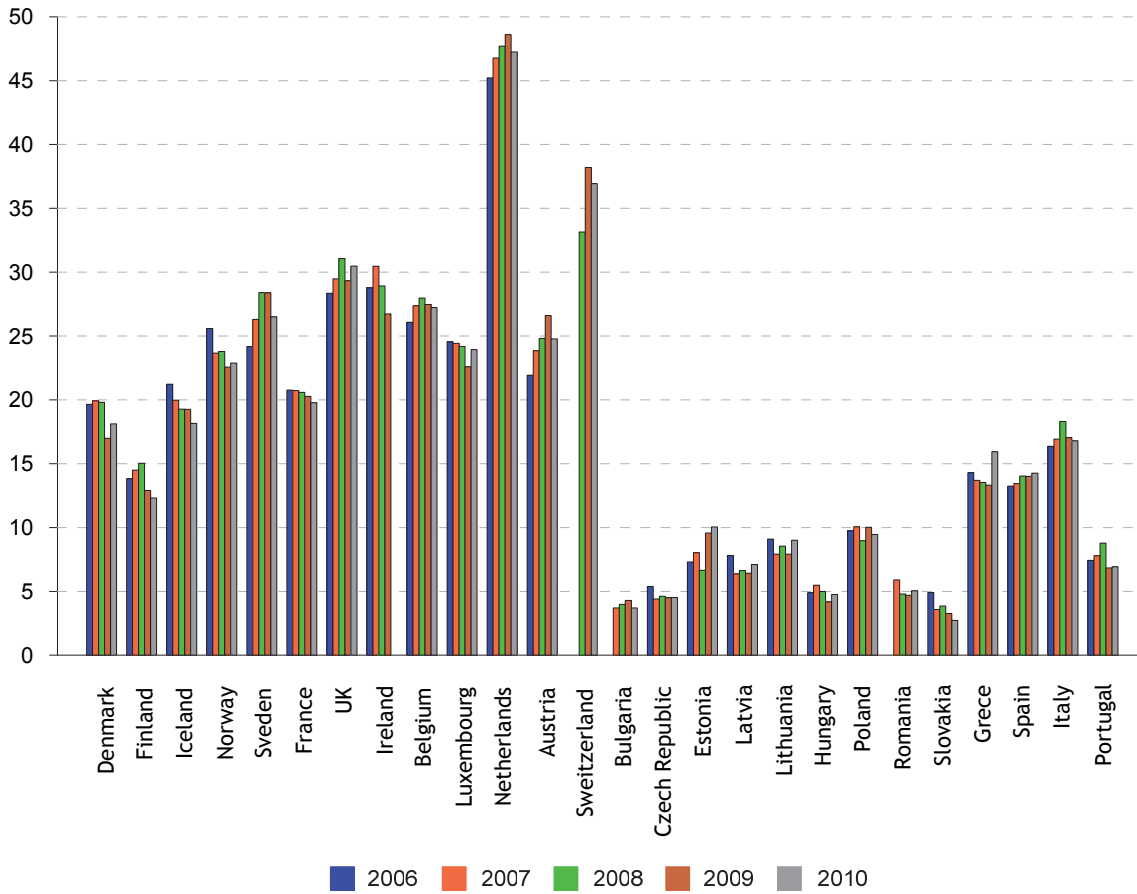
Source: Eurostat, LFS

4.4.3 Women work part-time

Available statistics have shown that there are wide variations between the countries in Europe in relation to the shares who work part-time, but it is a general feature that it is the women who work part-time. This is also shown in the EU-SILC material (see table 4.4.1). Gender is therefore very important when we are studying part-time. Naturally there are also characteristics such as education, occupation and industry, elements we addressed in the previous report, but which we do not investigate further this time. In this part of the chapter we shall focus mostly on aspects of part-time that the EU-SILC data are particularly well suited to study, namely the duration of part-time and connection with prior participation in the labour force. We will also briefly address subjective reasons for part-time.

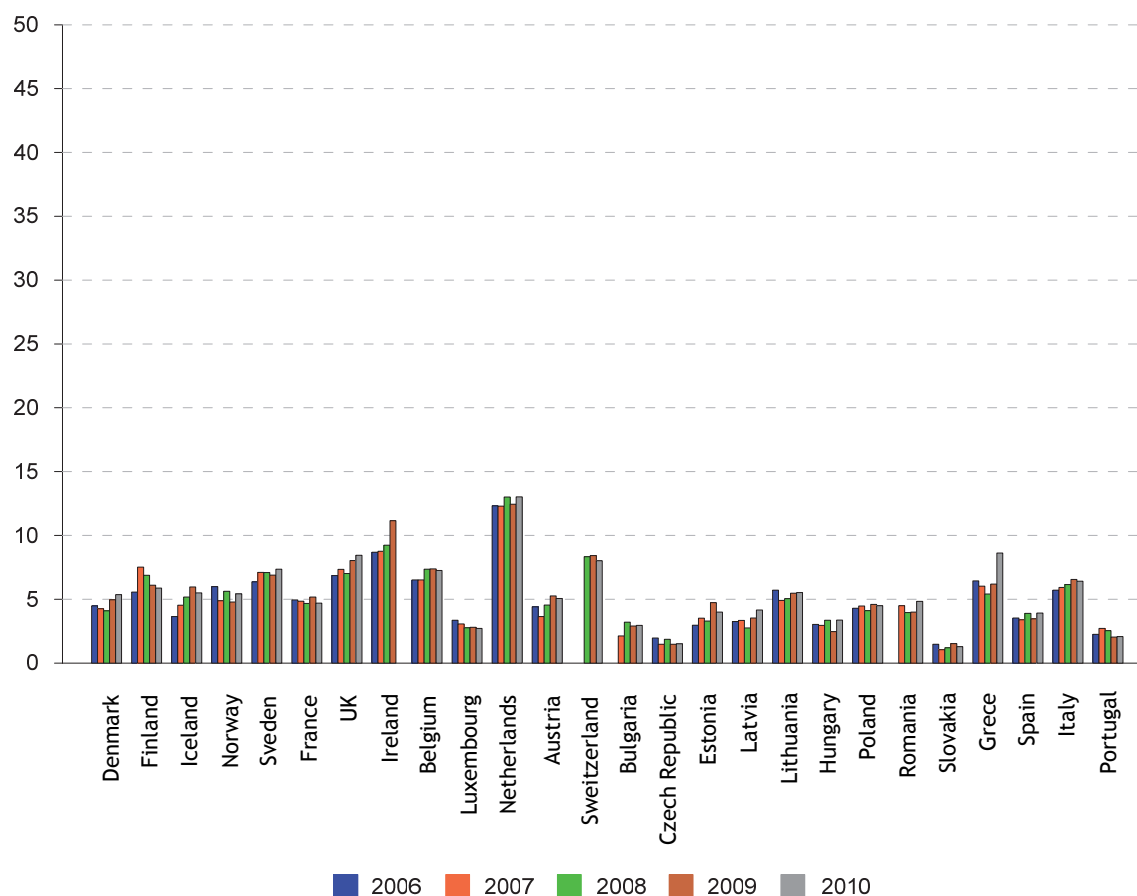
Nonetheless we shall start by briefly looking at shares of part-time workers as shown by the EU-SILC data and the definition we have used as a basis (see the box and figure 4.4.1 and 4.4.2, the numerical data for the figures are shown in appendix table 4.7). We shall not go into detail on these levels, but merely ascertain that they give roughly the same relationship between the countries as table 4.4.1 gives, based on LFS data. However, the way in which part-time is defined in our data gives considerably lower levels of part-time work, and the level is reduced more among women than among men. Calculated in percentage points, the share is also reduced more in countries that have high shares of part-time based on the LFS data, such as the Netherlands (18.3 percentage points in 2010) and Switzerland (12.1 percentage points in 2010), and the Nordic countries such as Iceland, Denmark and Norway (14.4, 13.3 and 13.2 percentage points in 2010). The share is reduced less in Sweden (8.5 percentage points in 2010), and relatively little in Finland (5.4 percentage points in 2010). If we focus on just the Nordic countries, we find the highest share of part-time working women in Sweden from 2007 onwards (in 2006 the share in Norway was higher), while Finland has the lowest share in all years. The levels in Denmark and in Iceland are relatively similar throughout the entire period. Also in general the share of part-time working women in the Nordic countries is lower in 2010 than in 2006, with the exception of Sweden where the share has risen a little.

Figure 4.4.1 Women in part-time work, aged 20-64, by country. 2006-2010 Per cent of total



Source: EU-SILC 2006-2010, User Data Base

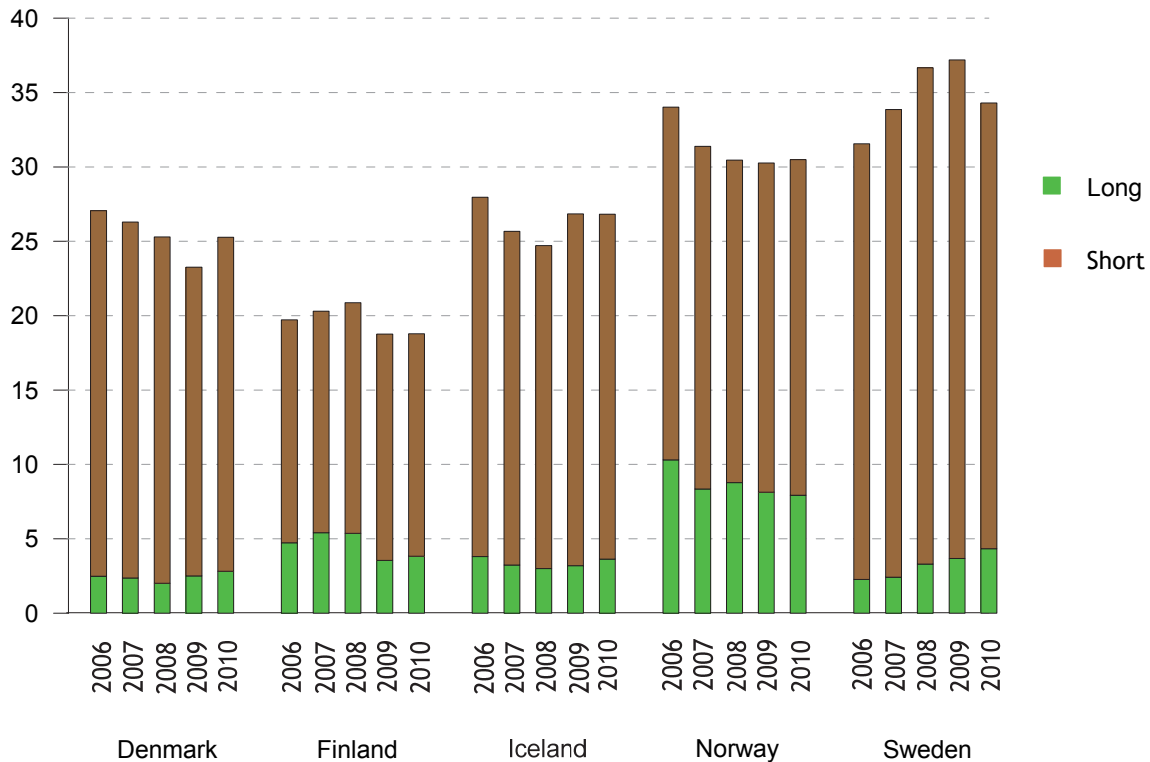
Figure 4.4.2 Men in part-time work, aged 20-64, by country. 2006-2010 Per cent of total



Source: EU-SILC 2006-2010, User Data Base

Since part-time work in the Nordic countries is primarily a female phenomenon in this part of the work chapter we will only study the women, and we will focus on inflows and outflows to part-time work, as well as take a brief look at the reasons for part-time. We must note that part-time work can entail widely differing degrees of attachment to working life. There is a difference between working short part-time and long part-time. Figure 4.4.3 shows the composition of short and long part-time as it appears in the EU-SILC data in the Nordic countries for the period 2006-2010. Short part-time refers to participants in the labour force who work from 1 to 19 hours a week. Long part-time refers to those who work from 20 to 36 hours a week.

Figure 4.4.3 Women aged 20-64 with short and long part-time work The Nordic countries 2006-2010. Per cent of labour force participants



Source: EU-SILC 2006-2010, User Data Base

The most common is to work long part-time in the Nordic countries. Note that we are looking here at the share of women participating in the labour force because here we are most interested in the composition of the labour force participation. In Denmark the share of women participating in the labour force working long part-time has declined from 24.6 per cent in 2006 to 22.5 per cent in 2010 (was as low as 20.8 per cent in 2009), while the share working short part-time is more stable. In Finland a steady level of about 15 per cent of women participating in the labour force work long part-time, while the share for short part-time has fallen from 4.7 per cent in 2006 to 3.8 per cent in 2010 (in 2007 and 2008 the share was even higher at 5.4 per cent). In Iceland the changes are more uncertain, the share of women participating in the labour force working long part-time varies between 24.2 per cent in 2006, 21.7 per cent in 2008 and 23.2 per cent in 2010. Therefore in total the change is small, and the same applies to the share on short part-time which was 3.6 per cent in 2010. Norway stood out with a relatively high share of short part-time in 2006, 10.3 per cent, but this share has fallen to 7.9 per cent in 2010. Nonetheless, it is the highest share of short part-time in the Nordic countries. The share of women working long part-time also appears to have declined a little, to 22.6 per cent in 2010, so compared with 2006 a slightly smaller share of the Norwegian women participating in the labour force worked full-time in 2010. In Sweden an opposite development has occurred, even though the changes are not large. The share of Swedish women partici-

pating in the labour force who work short part-time has risen from 2.3 per cent in 2006 to 4.3 per cent in 2010. The share on long part-time rose from 29.3 per cent in 2006 to 33.5 per cent in 2009, but in 2010 the share fell again, to 30.0 per cent, so from 2006 to 2010 there is little change.

In total, the relationship between short and long part-time, and full-time, has therefore not changed very much for women in the Nordic countries in the period 2006 to 2010. Short part-time occurs most often among Norwegian women, while long part-time is most frequent among Swedish. The Finnish women least frequently work part-time, and this is because there are relatively few that work long part-time.

In the previous report we concluded that part-time work is both an entryway to working life and an egress and scaling down, since the share of part-time was highest among the youngest women and there was also a relatively large element of part-time work among women aged 55 to 64, particularly in Norway and Sweden.

We also established that even though labour force participation rises sharply with level of education in all the Nordic countries, this was not the case for part-time work, rather the contrary. There is a lower share who work part-time among the highly educated labour force participants than among the poorly educated labour force participants. This is linked to a high share of women working part-time in a range of elementary occupations. The exception to this was Denmark, where the share who work part-time did not show a correlation with education.

An important premise within family and equality policies in the Nordic countries has been to facilitate the opportunity to be able to combine family and work life for mothers and fathers. When we looked at the effect of children on women's labour force participation in the Nordic countries, we saw to some extent differing effects. If labour force participation is negatively affected by having children, it first appeared to become significant with three or more children, and then primarily for Finland, Norway and Sweden. Part-time work also appeared to be a solution for many women, perhaps in Denmark and Iceland in particular.

Labour force participation and health are linked, which we have already seen previously in this chapter. Based on the 2006 data we also found that the share of part-time is higher among those with poor health than among those with good health. For many with poor health it therefore appeared that part-time work was a strategy for continued participation in working life.

There are therefore several factors that affect whether or not women work full-time or part-time. As previously mentioned, we will not be addressing this further within the framework of this report. Instead we will now concentrate in this report on part-time work's duration, inflows and outflows, and subjective reasons for part-time since these are areas where EU-SILC as a data source has the most to add to comprehending part-time work.

4.4.4 Duration of part-time work

We shall therefore look in more detail at the duration of part-time work and reasons for part-time work among women. Unlike other surveys that chart working hours

EU-SILC has a set of variables that identify the main activity each month in the income year that is charted, in our case for the income years 2005-2009, thus the years prior to the respective interview years. In addition to the information on part-time work at the time of the interview, which we have referred to previously in the chapter, we therefore have information on whether or not a person has also defined themselves as working part-time during all of the previous year, parts of it or if the person has had different main activities in the previous year. Such information can both shed light on to what extent part-time work is fairly stable and in the cases where it is not, indicate what other arenas the part-time workers are involved in during the year.

Initially, we provide an overview of those who are part-time workers at the time of the interview and the number of months they worked part-time in the previous year. As we see in table 4.4.2 the majority of the women working part-time at the time of the interview were also working part-time during all of the previous year. However there are relatively large variations between countries when it comes to the stability of the part-time work. The largest share of stable part-time workers is found in Sweden. Denmark and Norway have relatively similar shares, Iceland is a little lower and the lowest share of stable part-time working women is found in Finland.

In Sweden as many as 77.0 per cent of those who are working part-time at the time of the interview in 2010 were also working part-time for all twelve months of the previous year. It is a share that has remained fairly stable, even though it was a little higher in 2007-2009. In Denmark and Norway the corresponding shares in 2010 were 65.7 and 67.0 per cent respectively. In these two countries the share is also relatively stable, even though it was a little lower in the previous years. In Iceland the share has changed a little over time, but in all the years over half of the part-time working women have also worked part-time for 12 months in the previous year, 53.9 per cent in 2010. We find the lowest share in Finland, where only 32.3 per cent of women working part-time in 2010 also worked part-time for 12 months in the previous year. Moreover, the share has fallen a little in the period we are looking at.

The inflows to part-time work can be measured in the form of the share of part-time working women who did not work part-time in any months of the previous year. Even though the share of stable part-time workers is low in Finland, the share of inflows is not particularly large, 30.4 per cent in 2010. This is due to Finland standing out with relatively high shares of women who worked part-time for parts of the previous year, in 2010 37.2 per cent had worked 1-11 months part-time in the previous year. The corresponding shares with part-time for parts of the year are much lower in the other Nordic countries, as low as 4.4 per cent in Denmark. In Denmark the inflow to part-time work is roughly on a par with Finland, but in the years 2007-2009 it was higher. The lowest inflow to part-time work is in Sweden, also where the largest share are stable part-time workers. In 2010 one out of ten part-time working Swedish women had not worked part-time at all in the previous year. In Norway and Iceland this applied to about one out of four. Table 4.4.2 shows that these are conditions that are relatively stable over time, even though there is a tendency for stable part-time work to be declining a little in Finland and in Iceland.

Table 4.4.2 Women working part-time aged 20-64 at the time of the interview, by number of months with part-time as the main activity the previous year. The Nordic countries. Per cent of part-time workers

		2006	2007	2008	2009	2010
0 months	Denmark	26.5	30.0	35.9	31.5	30.0
	Finland	26.5	27.6	25.0	27.0	30.4
	Iceland	24.6	25.1	29.7	26.1	26.9
	Norway	26.5	27.1	27.8	26.4	25.0
	Sweden	11.3	7.8	6.0	7.3	9.7
1-5 months	Denmark	2.7	1.6	1.2	2.1	2.5
	Finland	14.6	13.8	18.4	19.7	20.0
	Iceland	7.6	7.8	11.1	13.6	9.9
	Norway	4.6	3.5	4.8	4.4	3.9
	Sweden	7.6	7.5	7.6	8.1	8.1
6-11 months	Denmark	4.0	2.0	2.5	2.9	1.9
	Finland	19.5	19.9	19.4	16.4	17.2
	Iceland	11.3	8.7	9.1	9.3	9.4
	Norway	4.0	4.7	4.3	4.3	4.1
	Sweden	5.1	5.2	5.9	6.5	5.1
12 months	Denmark	66.8	66.4	60.4	63.5	65.7
	Finland	39.5	38.7	37.3	37.0	32.3
	Iceland	56.5	58.4	50.0	51.1	53.9
	Norway	64.9	64.6	63.1	64.9	67.0
	Sweden	76.0	79.6	80.5	78.1	77.0

Source: EU-SILC 2006-2010, User Data Base

We will now look in more detail at the group of part-time working women who answer that they worked part-time for all 12 months of the previous year, as well as those who answered that they did not work part-time at all in the previous year. The stable part-time workers, those who also worked part-time all of the previous year, as we have already seen constitute the largest group, and are the women that it is perhaps most important to monitor more closely. What characterises this group compared with all other women participating in the labour force? Furthermore, it is interesting to see what characterises the women who now work part-time, but who did not do so in the previous year. Who are they, and what did they do in the previous year?

4.4.5 The stable part-time workers - and the new ones

Most of the women who work part-time in the Nordic countries also worked part-time in the previous year. It therefore appears that many women are working part-time for a long period of time, even though we have already seen that there are variations between countries. Sweden appears to be the country in which the most women can be called stable part-time workers while Finland is the country in which the least number of women could be similarly described. As we now turn to look at the changes in relation to these groups, we note that the quantity of data here is low. It means

that changes must be interpreted with care and that small changes from year to year are rarely statistically certain.

As a percentage of all women participating in the labour force, the stable part-time workers represent 26.1 per cent in Sweden in 2010 (see table 4.4.3). The share is higher than in 2006, but was even higher in 2008 and 2009. At the other end we find Finland, where stable part-time workers constitute 6.1 per cent of all women participating in the labour force, a small reduction compared with the previous years. Norway has the highest share of stable part-time working women, 20.2 per cent in 2010, a share that has remained relatively stable, even though it is a little lower than in 2006 (22.7 per cent). Denmark also had a little reduction in stable part-time workers from 19.5 per cent in 2006 to 16.6 per cent in 2010. In 2009 the share was even lower. We see some similarities in Iceland, even though the reduction from 15.9 per cent in 2006 to 14.4 per cent in 2010 is small. The lowest was in 2008 with 12.7 per cent. Therefore there are not large changes in the share of stable part-time working women in the Nordic countries in the period we are looking at. The main tendency is a small reduction in the share from 2006 to 2010, except in Sweden where the share is rising a little. Sweden is also the country with the highest share of stable part-time working women.

The impression of stability in the part-time work in Sweden is reinforced by the share of new part-time working women being low. Only 3.3 per cent of the women participating in the labour force were "new" part-time workers in 2010, about the same share as in 2006. In Finland, where the share of part-time is lowest in the Nordic countries, the new part-time working women constitute 5.7 per cent of women participating in the labour force in 2010, a share that has remained relatively stable. Denmark, Iceland and Norway have quite similar shares of new part-time workers, 7.6, 7.2 and 7.5 per cent respectively in 2010. In Norway the share has diminished a little from 9.3 per cent in 2006, while it is more stable in Iceland and in Denmark. The share in Denmark was certainly a little higher in 2008 (10.2 per cent).

The small tendency we saw for the share of part-time workers among women participating in the labour force to be reduced from 2006 to 2010 in the Nordic countries, except for in Sweden, therefore appears to be primarily due to a decline in the share of stable part-time workers in Denmark, Finland and Iceland, while in Norway a drop in new part-time workers is also contributing. In Sweden it is an increase among the stable part-time workers that is controlling the development. However we must reiterate that these are small groups where small changes from year to year are encumbered with uncertainty, so we must interpret these as tendencies which we cannot establish with certainty.

Table 4.4.3 Women aged 20-64 who are stable part-time workers and the share who are new part-time workers. The Nordic countries. 2006-2010
Per cent of labour force participants

	2006	2007	2008	2009	2010
Part-time 12 months previous year					
Denmark	19.5	19.3	17.2	14.8	16.6
Finland	7.8	8.2	8.1	6.9	6.1
Iceland	15.9	15.3	12.7	13.7	14.4
Norway	22.7	21.0	19.9	19.5	20.2
Sweden	23.1	26.6	29.4	28.3	26.1
Part-time 0 months previous year					
Denmark	7.7	8.7	10.2	7.3	7.6
Finland	5.2	5.8	5.4	5.1	5.7
Iceland	6.9	6.6	7.6	7.0	7.2
Norway	9.3	8.8	8.8	7.9	7.5
Sweden	3.5	2.6	2.2	2.6	3.3

Source: EU-SILC 2006-2010, User Data Base

The stable part-time workers, age, education and health

We now initially concentrate on the stable part-time working women, and try to comment on what conditions affect part-time; we have chosen three characteristics that we are particularly interested in. First, there is age. Is it the case that part-time is something that first and foremost occurs at a young age, as a path into working life (or something that becomes entrenched at a young age), or is part-time something that represents a scaling down on the way out of working life. We are also interested in seeing the effect of education here. Is it the case that a low level of education leads to a working life characterised by part-time work, and that higher education gives a lower likelihood of working part-time. Finally, we would also like to comment on whether or not health affects part-time work. Does impaired health entail greater likelihood of working part-time? On the one hand this can be viewed as a challenge in that those with impaired health are not fully integrated into the labour market, on the other hand it is still positive that people with impaired health can work rather than being entirely pushed out of working life.

In table 4.4.4 we have used these characteristics in a logistic regression (see previous text box for further information) that shows the probability of women participating in the labour force being stable part-time workers. The table shows odds estimates that are significant at the 0.05 level, and we use this analysis as a background when we now look in more detail at the three selected characteristics age, education and health.

Table 4.4.4 Logistic regression, likelihood of being a stable part-time worker. Working women aged 20-64, the Nordic countries 2006-2010

	2006	2007	2008	2009	2010
Denmark					
20-24 Years	0.15	0.45	0.21	0.09	0.12
25-34 Years	0.33	0.59	0.65	0.41	0.47
45-54 Years	0.96	0.99	1.03	1.06	0.89
55-64 Years	1.23	1.58	1.74	1.73	1.46
Compulsory education	0.83	1.63	1.21		1.43
Upper secondary school	1.10	1.53	1.82	1.32	1.55
Impaired health	1.40		1.49	1.27	1.32
Finland					
20-24 Years	1.78		1.77	2.70	
25-34 Years		0.90	0.65	1.28	0.71
45-54 Years	0.42	0.46	0.58	0.79	0.57
55-64 Years	1.73	1.15	1.52	2.37	1.48
Compulsory education	2.90	1.49	2.63	1.81	1.07
Upper secondary school	2.29	1.89	2.21	1.86	1.23
Impaired health		1.38	1.62	1.66	1.80
Iceland					
20-24 Years	0.43	0.14	0.09	0.10	0.13
25-34 Years	1.13	0.91		0.28	
45-54 Years	1.07	1.11	0.94	0.66	0.81
55-64 Years	1.66	1.27	1.19	1.08	0.95
Compulsory education	2.31	1.41	1.16	2.18	1.28
Upper secondary school	1.97	1.29	1.60	2.06	1.35
Impaired health		1.54		1.83	1.50
Norway					
20-24 Years	0.59	0.32	0.42	0.73	0.08
25-34 Years	0.60	0.52	0.56	0.81	0.80
45-54 Years	1.21	1.14	1.03	1.36	1.09
55-64 Years	1.45	1.41	1.40	1.51	1.37
Compulsory education	2.04	1.85	2.19	2.06	2.92
Upper secondary school	1.31	1.54	1.95	1.81	2.41
Impaired health	1.49	1.46	1.77	1.76	1.48
Sweden					
20-24 Years	0.80	0.70	0.61	0.73	1.05
25-34 Years	0.70	0.71	0.56	0.58	0.70
45-54 Years	1.01	1.05	0.82		0.82
55-64 Years	1.46	1.48	1.21	1.19	1.11
Compulsory education	1.59	1.77	1.47	2.23	2.24
Upper secondary school	1.76	1.98	1.64	1.95	1.91
Impaired health	1.56	1.84	1.58	1.29	1.32

Reference group: aged 35-44, higher education and good health

Source: EU-SILC 2006-2010, User Data Base

Table 4.4.5 shows the share of stable part-time workers by age, and shows that the highest shares of stable part-time workers are among the oldest women in all the Nordic countries. This is also supported on the whole by regression analyses (table 4.4.4). Variations in the share between age groups are largest in Denmark and Norway in 2010. Within the countries there is also some variation from year to year.

In Denmark the regressions show that age has an effect on stable part-time work, and that the likelihood of being a stable part-time worker generally increases with age, even though 45-54 year olds have a lower likelihood of part-time work than the reference group (35-44 year olds) in 2006 and 2007. The tendency is that the reduction in the share of stable part-time workers from 2006 to 2010 first and foremost occurs among 35-64 year olds. Here there is generally a steady drop from 2006 to 2009, before rising a little again in 2010. In the group aged 25-34 it varies a little more from year to year, but these are small groups with substantial uncertainty in the shares.

In Finland the regression analyses give an unclear picture of the effect of age on part-time work. The oldest (55-64 year olds) have a higher likelihood of working part-time than the reference group (35-44 year olds) in all years. 45-54 year olds have a lower likelihood. Belonging to the youngest group (20-24 year olds) has an effect, but in some years they have a higher likelihood than the reference group. For 25-34 year olds the likelihood is generally lower, except for in 2009. There are also slightly more changes in the share of stable part-time workers within the age groups from year to year than in Denmark. The share is highest among 55-64 year olds in 2010, 10.3 per cent, but it is lower than in the previous years. In the younger groups the shares are lower, and among 25-54 year olds there is slightly less variation. Among 20-24 year olds we find relatively high shares, just over 13 per cent which is on a par with the share among the oldest, in the years 2006 to 2009, while we do not have enough observations to give figures for 2010.

In Iceland there is not such a pronounced difference between the oldest and those that are a little younger, and the regressions show that the effect of age varies a little from year to year. It is fair to say that the share of stable part-time workers is highest among the oldest women in 2010, 16.9 per cent, among 45-54 year olds it is 15.8 per cent, but both these groups have a lower likelihood of part-time work than the reference group (35-44 year olds) in 2010. However this has varied a little in prior years. Among 25-34 year olds the share is 12.5 per cent in 2010 as well, but there is no substantial difference compared with 35-44 year olds (14.1 per cent). In 2006 there were clearer differences between the age groups, and the convergence between them appears to be due to a small reduction among the oldest, which is also suggested by the regression analyses.

The development in Norway largely resembles that in Denmark. There are clear age differences, the regression analyses reinforce the assumption that the likelihood of stable part-time work is increasing with age, and the tendency is that the reduction in the share of stable part-time workers from 2006 to 2010 primarily occurs among 35-64 year olds. Here there is generally a steady drop from 2006 to 2009, before rising a little again in 2010. Among 25-34 year olds the tendency is rather the opposite, but with relatively small changes. The numerical data are too weak to comment on the youngest.

Sweden stands out a little as the share of stable part-time working women is high in all age groups. Even though here it is also highest among the oldest, 31.4 per cent in 2010, the difference compared with the youngest is small, where the share was 28.6 per cent in 2010. Nonetheless the regressions show that the oldest have the highest likelihood for part-time work in all the five years we look at. We find the lowest shares in the group aged 25-34. From age 25 and over the main tendency in Sweden has been a small increase in the share from 2006 to 2008, before it fell again in 2009 and 2010. This is also then creating the total development in Sweden. However in the youngest group we see a steady increase from 19.9 per cent in 2007 to 28.6 per cent in 2010 (even though the basis is so small that this is statistically uncertain). It may indicate that there are relatively more young stable part-time working women in Sweden. In 2010 the regression also then shows that the youngest have a greater likelihood of part-time work than the reference group.

Table 4.4.5 Stable part-time working women aged 20-64, by age. The Nordic countries 2006-2010. Per cent of labour force participants ¹⁶

		2006	2007	2008	2009	2010
Denmark	20-24 Years	:	:	:	:	:
	25-34 Years	9.8	11.6	9.9	7.8	10.8
	35-44 Years	21.0	19.2	17.0	15.3	16.4
	45-54 Years	20.8	20.1	19.0	15.8	16.1
	55-64 Years	28.6	27.9	25.8	23.8	25.2
Finland	20-24 Years	13.2	13.4	13.4	13.7	:
	25-34 Years	6.4	7.2	5.6	5.6	4.5
	35-44 Years	6.9	7.6	6.5	4.9	5.7
	45-54 Years	4.2	5.4	5.7	4.3	4.1
	55-64 Years	14.3	12.2	13.7	12.2	10.3
Iceland	20-24 Years	:	:	:	:	:
	25-34 Years	11.4	9.1	7.4	7.7	12.5
	35-44 Years	18.1	15.2	14.1	15.1	14.1
	45-54 Years	15.2	19.2	15.2	14.7	15.8
	55-64 Years	21.9	20.1	16.2	18.5	16.9
Norway	20-24 Years	:	:	:	:	:
	25-34 Years	14.5	13.5	13.7	14.9	15.4
	35-44 Years	22.6	20.4	18.7	18.2	19.2
	45-54 Years	24.0	23.9	21.8	20.5	21.0
	55-64 Years	32.2	29.4	29.7	27.1	29.0
Sweden	20-24 Years	19.9	19.9	25.7	27.3	28.6
	25-34 Years	16.1	19.1	22.5	21.7	20.9
	35-44 Years	23.7	27.5	32.7	30.8	27.4
	45-54 Years	22.7	27.7	26.9	26.3	23.8
	55-64 Years	31.2	34.0	36.4	34.5	31.4

Source: EU-SILC 2006-2010, User Data Base

¹⁶ We note that the number of observations in each age group is limited. In age groups with 25 or fewer observations the percentage is not shown

Being a stable part-time worker is also correlated with level of education (see table 4.4.6). As previously mentioned, this is probably closely tied to what occupations the various education groups work in, and how both opportunities and need for part-time varies. When we break down this data by education, the groups also become small and the changes become to a large extent uncertain, so this must be interpreted with care, but the regression analyses confirm that education is an important characteristic for explaining part-time (see table 4.4.4).

In Denmark the share of stable part-time working women is fairly similar for those with compulsory education (19.3 per cent) and those with upper secondary school (18.4 per cent), while it is a little lower among those with higher education (12.9 per cent). The regression analyses indicate that higher education generally gives a lower likelihood for part-time (except for the difference compared with compulsory education in 2006 and 2009), but that it varies as to whether upper secondary school or compulsory education gives the highest likelihood for part-time. For those with higher education there is a tendency for the share to have fallen from 2006 to 2010, and there appears to be a clearer distinction between those with higher education and those with upper secondary school or compulsory education.

In Finland the share of stable part-time workers has remained just over 5 per cent among women with higher education, and it is not notably higher among those with upper secondary school education. The share among those with compulsory education is not much higher than in other education groups in 2010 either, 8.3 per cent. The reason that the differences are so small, is that the share among those with lowest education is lower in 2010 than it has been in previous years. Nonetheless the regressions show that education has a significant effect in all of the five years we have data for. Both upper secondary school and compulsory education give a greater likelihood for part-time than higher education, but what gives the largest effect varies. The tendency towards a decline in the share of stable part-time workers in Finland appears to be due to those with a lower education.

In Iceland the situation in 2010 largely resembles that in Denmark, both with regard to level and differences between education groups, but the regressions give about the same effects as in Finland. Among those with upper secondary school and compulsory education there is a tendency for a reduction between 2006 and 2009, followed by a small increase again. This is also the same tendency that we observe in the development of the total share.

In Norway the tendency was a small fall in the share in total from 2006 to 2009, followed by a small increase again in 2010. We also see this pattern among women participating in the labour force with compulsory education, the share is 28.5 per cent in 2010. Among those with upper secondary school education the situation is stable around 24-25 per cent, while women participating in the labour force with higher education appear to work less stable part-time in 2010 than in 2006. In total we can say that Norway also resembles Denmark and Iceland in that it is those with higher education that stand out, while the regressions show a tripartition where the likelihood for part-time rises with decreasing education.

In Sweden there is a clearer tripartition between education groups when looking at table 4.4.6, but the regressions show that women with upper secondary school education had a higher likelihood for part-time than those with compulsory education in 2006-2008. Both the groups have a higher likelihood than those with higher education in all the years we are looking at. The total trend in Sweden was an increase from 2006 to 2009 (statistically certain), but no certain change from 2009 to 2010. We see this trend in broad terms in all education groups, even though there is not an increase among those with upper secondary school and higher education between 2008 and 2009. Therefore there is a clearer tripartition in Sweden than the other Nordic countries, even though those with higher education stand out the most.

Table 4.4.6 Stable part-time working women aged 20-64, by education. The Nordic countries 2006. Per cent of labour force participants

		2006	2007	2008	2009	2010
Denmark	Compulsory education	18.2	21.1	18.7	16.1	19.3
	Upper secondary school	21.3	20.0	19.8	16.0	18.4
	Higher education	18.3	17.0	13.6	12.8	12.9
Finland	Compulsory education	14.1	11.2	14.3	9.6	8.3
	Upper secondary school	8.6	9.5	8.9	7.9	6.3
	Higher education	5.0	5.8	5.3	5.3	5.5
Iceland	Compulsory education	18.3	17.5	13.8	19.2	17.3
	Upper secondary school	20.2	18.2	14.6	15.1	16.0
	Higher education	8.9	10.8	10.1	8.0	11.3
Norway	Compulsory education	32.3	26.8	25.1	24.1	28.5
	Upper secondary school	24.4	24.5	25.1	24.1	25.1
	Higher education	17.2	14.5	13.4	12.7	12.7
Sweden	Compulsory education	30.0	33.4	33.5	35.7	35.2
	Upper secondary school	26.2	30.9	34.3	33.6	30.8
	Higher education	17.7	19.6	22.4	22.0	19.3

Source: EU-SILC 2006-2010, User Data Base

Health can also affect whether women work part-time or not over time, table 4.4.7 indicates that this is the case. In this table we have grouped people who report neither good nor poor health, poor health and very poor health together in a group named "impaired health", while people who report good or very good health as in previous tables are grouped together with "good health", this is due to the number of observations being small when we combine these variables. Something that can affect the connection between part-time work and health is to what extent women with poor health participate in the labour force at all. As we have previously pointed out, those with impaired health are overrepresented among those who are outside the labour market, particularly as disabled. Nonetheless table 4.4.7 and the regression analyses (see table 4.4.4.) indicate that stable part-time work occurs less frequently among women with good health than among women with impaired health.

Generally the share of stable part-time working women in Denmark is highest among those with impaired health, but the group is too small to comment with cer-

tainty on the changes over time. Among those with good health, the share in 2010 is equal to that in 2006, 16.2 per cent, with some variability in the years between. In general, impaired health gives a greater likelihood of part-time when we also control for age and education, with the sole exception of 2007.

We see the same in Finland, the share of stable part-time workers is highest among those with impaired health, from 9.4 to 13.5 per cent, but the difference compared with those with good health is generally a little smaller than in Denmark. Among Finnish women with good health the share of stable part-time workers varies between 5.0 and 7.3 per cent. In the same way as in Denmark, the regression also shows such a correlation, with the exception of 2006.

In Iceland the share of stable part-time working women with good health remains steady at between 10.0 and 13.2 per cent. The shares among those with impaired health are larger, but in this group there is greater random variation between the years because the group is so small. Therefore health does not give a significant effect in all the years when we also control for age and education, even though impaired health gives a greater likelihood for part-time in 2007, 2009 and 2010.

In Norway we see roughly the same picture as in the previous countries, but there are generally larger differences between those with good and those with impaired health when it comes to stable part-time work. Among those with good health the share is from 15.6 to 19.1 per cent, while it is from 26.1 to 32.6 among those with impaired health. Again the groups are too small to comment with certainty on the changes from year to year, but the regressions confirm at least the correlation between health and part-time and reinforce the assumption that impaired health gives a greater likelihood for stable part-time work.

In Sweden the differences in the share of stable part-time between women with good health and women with impaired health resemble those we find in Norway, in other words apparently clear differences. In the same way as for Norway, the correlation is also confirmed by the logistic regression. Among women with impaired health the share of stable part-time is from 33.1 to 42.3 per cent, for those with good health it is from 21.1 to 27.0 per cent, but we cannot comment with certainty on the changes here either because the groups are small.

We can therefore conclude that the health of the women participating in the labour force affects whether they work part-time or not. In all the Nordic countries it is those with good health who most rarely work stable part-time, and the correlation is confirmed even if we control for age and education. However we do not have the possibility to comment further on the changes in part-time over time based on health differences.

Table 4.4.7 Stable part-time working women aged 20-64, by self-assessed health. The Nordic countries 2006. Per cent of labour force participants

		2006	2007	2008	2009	2010
Denmark	Good health	16.2	17.3	15.4	12.8	16.2
	Impaired health	25.1	21.5	23.5	20.0	22.9
Finland	Good health	7.3	6.7	7.3	6.3	5.0
	Impaired health	9.4	10.2	13.5	12.6	11.2
Iceland	Good health	10.6	11.7	10.0	11.4	13.2
	Impaired health	14.2	18.1	11.4	24.0	21.3
Norway	Good health	19.1	17.6	16.0	15.6	16.1
	Impaired health	32.6	27.8	30.4	30.7	26.1
Sweden	Good health	21.1	23.7	27.0	26.5	26.1
	Impaired health	33.1	42.0	42.3	38.6	36.7

Source: EU-SILC 2006-2010, User Data Base

4.4.6 The new part-time workers: what did they do in the previous year?

The other group that stood out when we looked at the distribution of part-time work in the year before among women in the Nordic countries who currently work part-time, were those who had not worked part-time at all in the previous year. It is interesting to look in more detail at what these women did in the previous year, even though they are a little group which makes it difficult to draw reliable conclusions. Nonetheless we can provide some indications about what paths lead to part-time work. Is part-time the way into the labour market or is it more of a strategy for scaling down? When we take a closer look at the main activities these women stated for the year before, and it is clear that most of the women who currently work part-time and who did not work part-time at all in the year before have gone from working full-time to part-time work. In table 4.4.8 we see the new part-time workers in the different years broken down by number of months of full-time participation in the labour force in the previous year. We can ascertain that in all Nordic countries it is most common for the new part-time workers to have worked during all of the previous year as a full-time participant in the labour force. As mentioned, the data do not allow us to go into detail regarding differences and trends. However it can appear that the path into part-time has changed a little in Sweden, and that relatively fewer new part-time workers are coming from 12 months' full-time work in the previous year. In Denmark the tendency is rather the opposite. In Norway, Finland and Iceland it is relatively stable, but with some fluctuations from year to year. It is also worth noting that in Finland there is hardly anyone with part-time as their main activity who did not work part-time in the year before.

Table 4.4.8 New part-time working women aged 20-64, by number of months with full-time work in the previous year. The Nordic countries 2006. Per cent of labour force participants

		2006	2007	2008	2009	2010
Denmark	0 Months	21.5	17.1	8.4	9.7	13.7
	1-11 Months	5.5	4.2	6.3	6.3	5.1
	12 Months	73.0	78.7	85.3	84.0	81.1
Finland	0 Months	0.0	0.1	0.0	1.8	0.0
	1-11 Months	18.8	25.0	24.1	27.2	24.2
	12 Months	81.2	75.0	75.9	71.0	75.8
Iceland	0 Months	7.4	8.6	3.7	6.4	13.1
	1-11 Months	11.5	15.5	18.9	9.2	8.4
	12 Months	81.0	75.9	77.5	84.4	78.5
Norway	0 Months	11.0	13.3	15.3	8.8	10.3
	1-11 Months	5.8	6.8	4.6	3.5	5.2
	12 Months	83.2	79.9	80.1	87.7	84.5
Sweden	0 Months	6.0	8.0	19.3	18.1	27.2
	1-11 Months	3.9	3.8	8.8	2.0	6.5
	12 Months	90.2	88.3	71.9	80.0	66.3

Source: EU-SILC 2006-2010, User Data Base

4.4.7 Reasons for part-time

There can be many reasons for someone to work part-time, and it can be difficult to uncover what the most fundamental reasons are. One aspect of the causal relationship is the person's, in this case the part-time working woman's, own assessment. In EU-SILC we ask those who are working part-time (but then only those who are working fewer than 30 hours a week) about the reason why they work part-time. It is important to be aware that this is a subjective assessment, but it can still be helpful in determining how voluntary the part-time work is and tell us something about fluctuations in patterns of causation.

Table 4.4.9 shows that there are large differences between the Nordic countries when it comes to what women state as being the reasons for working part-time. In Denmark there are relatively few who state education as the reason, and there are also few who say that they regard the work as a full-time job. The most important reason in 2006-2009 is the desire not to work more, since 32.4 to 37.4 per cent report it. But this reason was a little less important in 2010, 19.3 per cent. Almost one out of four Danish women in this group state illness as the reason. How important this is, has also varied a little from year to year, but the share who report this is highest in 2010 (24.2 per cent). Housework appears to have been important in 2007, since 18.7 per cent reported it, but a smaller share reported this in the following years. In 2010 15 per cent answered that they wanted to work more, that is a decline from 2006, but still higher than in 2007-2009. Otherwise there is a tendency for a steadily rising share to report other reasons, without us knowing what these consist of. It may be that the reasons for part-time work are complex, and that it is therefore difficult to provide an answer.

Finnish women answer this question differently than the Danish women. In 2010 as many as 31 per cent answered that they want to work more, which we can therefore interpret as "forced" part-time. This share is higher than in prior years. There are also relatively many who answer that they work part-time because they are in education, 14.7 per cent in 2010. However, education as a reason has gradually become less important, the share in 2006 was 36.2 per cent. The share who report illness as the reason has gone the opposite way, 10.7 per cent stated this in 2010, and there has been an annual increase in this share from 2006 onwards. 11.5 per cent answered that they did not want to work more in 2010. That is the same share as in 2006, but in the years in between it has been higher. The share who state that they regard the work as a full-time job has not changed very much, 6.1 per cent stated this in 2010. As in Denmark the share who state other reasons is rising. That means that it is becoming more difficult to uncover the reasons for part-time work.

Iceland is the country in which the largest share of part-time working women state that they regard the work as a full-time job, 22.9 per cent in 2010. This share is higher than in previous years, with the exception of 2008. There is also a relatively stable share who state that they do not want to work more, 13.6 per cent in 2010. If the aim is to increase labour force participation, these can be groups where that is challenging. However 16.8 per cent state that they wish to work more, this share is much higher in 2009 and 2010 than in prior years. This group contains a more obvious potential for greater activity. The share who stated illness as a reason fell between 2007 and 2008, in 2010 7.9 per cent reported this, and that is lower than in any other Nordic country. But as many as 19.1 per cent state housework as a reason in 2010, it is true to say that this is a little lower than in 2006, but nonetheless it is only Norwegian women who state this more often in the Nordic countries.

And it is precisely the high share who state housework as a reason for part-time that makes Norway stand out. In 2010 28.4 per cent answered that that was the reason. The share was a little lower in 2007-2009, but higher again in 2006. There are also relatively many who do not want to work more, 22.4 per cent in 2010, more than in any of the previous years. There are fewer who want to work more, 16.1 per cent in 2010. Only in 2009 were there more who wanted to work more, than did not want to work more. There are also relatively many who state illness as a reason, 20.6 per cent in 2010, a slightly larger share than in other Nordic countries except for Denmark. The share who stated illness was the same as in 2006, but has been a little higher in the interim. Norway resembles the other Nordic countries, except for Iceland, in that the share who regard the work as full-time work is relatively low. As in Denmark and Sweden there are also few who state education as a reason for part-time.

In Sweden the share of part-time working women who do not want to work more increased between 2007 and 2008, and has remained high since that time. 35.4 per cent stated this as a reason in 2010. On the opposite side, there are also 21.7 per cent who want to work more, only Finland has a higher share. This share has fluctuated a little from year to year in Sweden, but here there is a latent potential for increased activity in other words. Very few regard the work as a full-time job in Swe-

den as well. Housework appears to have become a slightly more important reason over time, 14.9 per cent state this in 2010, while studies remain a relatively less important reason for part-time. The share who report other reasons is 8.3 per cent in 2010, not very dissimilar to Iceland and Norway.

In other words, Nordic women report a little differently when they state the reason for part-time work. If we are primarily thinking about the potential for greater activity, perhaps "wanting to working more" is the most obvious reason to address. In 2010 this group varied from 15.0 per cent of the part-time working women in Denmark to 31.4 per cent in Finland. However in these two countries it appears that this has become more important in 2010. In Iceland the share who stated this increased back in 2009. Can this be the result of a greater element of "forced" part-time in connection with the financial crisis? At any rate, the question can be asked. In Sweden and Norway there are not very big changes in this share over time.

Table 4.4.10 Different reasons for part-time among women aged 20-64 with part-time work. The Nordic countries. 2006. Per cent of part-time workers

		2006	2007	2008	2009	2010
Denmark	In education	0.0	2.6	2.0	4.0	5.4
	Illness, affliction	13.7	18.4	23.3	17.3	24.2
	Want to work more	20.7	13.1	8.9	7.4	15.0
	Do not want to work more	32.4	34.5	37.4	36.1	19.3
	Working full-time now	9.3	3.6	0.0	0.2	0.7
	Housework, care work	12.6	18.7	15.6	11.7	12.3
	Other	11.4	9.1	12.9	23.3	23.1
Finland	In education	36.2	35.4	25.2	20.1	14.7
	Illness, affliction	2.6	3.4	4.0	5.1	10.7
	Want to work more	23.8	21.0	24.9	19.9	31.4
	Do not want to work more	11.1	13.7	15.7	17.8	11.5
	Working full-time now	6.6	7.4	5.5	5.1	6.1
	Housework, care work	4.7	6.1	6.9	7.8	3.8
	Other	15.0	13.1	17.8	24.2	21.8
Iceland	In education	10.6	6.5	23.4	10.6	11.8
	Illness, affliction	18.3	18.2	5.5	9.7	7.9
	Want to work more	4.2	7.1	5.2	19.8	16.8
	Do not want to work more	16.1	12.8	13.5	13.6	13.6
	Working full-time now	14.8	14.9	21.9	13.6	22.9
	Housework, care work	22.3	22.6	19.2	23.5	19.1
	Other	13.7	17.9	11.3	9.2	7.9
Norway	In education	2.0	2.0	1.3	3.2	2.3
	Illness, affliction	20.9	22.5	26.6	27.1	20.6
	Want to work more	17.9	19.9	16.9	18.6	16.1
	Do not want to work more	20.5	21.1	20.9	17.7	22.4
	Working full-time now	1.9	1.5	2.3	1.8	3.2
	Housework, care work	32.1	26.0	24.4	23.2	28.4
	Other	4.7	7.0	7.7	8.5	6.9
Sweden	In education	3.5	4.5	2.0	2.7	2.7
	Illness, affliction	36.4	36.0	20.2	17.7	16.1
	Want to work more	20.8	26.5	19.0	24.4	21.7
	Do not want to work more	23.6	21.7	36.9	34.1	35.4
	Working full-time now	0.0	0.3	0.4	1.2	0.9
	Housework, care work	10.2	6.3	14.8	12.8	14.9
	Other	5.6	4.7	6.8	7.1	8.3

Source: EU-SILC 2006-2010, User Data Base

4.4.8 Part-time work - summary

Part-time work is a complex phenomenon that may involve both individual wishes and choices and various forms of structural constraints. Underemployment is widespread in certain industries. From a perspective of gender equality, economic independence and the ability to be an independent provider are vital elements. Part-time workers represent a latent employment potential. A set of indicators that provides information on what characterises part-time working women over time, that provides information on how many are working short and long part-time over time and produces figures for how many stable part-time workers there are at any time, as well as the reasons for part-time work, in our opinion will give important knowledge about the direction of development in this area in the Nordic countries compared with the rest of Europe.

Earlier in the work chapter we presented an overview of the shares and characteristics of people who are on the periphery of the labour market, in the form of being marginalised, excluded and disabled. The part-time workers are more included, but not fully included and shares, characteristics and reasons for part-time work are therefore also important. Partial connection to the labour market, in the form of part-time work, is better than no connection to the labour market at all. In countries where an inclusive workplace is a goal there must be room for different forms of connection to working life in the form of part-time work and other types of connections than full-time work. Perhaps it could be said that it is natural for the shares of part-time to be high when employment is high, particularly among women, and on the other hand, when the share of part-time is high the gender difference in the share of part-time is also high because it primarily applies to women. These tendencies are apparent in both the Nordic countries and Europe. It is interpreted as more problematic if the share of part-time is stable or rising when employment falls. Then there may be a reason to point out a relatively clear tendency for the share of part-time to have risen in Europe between 2006 and 2010. Now it is not entirely the case that low employment among women automatically gives a low share of part-time (and vice versa) either, for example Finland has a low share of part-time, but relatively high employment among women. In order to counteract the effects of the ageing population more people need to work - both joining the labour market and working more hours of part-time and there is a need for more part-time workers who only work part-time for shorter periods. The stable part-time work activity where we see that a person is working part-time for several years is thus a challenge that it is important to monitor.

Through this part of the chapter we have seen that the Nordic countries have a high share of part-time compared with the rest of Europe, and it is women who primarily work part-time. The gender difference in part-time work in the Nordic countries is lowest in Finland, where the share of part-time is also the lowest. It can appear that the challenge with part-time work is most shared by the four countries Denmark, Iceland, Norway and Sweden, while Finland has a lower share of part-time work from the outset. The most common in the Nordic countries is to work part-time over a longer period. We find a relatively large share of stable part-time working

women in the Nordic countries. The largest share of stable part-time workers is found in Sweden. Denmark and Norway have relatively similar shares. The share is a little lower in Iceland. The lowest share of stable part-time working women is found in Finland. Stable part-time work generally increases with age, and more frequently occurs among those with low education and impaired health. In addition we have a smaller group of women that for various reasons choose to reduce their labour force participation from full-time work to part-time work. It can be challenging to change the pattern with high use of part-time when we see that the use of part-time is so stable. Short part-time occurs most often among Norwegian women, while long part-time is most frequent among Swedish. That Finnish women most rarely work part-time is mainly due to relatively few working long part-time.

Nordic women report slightly differing reasons for part-time work. The most obvious potential for greater labour force participation is probably found among those who want to work more. In 2010 this group varied from 15.0 per cent of the part-time working women in Denmark to 31.4 per cent in Finland.

4.5 Labour force participation among the seniors

In light of the demographic changes we previously referred to, which not only manifest themselves in the Nordic countries, but also in the rest of Europe, we have claimed that one of the most important challenges for the welfare state is to keep the largest possible share of the population in work. This contributes both to funding the welfare state and reducing the pressure on welfare schemes for people outside working life.

What plays a significant role in relation to the costs for the elderly and the disabled is especially the length of time that people remain active in the labour market

(NOSOSKO 2008:101)

It is from this perspective that we should also view seniors' participation in the labour force. We shall start by describing the situation based on available statistics, before proceeding to use EU-SILC to shed further light on the topic.

4.5.1 Employment of seniors

As an indicator of how the seniors' participation in working life is, we use employment among the seniors (see table 4.5.1). These are statistics based on the Labour Force Survey (LFS) published by Eurostat. As otherwise, here we use data from the period 2006-2010. The figures show people employed as a share of the total population in the same age group, so the different countries' retirement age will have an effect here. Table 4.5.2 shows the difference in relation to the total employment share (as shown in table 4.1.1) Appendix table 4.8 shows senior employment by gender.

Table 4.5.1 Employment of seniors, share of the population. People aged 55-64. Europe 2006-2010

	2006	2007	2008	2009	2010
Denmark	60.7	58.6	57.3	57.5	57.6
Finland	54.5	55.0	56.5	55.5	56.2
Iceland	84.3	84.7	82.9	80.2	79.8
Norway	67.4	69.0	69.2	68.7	68.6
Sweden	69.6	70.0	70.1	70.0	70.5
Germany	48.4	51.5	53.8	56.2	57.7
France	38.1	38.2	38.2	38.8	39.7
Great Britain	57.3	57.4	58.0	57.5	57.1
Ireland	53.1	53.8	53.7	51.0	50.0
Belgium	32.0	34.4	34.5	35.3	37.3
Luxembourg	33.2	32.0	34.1	38.2	39.6
The Netherlands	47.7	50.9	53.0	55.1	53.7
Austria	35.5	38.6	41.0	41.1	42.4
Switzerland	65.7	67.2	68.4	68.3	68.0
Bulgaria	39.6	42.6	46.0	46.1	43.5
The Czech Republic	45.2	46.0	47.6	46.8	46.5
Estonia	58.5	60.0	62.4	60.4	53.8
Latvia	53.3	57.7	59.4	53.2	48.2
Lithuania	49.6	53.4	53.1	51.6	48.6
Hungary	33.6	33.1	31.4	32.8	34.4
Poland	28.1	29.7	31.6	32.3	34.0
Romania	41.7	41.4	43.1	42.6	41.1
Slovenia	32.6	33.5	32.8	35.6	35.0
Slovakia	33.1	35.6	39.2	39.5	40.5
Greece	42.3	42.4	42.8	42.2	42.3
Spain	44.1	44.6	45.6	44.1	43.6
Italy	32.5	33.8	34.4	35.7	36.6
Portugal	50.1	50.9	50.8	49.7	49.2

Source: Eurostat, LFS

Table 4.5.2 Percentage point difference between employment of seniors (55-64 year olds) and total employment (15-64 year olds).

	2006	2007	2008	2009	2010
Denmark	-16.7	-18.5	-20.6	-18.2	-15.8
Finland	-14.8	-15.3	-14.6	-13.2	-11.9
Iceland	-0.3	-0.4	-0.7	1.9	1.6
Norway	-8.0	-7.8	-8.8	-7.7	-6.7
Sweden	-3.5	-4.2	-4.2	-2.2	-2.2
Germany	-19.1	-17.9	-16.9	-14.7	-13.4
France	-25.6	-26.1	-26.7	-25.3	-24.3
Great Britain	-14.3	-14.1	-13.5	-12.4	-12.4
Ireland	-15.6	-15.4	-13.9	-10.8	-10.0
Belgium	-29.0	-27.6	-27.9	-26.3	-24.7
Luxembourg	-30.4	-32.2	-29.3	-27.0	-25.6
The Netherlands	-26.6	-25.1	-24.2	-21.9	-21.0
Austria	-34.7	-32.8	-31.1	-30.5	-29.3
Switzerland	-12.2	-11.4	-11.1	-10.7	-10.6
Bulgaria	-19.0	-19.1	-18.0	-16.5	-16.2
The Czech Republic	-20.1	-20.1	-19.0	-18.6	-18.5
Estonia	-9.6	-9.4	-7.4	-3.1	-7.2
Latvia	-13.0	-10.6	-9.2	-7.7	-11.1
Lithuania	-14.0	-11.5	-11.2	-8.5	-9.2
Hungary	-23.7	-24.2	-25.3	-22.6	-21.0
Poland	-26.4	-27.3	-27.6	-27.0	-25.3
Romania	-17.1	-17.4	-15.9	-16.0	-17.7
Slovenia	-34.0	-34.3	-35.8	-31.9	-31.2
Slovakia	-26.3	-25.1	-23.1	-20.7	-18.3
Greece	-18.7	-19.0	-19.1	-19.0	-17.3
Spain	-20.7	-21.0	-18.7	-15.7	-15.0
Italy	-25.9	-24.9	-24.3	-21.8	-20.3
Portugal	-17.8	-16.9	-17.4	-16.6	-16.4

Source: Eurostat, LFS

The country that most clearly distinguishes itself in the data on employment of seniors is Iceland. Despite the financial crisis and decline in employment among the seniors, Iceland still holds a special position in the Nordic countries and Europe. Even though the seniors in Iceland are not unaffected by the financial crisis either, the employment rate among seniors was highest in 2006 and 2007, fell a little in 2008, and a little further in 2009 and 2010, it is worth noting that the total employment among people aged 55-64 is 79.8 per cent in 2010 in Iceland. If we compare this with the total employment the difference is not large, less than in any other country. In 2006-2008 the seniors had 0.3-0.7 percentage points lower employment than the total. In 2009 and 2010 the seniors had 1.9 and 1.6 percentage points respectively

higher employment than the total, the only country in Europe where senior employment exceeds the total employment. The seniors therefore contribute to pushing up the total employment in Iceland in these years, which suggests that the financial crisis primarily affected younger people in working life. It is mainly men who are pushing up the employment among the seniors in Iceland (appendix table 4.8). The male seniors have higher employment than the total in all the years we are looking at, in line with the total figure the differences are greatest in 2009 and 2010. However the Icelandic female seniors also occupy a special position with very high employment, and even though it follows the general pattern with a decline until 2010, 76.4 per cent of Icelandic female seniors are still employed in 2010. The gender difference in employment is a little higher among the seniors than for the total in Iceland, it was highest in 2008 (11.2 percentage points). However the fall in employment in 2009 and 2010 primarily affects men, so the difference is 6.8 percentage points in 2010.

Sweden is also characterised by very high employment among the seniors when compared with the rest of Europe, in 2010 it was at 70.5 per cent. And it is also worth noting that senior employment has remained very stable throughout the entire period we are looking at, which in other words covers the financial crisis from 2008. In fact, employment increases among 55-64 year olds from 69.6 per cent in 2006 to 70.5 per cent in 2010. This share is slightly lower than the total employment, but senior employment had a more positive development than the total, resulting in the difference being lowest in 2009 and 2010. As in Iceland it therefore appears that the financial crisis was primarily noticeable among the younger age groups. The difference between the female and male seniors remains fairly stable at about 6-7 percentage points throughout the period, but is therefore a little bigger than in the total population.

The third of the Nordic countries that stands out with high senior employment in a European context, is Norway, where the level is generally 1-2 percentage points lower than in Sweden. Of the other European countries it is only Switzerland that has senior employment that is close to the level in Sweden and Norway (but then far below Iceland). In Norway senior employment is also fairly stable, with a small rise in 2007 and 2008, so it is difficult to identify any clear features of the effects of the financial crisis in this area. The difference in relation to the total employment grew a little from 2007 to 2008, while it diminished a little again in 2009 and 2010. In this area the pattern is therefore the same as for Iceland and Sweden. The gender difference in senior employment is larger than for total employment, from 11.5 percentage points in 2006 to 7.2 in 2010. The reduction in gender difference is due to both a fall in employment among male seniors and an increase among female seniors.

The senior employment in Denmark is at a slightly lower level than in Sweden and Norway, 57.6 per cent in 2010. Nonetheless this is at a relatively high level compared with other European countries. In Denmark we cannot see any effect of the economic crisis on senior employment from 2008 to 2010 either, it remained very stable. However there was a small decrease from 2006 to 2008, from 60.7 to 57.3 per cent. The difference in relation to the total employment also grew in this period, and in 2008

the senior employment was 20.6 percentage points lower than the total. But from 2008 to 2010 total employment in Denmark also fell, and since the senior employment remained stable, the difference was reduced to 15.8 percentage points in 2010. In Denmark the gender differences in senior employment are also greater than in the total, and reached a high point in 2008 with a difference of 14.5 percentage points. But beneath the stability in senior employment from 2008 to 2010, the figures for the genders became more similar because the employment among male seniors declined a little, while it rose a little among the women. The difference in 2010 was 10.2 percentage points.

As with total employment, Finland has the lowest share of employed seniors in the Nordic countries, but since the level is not much lower than in Denmark (the difference in 2010 was 1.4 percentage points), it is still at a high level in a European context. Moreover, in Finland the development has been slightly more stable than in Denmark, particularly from 2006 to 2008 when senior employment in Finland rose from 54.5 to 56.5 per cent, followed by relative stability until 2010 (56.2 per cent). This results in the development compared with the total employment following the general pattern with a reduction in the difference from 2008 to 2010, when the difference is 11.9 percentage points. The special feature with Finland is that the difference in employment between female and male seniors is so small, smaller than the corresponding difference in total employment. From 2006 to 2008 male seniors' employment is just a little higher than female seniors', but in 2009 and 2010 the difference is actually reversed. This is primarily due to a fall in employment for male seniors from 2008 to 2009, while female employment rose a little.

Beyond that the Nordic countries are a region with high senior employment, it is difficult to point out clear regional features in Europe. We have already mentioned that the level in Switzerland is high, 68.0 per cent in 2010. It is also worth noting Germany, one of only a few countries with increased total employment in the period. Senior employment there was 57.7 per cent in 2010, as much as 9.3 percentage points higher than in 2006, in other words an even more positive development than in total employment. We can also note that several countries have had an increase in senior employment in the period, which contrasts slightly with the development in total employment. Together with Iceland and Denmark, Estonia and Latvia are the countries where the decline in senior employment from 2006 to 2010 has been greatest. Nonetheless the general trend is that relatively speaking the seniors have improved their situation in recent years, the difference between seniors' employment and the total employment has become smaller.

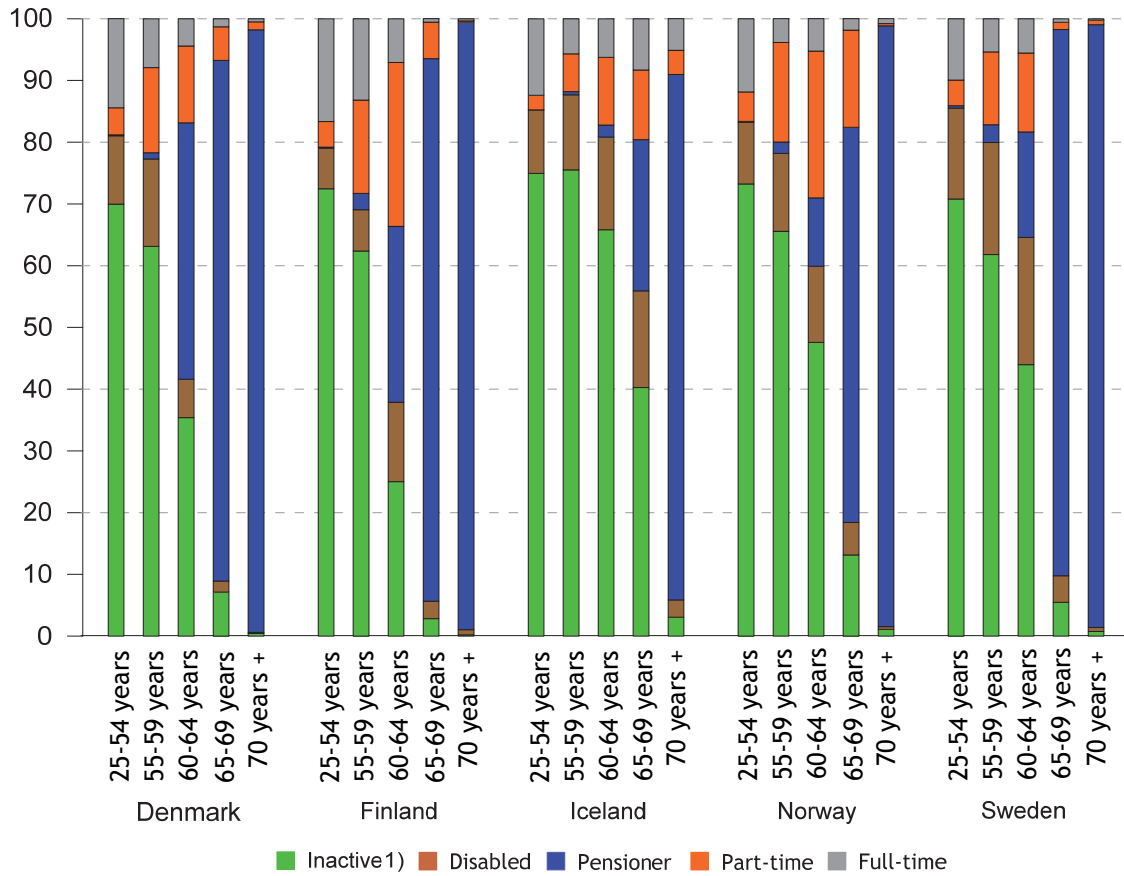
4.5.2 The mail activity of seniors

In total the Nordic countries therefore do well regarding senior employment, and the seniors' position in the labour market appears to be fairly robust when faced with turbulent times if we just consider the employment figures. One could therefore question if the indicators for younger age groups' inclusion in the labour market are not really so important.

However, with the demographic development and in light of the need for labour in the future, we would nonetheless claim that indicators for seniors' participation in the labour force are vital. We will be using data from EU-SILC to comment in more depth on how seniors are included in the labour market, and about what characterises seniors who are outside the labour market. We have chosen to apply an age limit where we consider people aged 55 and over to be seniors. This deviates to some extent from other publications (Ugreninov 2006), but corresponds with the limits in tables from Eurostat.

We shall begin by looking at the seniors' main activity in the Nordic countries, broken down a little further by age, as shown by self-reported economic activity in EU-SILC. We have divided the seniors into three groups here. The first is 55-59 year olds, which in all the Nordic countries is prior to reaching the general age of entitlement to pensions. The next is 60-64 year olds, where schemes for pensions are more varied, but for large parts of this group there are opportunities for early retirement. The third group is 65-69 year olds, where the majority will have the opportunity to retire, in most cases with an ordinary retirement pension (NOSOKO 2008b). As the reference group we have included people 25-54 years old. As a matter of form we have also included the group aged 70 and over, even though most of these people will be pensioners.

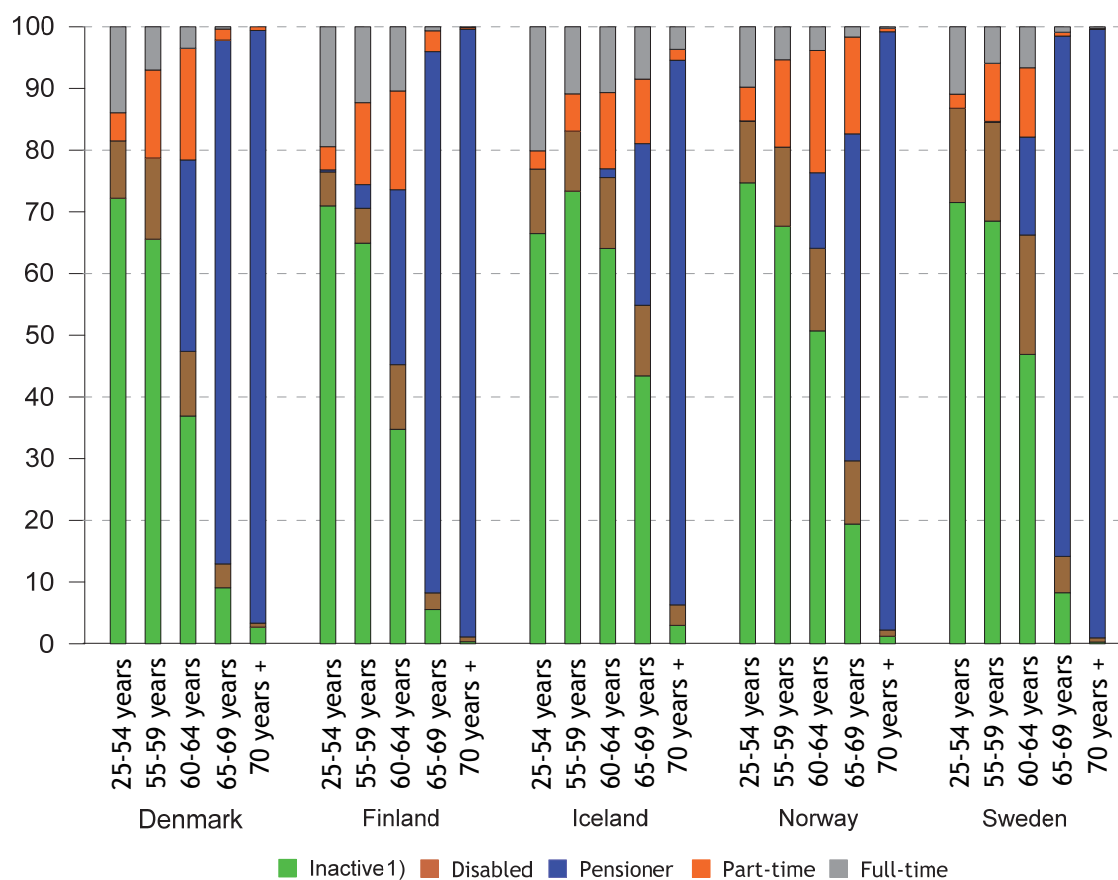
Figure 4.5.1 Self-defined economic status, seniors in the Nordic countries. 2006.
Per cent of total



1) Inactive in this context means stay-at-home, unemployed and inactive

Source: EU-SILC 2006-2010, User Data Base

Figure 4.5.2 Self-defined economic status, seniors in the Nordic countries. 2010.
Per cent of total



1) Inactive in this context means stay-at-home, unemployed and inactive

Source: EU-SILC 2006-2010, User Data Base

In figures 4.5.1 and 4.5.2 we show the main activity broken down by age in the various countries, both for the seniors and the reference group of 25-54 year olds. We only have figures for 2006 and 2010 since to begin with we are mainly concerned with the general pattern and any differences between the countries. In further analyses we will also include the intervening years. Figures for the main activity in the entire period 2006-2010 are shown in the appendix table 4.9. The main features in figures 4.5.1 and 4.5.2 are fairly similar for all countries in both the years. The exception is Iceland, which we have also seen stands out with very high senior employment.

In Denmark, Finland, Norway and Sweden the share of participants in the labour force working full-time and part-time is a little lower for 55-59 year olds than for those younger (25-54 year olds) in both 2006 and 2010. The primary reason for this is that there is a larger element of disabled in the group aged 55-59 compared with those younger. The difference in labour force participation between 55-59 year olds and 25-54 year olds is greatest in Finland, 10 percentage points in 2006 and 5.9 percentage points in 2010. The difference is therefore smaller in 2010 than in 2006, and

that also applies to the other countries. Again we see that seniors are therefore, relatively speaking, in a better position when the labour market becomes more difficult. Iceland also stands out here in that the 55-59 year olds have higher labour force participation than those younger, and this difference has also increased from 2.4 percentage points in 2006 to 6.1 percentage points in 2010.

Among 60-64 year olds the share of participants in the labour force declines more noticeably, mostly due to the fact that in this age group there is an element of pensioners. If we compare with the younger seniors (55-59 year olds), it is in Denmark that labour force participation in this group falls the most (31.3 percentage points in 2010), Finland shows the second largest fall (25.4 per cent in 2010). The smallest fall is in Iceland (7.5 percentage points in 2010). It is also the case that for the group aged 60-64, compared with the 25-54 year olds, the fall in labour force participation was smaller in 2010 than it was in 2006.

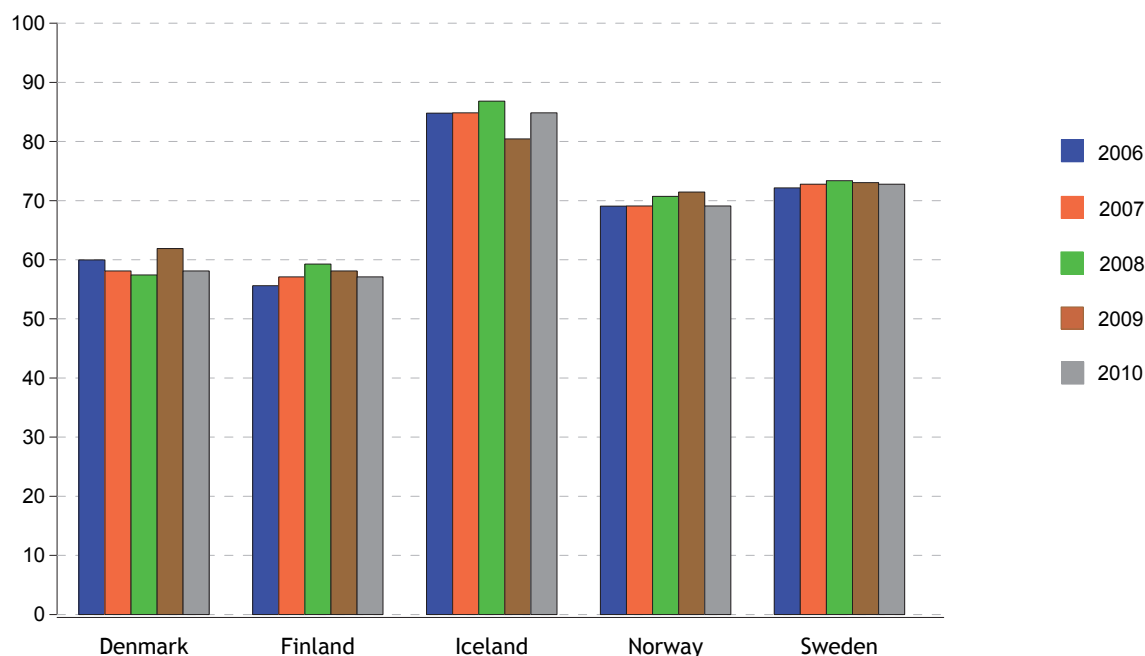
For the 65-69 year olds there is naturally fairly low labour force participation since very many in this group have the opportunity to retire with a pension. Nonetheless, there are differences between the countries that can be interesting. Iceland stands out again with high labour force participation (54.9 per cent in 2010) and a relatively low share of pensioners (26.2 per cent in 2010). In Norway the labour force participation in this age group is much lower (29.7 per cent in 2010) and the share of pensioners is higher (53.0 per cent in 2010), but this stands out again from our findings in Denmark, Finland and Sweden, where the shares of workers are much lower (12.9, 8.3 and 14.2 per cent respectively in 2010) and the shares of pensioners are much higher (84.9, 87.7 and 84.3 per cent respectively in 2010). Some of the difference in the share of pensioners is probably related to pension schemes, since it is also in Iceland and in Norway that we find the highest share of disabled in this age group (10.5 and 15.7 per cent in 2010), while there are few people who are disabled aged 64-69 in the three other countries.

The vast majority of people aged 70 or more define themselves as pensioners in all the Nordic countries, even though we find a small element of participation in the labour force, the highest in Iceland at 6.3 per cent in 2010, followed by Denmark at 3.4 per cent.

4.5.3 Trends in seniors Employment

In the section above we only looked at 2006 and 2010, and then saw that the structures have not changed very much. Even though there is a slightly different development in the various age groups, there is still roughly the same composition of labour force participation, pensioners, disability and inactivity in the two years. In order to elucidate the trend in seniors' labour force participation we have drawn up figures 4.5.3 and 4.5.4. They show the total labour force participation for full-time and part-time, first jointly for the seniors aged 55-64 (which can then be compared with employment), then broken down by age groups from 55-69 years old.

Figure 4.5.3 Seniors' participation in the labour force full-time or part-time by country, aged 55-64, 2006-2010. Per cent



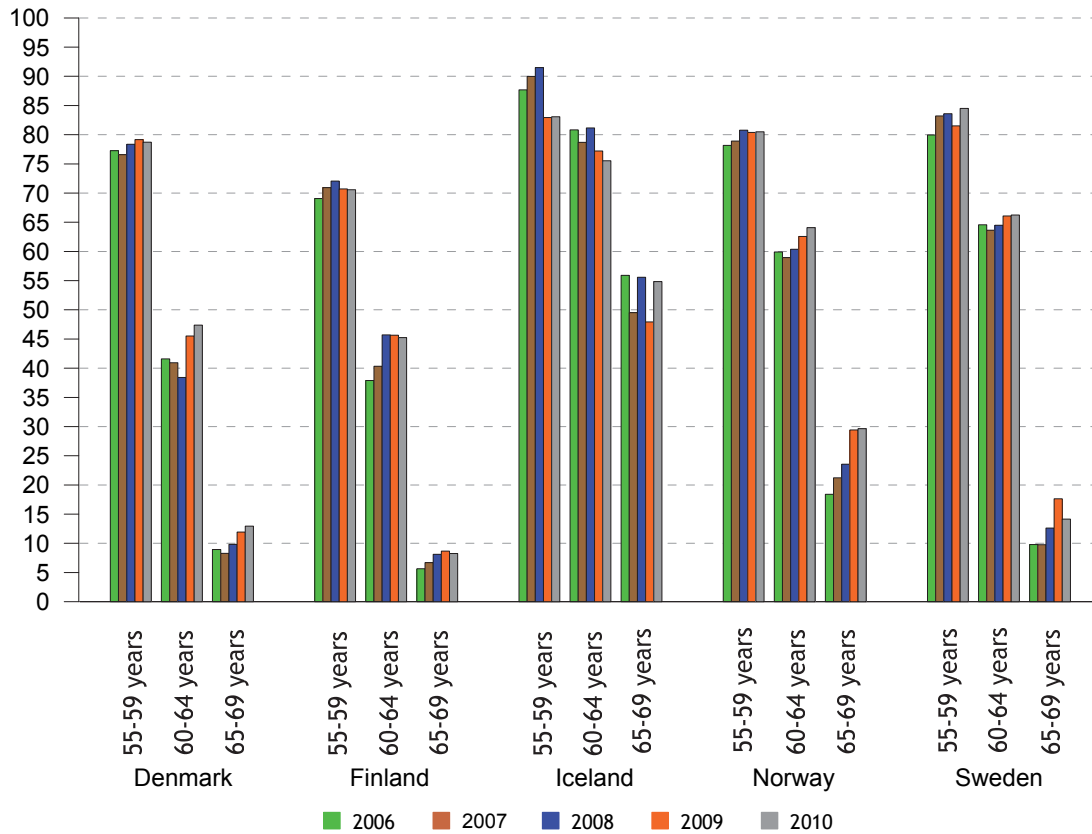
Source: EU-SILC 2006-2010, User Data Base

Overall we can establish that the seniors' participation in the labour force in the Nordic countries has remained fairly stable from 2006 to 2010, but with slightly differing fluctuations in the various countries. The levels of labour force participation for 55-64 year olds are not very different to those we saw for employment (see table 4.5.1).

In Denmark there is a tendency for a decline in the total labour force participation for 55-64 year olds from 2006-2008, but it is an uncertain change. However from 2008 to 2010 there is a certain increase, and the share of seniors participating in the labour force was 63.3 per cent in 2010. This largely resembles the trend we saw for employment, but there the tendency for an increase after 2008 was not equally clear. The fluctuations in labour force participation are a little different for the various age groups within the seniors, and the main trend largely appears to be due to the changes in the group aged 60-64. In the group aged 55-59 the changes are smaller from year to year. The group aged 65-69 is not included in figure 4.5.3, but figure 4.5.4 shows that labour force participation increased each year between 2007 and 2010.

For Finnish seniors aged 55-64 labour force participation rises a little from 2006 to 2008, before the tendency changes direction until 2010, even though the change between 2008 and 2010 is slightly uncertain. The development in employment is the same, but with some smaller changes and without a decline from 2009 to 2010. There are not large differences in how the development in labour force participation has been within the senior group either if we break the data down by age. However figure 4.5.4 shows that 65-69 year olds had an increase in labour force participation up to 2009.

Figure 4.5.4 Seniors' participation in the labour force full-time or part-time by country and age groups, aged 55-69, 2006-2010. Per cent



Source: EU-SILC 2006-2010, User Data Base

In 2006 84.8 per cent of Icelandic seniors aged 55-64 reported participating in the labour force full-time or part-time. Up to 2008 there is an uncertain tendency for an increase in labour force participation, slightly contrary to employment. As with employment, the share of labour force participation also falls in 2009 and 2010 so that 79.6 per cent of the seniors reported participating in the labour force in 2010. In general the development is fairly similar for 55-59 year olds and 60-64 year olds, smaller fluctuations in these groups are slightly uncertain. In Iceland there is also substantial labour force participation among 65-69 year olds, and the changes we see from year to year are too small to be certain.

Among Norwegian seniors aged 55-64 labour force participation rose from 69.1 per cent in 2006 to 72.4 per cent in 2010. The development is thus slightly more positive than when we looked at employment shares. When we break down the data by age, we see that the positive development applies to all age groups, also 65-69 year olds, and it can appear that labour force participation is increasing most in the oldest groups. Among the 65-69 year olds the share of labour force participation increased from 18.4 per cent in 2006 to 29.7 per cent in 2010.

In Sweden there is a steady increase in labour force participation among seniors aged 55-64 from 2006 onwards. Even though the changes from year to year are not

certain, the increase from 72.1 per cent in 2006 to 74.8 per cent in 2010 is a statistically certain change. This is the same trend as we saw in the seniors' employment. If we break the data down by age, we see that it is primarily the 55-59 year olds who are creating this trend, among 60-64 year olds participation in the labour force is more stable. If we also look at the 65-69 year olds, we see that labour force participation in this group is also slightly rising between 2006 and 2010.

4.5.4 Seniors in and Outside of the Labour Force

So far we have seen that Nordic seniors have high levels of employment and labour force participation compared with the rest of Europe, but that there are also variations between the Nordic countries. We have also established that the seniors have coped well during the financial crisis based on the indicators we have seen so far. In a longer perspective, it is interesting to see what factors separate seniors who participate in the labour force from those that do not. It can contribute to explanations about why some seniors disappear from working life, while others remain active over many years. In a similar vein to when we looked at marginalisation, disability and exclusion, here we will also start by showing the results of a multivariate analysis (logistic regression, see the box shown earlier in the chapter). There we include some key characteristics that may be relevant as support when we shall identify some factors that ought to be emphasised in explaining seniors' connection to the labour market (see table 4.5.3). Here we choose to omit the group aged 70 and over, since labour force participation here is very low, but include the group aged 65-69 such that we call the total group 55-69 year olds. Here we also use self-reported economic activity as a basis, which is therefore different from employment, and we combine full-time and part-time labour force participation into one group. In the regression we use the characteristics of gender, age group, education, self-assessed health, whether living as a couple or not, as well as country of birth. We will address these characteristics later in this report, but we will just comment briefly here on living as a couple. As previously mentioned, we have included it as a variable on households, with a hypothesis that living as a couple may provide social support which in turn eases or motivates participation in working life. When we use living as a couple as a reference group, we find some support for this hypothesis in all the Nordic countries. With the sole exception of Iceland in 2006 and 2008, seniors who are neither married nor cohabiting have a lower likelihood of participating in the labour force.

Table 4.5.3 Logistic regression, probability of being a senior that participates in the labour force full-time or part-time. People aged 55-69. The Nordic countries 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Woman	0.55	0.63	0.68	0.77	0.82
60-64 Years	0.19	0.18	0.10	0.17	0.17
65-69 Years	0.03	0.02	0.02	0.02	0.03
Upper secondary school		2.10	2.27	2.09	
Higher education	3.56	2.46	2.58	2.73	2.72
Unmarried/no cohabitant	0.76	0.60	0.45	0.75	0.56
Neither good nor poor health	0.43	0.43	0.26	0.39	0.30
Poor health	0.09	0.08	0.06	0.08	0.09
Born in the EU		0.45	0.79	1.01	3.05
Born outside the EU	0.38	0.28	0.46	0.34	0.42
Finland					
Woman	1.04	1.10	0.89	0.85	1.12
60-64 Years	0.23	0.27	0.38	0.33	0.40
65-69 Years	0.02	0.02	0.03	0.04	0.04
Upper secondary school	1.03	1.07	1.24	1.18	1.43
Higher education	2.73	2.01	1.95	2.34	2.99
Unmarried/no cohabitant	0.53	0.57	0.72	0.72	0.73
Neither good nor poor health	0.69	0.39	0.38	0.38	0.53
Poor health	0.11	0.09	0.11	0.14	0.15
Born in the EU		0.82	1.33	0.08	0.23
Born outside the EU		0.51		0.46	0.13
Iceland					
Woman	0.42	0.66	0.45		0.63
60-64 Years	0.59	0.51	0.43	0.93	0.56
65-69 Years	0.11	0.08	0.11	0.22	0.20
Upper secondary school	0.84		0.66	1.84	
Higher education	1.69	1.70	1.79	2.25	2.51
Unmarried/no cohabitant		0.90	1.10	0.85	0.78
Neither good nor poor health	0.32	0.18	0.15	0.24	0.23
Poor health	0.05	0.04	0.04	0.02	0.03
Born in the EU	0.64	1.13		1.26	0.24
Born outside the EU	1.59	0.24		0.49	1.71

Table continues

	2006	2007	2008	2009	2010
Norway					
Woman	0.68	0.65	0.77	0.81	0.72
60-64 Years	0.36	0.42	0.42	0.38	0.46
65-69 Years	0.04	0.05	0.07	0.08	0.09
Upper secondary school	1.34	1.37	1.53	1.25	1.44
Higher education	2.88	2.56	2.94	2.49	2.69
Unmarried/no cohabitant	0.71	0.62	0.68	0.90	0.93
Neither good nor poor health	0.39	0.31	0.41	0.35	0.41
Poor health	0.07	0.09	0.11	0.08	0.09
Born in the EU	1.15	1.24	1.11	0.79	0.57
Born outside the EU	1.90		0.93	0.98	1.60
Sweden					
Woman	0.76	0.82	0.86	0.76	
60-64 Years	0.39	0.35	0.33	0.45	0.30
65-69 Years	0.02	0.02	0.02	0.04	0.03
Upper secondary school	1.05	1.37	1.40	1.43	1.28
Higher education	1.68	3.01	3.03	2.87	2.25
Unmarried/no cohabitant	0.76	0.81	0.80	0.77	0.78
Neither good nor poor health	0.25	0.40	0.37	0.46	0.37
Poor health	0.06	0.09	0.10	0.12	0.10
Born in the EU	0.59	0.54	0.79	1.14	
Born outside the EU	0.40	0.57	0.68	0.87	0.83

Reference group: Men, aged 55-59, compulsory education, cohabitant/married, good health and born in the country

Source: EU-SILC 2006-2010, User Data Base

Gender and age

Table 4.5.4 shows labour force participation broken down by gender and age among seniors in the Nordic countries. Logistic regressions show that female seniors, with one exception which we shall mention later, generally have a lower likelihood of participating in the labour force than male seniors, also when we control for other characteristics such as age, education, health, living as a couple and country of birth. Naturally it is also the case within the senior group that increasing age entails lower labour force participation as we saw in figure 4.5.4, also when we take other characteristics into consideration. This is without exception, and we will not explore this in much more detail since it is fairly self-evident.

I Danmark er ikke yrkesaktiviteten blant de yngste seniorenne så veldig mye lavere enn blant yngre, men aktiviteten faller nokså markant fra 60 år og oppover blant begge kjønn. Den interessante trenden i danske seniorers yrkesaktivitet er at forskjellene mellom Women og Men ser ut til å avta i løpet av perioden 2006 til 2010, det samme gjelder for så vidt blant de yngre. Dette støttes også av de logistiske In Denmark labour force participation among the youngest seniors is not so very much lower than among those younger, but the activity falls rather noticeably from the age of 60 and upwards for both genders. The interesting trend in Danish seniors' labour force participation is that the differences between women and men appear to dimin-

ish during the period 2006 to 2010, the same applies for that matter to those younger. This is also supported by the logistic regressions for the seniors, but women still have a lower likelihood of participating in the labour force than men. In the group aged 55-59 we see from table 4.5.4 that labour force participation among men reaches its peak at 84.3 per cent in 2008, but drops all the way down to 77.9 per cent in 2010. Among women of the same age there is a noticeable increase in labour force participation in the same period, up to 79.5 per cent in 2010. In 2008 there was therefore a significant difference of 11.9 percentage points in men's favour, while in 2010 this is reversed, the share is 1.6 percentage points higher among women, so there is no certain difference between women and men in the group aged 55-59. For women aged 60-64 the tendency is fairly similar to that of the 55-59 year olds. Labour force participation increases towards the end of the period, and is 44.3 per cent in 2010. Among men of the same age the share is slightly more stable, but with smaller changes from year to year. Nonetheless it means that the share of men participating in the labour force in this age group is "only" 6.0 percentage points higher than among women in 2010 (not a statistically certain difference), compared with from 20.5-15.5 percentage points in the previous years. Among the oldest seniors, where the labour force participation is low, the share of active participants is also higher among men than women.

Finnish seniors' participation in the labour force stands out in a Nordic context due to women aged 55-59 generally participating more in the labour force than men of the same age. The difference was greatest in 2006 at 7.1 percentage points, in 2010 the difference was 5.3 percentage points. If we compare the youngest seniors (aged 55-59) with those a little older (aged 60-64), labour force participation declines more among the women than the men, and therefore Finnish men in this age group participate more in the labour force than the women. The size of this difference varies a little from year to year, seen in isolation the difference is not certain in any of the years, but since it persists over time we can nonetheless expect that there is a difference. Moreover, in this age group labour force participation increases for both genders during the period as a whole. Also among 65-69 year olds Finnish men participate more in the labour force than women, and the gender difference is about 4-6 percentage points. However in this age group participation in the labour force rises for both genders during the period as a whole as well, reaching its highest level in 2009. What primarily characterises Finland is therefore that women aged 55-59 participate more in the labour force than men, and that the gender differences otherwise are relatively small. The regression models also show that women have a higher likelihood of participating in the labour force than men in 2006, 2007 and 2010, while it is the opposite case in 2008 and 2009, when we have also controlled then for other characteristics.

We have pointed out on several occasions the seniors' particularly high participation in the labour force in Iceland, and in table 4.5.4 we see that this applies to both genders, especially up to and including 2008. From 2008 to 2009 there is a marked change, particularly regarding a major fall in labour force participation among the youngest male seniors from 95.9 per cent in 2008 to 83.4 per cent in 2009. The same

development occurs among women of the same age as well, but the reduction is much smaller and more uncertain - from 86.7 to 82.5 per cent, a level that is not so different from 2006 and 2007. This also means that the gender difference in this age group disappears, from having been 13.2 percentage points in 2007. In 2010 the share of labour force participation rises again among men in this age group, to 87.9 per cent, while the decline continues for women where the share is 78.1 per cent in 2010. Therefore the gender difference returns at 9.7 percentage points. In the group aged 60-65 the development among women and men is more parallel and the gender difference in 2010 is at roughly the same level as for the younger seniors. One of the features that most characterises Iceland is also the high labour force participation among 65-69 year olds, and even though Icelandic women of this age are often participating in the labour force compared with other women, there is a larger gender difference in this age group in Iceland as the Icelandic men in this age group are very active in the labour market. However the share of men participating in the labour force shows some variation, but the group is small so it is difficult to comment with certainty on the changes. In 2006 69.2 per cent of Icelandic men in this age group were participating in the labour force, in 2010 the share was 59.4 per cent. Among women of this age the development is more stable and in the direction of increased participation in the labour force, even though the changes are also uncertain in this group. In 2010 50.1 per cent were participating in the labour force. After controlling for other characteristics in regression models, Icelandic female seniors have a lower likelihood of participating in the labour force than male seniors, except in 2009 when gender does not have a significant effect. The reason for this probably lies in the development in the group aged 55-59, as mentioned above.

For Norway the regression analyses also show that the female seniors have a lower likelihood of being active than the male seniors, also when we account for age, education, health, living as a couple and country of birth. This is a fairly stable finding in all the years 2006-2010. When we break down the data by age, as in table 4.5.4, we see that male seniors in all age groups participate more in the labour force than female seniors, but the differences are not entirely stable over time. For Norway it is tempting to start by looking at the group aged 65-69. In this group both women and men have a positive development in labour force participation, 36.5 per cent of the men participate in the labour force in 2010, while this applies to 23.0 per cent of the women. This is a significant increase compared with 2006 for both the groups. In the group aged 60-64 there is also a fairly parallel and positive development for both genders, even though the changes here are slightly uncertain. For men in this age group the share of labour force participation increased from 65.2 per cent in 2006 to 69.4 per cent in 2010. Among women the share increased from 54.9 per cent in 2006 to 59.1 per cent in 2010. The difference between women and men therefore generally stays at about 10 percentage points. Labour force participation is naturally highest among the youngest seniors (aged 55-59) in Norway as well, and in this age group the development does not follow the same pattern as for those a little older. For the men the changes are only small and uncertain, giving the impression of stability, 81.3 per cent in 2006 and 83.2 per cent in 2010. For the women the changes are also un-

certain, and the total picture is stable, even though the share is a little higher here in 2010 as well, 77.9 per cent, than in 2006, 74.9 per cent. In other words, we see that the labour force participation among male seniors and female seniors develops slightly differently in the various age groups. In general it is fairly positive for those over 59 years old, while among 54-59 year olds it is more stable, and the changes from year to year are uncertain.

Table 4.5.4 Seniors participating in the labour force full-time or part-time, by gender and age, 55-69 years old, 2006-2010. Per cent

	Men					Women				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Denmark										
55-59 Years	81.5	80.8	84.3	81.3	77.9	73.2	72.6	72.5	77.0	79.5
60-64 Years	51.7	50.5	46.1	53.3	50.3	31.2	31.7	30.6	37.8	44.3
65-69 Years	13.3	11.0	13.0	13.4	17.9	5.0	5.6	6.8	10.6	8.8
Finland										
55-59 Years	65.6	69.3	70.3	67.8	67.9	72.6	72.6	73.8	73.5	73.2
60-64 Years	40.5	42.0	48.4	48.9	45.8	35.6	38.8	43.1	42.6	44.8
65-69 Years	8.9	9.7	10.2	11.0	10.3	2.7	4.0	6.1	6.7	6.3
Iceland										
55-59 Years	93.1	96.5	95.9	83.4	87.9	82.0	83.3	86.7	82.5	78.1
60-64 Years	85.3	84.7	86.6	81.4	79.4	76.7	72.8	75.8	73.3	71.9
65-69 Years	69.2	60.3	68.5	52.2	59.4	42.6	40.5	44.1	43.4	50.1
Norway										
55-59 Years	81.3	83.6	84.2	81.8	83.2	74.9	74.0	77.3	78.9	77.9
60-64 Years	65.2	66.4	66.1	67.5	69.4	54.9	52.2	54.6	57.5	59.1
65-69 Years	22.4	25.4	28.3	33.6	36.5	14.9	17.5	19.6	25.5	23.0
Sweden										
55-59 Years	84.8	86.5	84.9	84.6	86.0	75.5	80.2	82.3	78.8	83.1
60-64 Years	65.5	65.9	67.7	68.9	65.4	63.6	61.4	61.3	63.3	67.1
65-69 Years	12.7	13.1	15.5	22.6	18.3	7.0	6.9	10.0	12.8	10.4

Source: EU-SILC 2006-2010, User Data Base

The regression analyses for Sweden give roughly the same result as for the other countries, in other words that being a woman gives a slightly lower likelihood of participating in the labour force as a senior than it does for men. However in 2010 gender does not have any significant effect in our analysis for Sweden, and the review of the various age groups can provide some explanations for this. For Sweden it is also good to start with the oldest seniors, aged 64-69. Here the development is positive for both genders from 2006 to 2009. For women labour force participation rose from 7.0 to 12.8 per cent. For men it increased from 12.7 to 22.6 per cent, the increase was particularly large from 2008 to 2009. Up to 2010 it appears that labour force participation declines again for both genders, even though it is a little uncertain. In the group aged 60-64 the development is a little different, but the changes are too small to be statistically certain. Among men in this age group the impression is that

labour force participation remains stable, with only small fluctuations, in 2010 65.4 per cent were participating in the labour force. The changes are not large among women either, however there is still an (uncertain) tendency for participation in the labour force to rise from 63.6 per cent in 2006 to 67.1 per cent in 2010. Even though the changes seen in isolation are not certain, it leads to labour force participation among women in this age group being higher than among men, and therefore this is part of the explanation as to why gender does not matter for Swedish seniors' participation in the labour force in 2010. Among 55-59 year olds, the seniors with highest participation in the labour force, the development is essentially fairly similar to that of the 60-64 year olds. For the period as a whole, women's participation in the labour force increases from 75.5 to 83.1 per cent (certain increase). Among men the share remains more unchanged, from 84.8 per cent in 2006 to 86.0 per cent in 2010. Therefore the gender difference in this age group is reduced, and contributes to gender not being important in 2010 when we control for more characteristics.

As a whole it can appear that gender has become less important for seniors' participation in the labour force during the period we are looking at, this applies to Sweden, Denmark and partly to Iceland. Finland is an exception since female seniors in certain years have a higher likelihood of participating in the labour force than male seniors, while Norway is the country with the most stable gender difference where men have a greater likelihood of participating in the labour force as a senior as well. In this review we have not considered the distribution between full-time and part-time work. We have previously seen that part-time work is most common among women, and that it is also most common among the oldest women. This then contributes to maintaining women's participation in the labour force, but when we look at labour force participation as a whole it can contribute nonetheless to concealing the gender difference in labour force participation.

Education

Viewed as a whole, education is of great importance regarding connection to working life, and the purpose here is to see whether or not seniors with a high level of education have a higher degree of participation in the labour force than other seniors, and if there are similar or dissimilar education differences between age groups of seniors and others. There is the view that the effect of education changes over the course of a career. On the one hand, you could imagine that the effect of education diminishes with age in that work experience becomes gradually more important during the career. On the other, education can be important for what types of jobs people choose to work with, and high education can mean that people work in occupations with less strain which make it easier to continue working for more years and that high education also provides protection against economic cycles. The conclusion from the previous report, with data from 2006, mainly strengthened the second theory that the positive effect of education was stronger among seniors than among 25-54 year olds. Table 4.5.5 shows the share of labour force participants (full-time or part-time) by education for seniors for the period from 2006 to 2010. We also refer to the table

with results from the regression analyses, where we used compulsory education as the reference category (table 4.5.3).

The conclusions that education is very important, for seniors' participation in the labour force as well, hold true for Denmark when we see the entire period 2006-2010. This is also shown in the regression analyses where we also control for the effects of gender, age, living as a couple, health and country of birth. In relation to the reference group (compulsory education) people with higher education have a clearly higher likelihood of participating in the labour force. This also applies to people with upper secondary school education, but the effect here is only significant in the period 2007-2009. If we look at the shares of labour force participation in the various education groups among the seniors (table 4.5.5), we can establish that the education differences have remained relatively steady over time. Seniors with higher education have about a 30 percentage point higher share of participation in the labour force compared with seniors with compulsory education, but the difference is slightly smaller in 2010 than in 2006. If we compare with those with upper secondary school education, those with higher education have a 12.2 percentage point higher share of participation in the labour force in both 2006 and 2010. However this difference has been a little smaller and therefore more uncertain in the intervening years. In all education groups labour force participation has risen a little when we view the period 2006-2010 as a whole.

In Finland the difference in seniors' labour force participation by education has generally remained stable as well. If we use those with higher education as a basis for comparison, labour force participation among those with compulsory education was 26.6 percentage points lower in 2010. It is a slightly larger difference than in 2006, but even though it has varied a little between years, the difference remains at generally the same level. Those with upper secondary school had an 11.4 percentage point lower share of participation in the labour force than those with higher education in 2010, and this is a slightly smaller difference than in 2006, and with small uncertain changes in the years between. But the regression analyses show the same tripartition that we see in table 4.5.5, namely increasing participation in the labour force with increasing education. The differences between education groups' participation in the labour force were lowest in 2008.

Even though seniors in Iceland participate more in the labour force than other seniors in the Nordic countries, there are also clear differences by education in Iceland. However regression analyses do not give as clear results as in the other four countries. With compulsory education as the reference group we find that those with higher education have a greater likelihood of participating in the labour force in all of the five years we look at, but upper secondary education gives a slightly different effect. In 2006 and 2008 it gives a lower likelihood of participating in the labour force as a senior, only in 2009 does it give the same effect as in the other Nordic countries, namely a higher likelihood of participation in the labour force. In 2007 and 2010 upper secondary school does not give a certain effect in the analysis, and it is therefore tempting to conclude that it is the difference between those with higher education and others that is the most interesting. If we take table 4.5.5 as the basis,

we see the same tripartition as in Denmark and Finland, where labour force participation rises with education, even though the regression analyses indicate that the difference between upper secondary school and compulsory education can be explained by other conditions. The most interesting feature of the data in the table for Iceland is that when we take those with higher education as the basis, the differences in education groups' participation in the labour force appear to have increased between 2006 and 2010. In 2006 seniors with compulsory education had a share of labour force participation that was 17.5 percentage points lower than among those with higher education. This difference has increased in all subsequent years, particularly between 2008 and 2009, and was 25.5 percentage points in 2010. This also indicates that the financial crisis has had an uneven impact among the seniors.

Table 4.5.5 Seniors participating in the labour force full-time or part-time, by education, 55-69 years old, 2006-2010. Per cent

		2006	2007	2008	2009	2010
Denmark	Compulsory education	31.6	29.0	28.3	31.3	35.6
	Upper secondary school	52.4	50.9	51.8	52.1	53.1
	Higher education	64.5	59.3	59.5	61.2	65.3
Finland	Compulsory education	32.0	34.0	35.3	32.3	30.7
	Upper secondary school	42.3	44.4	49.3	46.7	45.9
	Higher education	57.4	58.0	58.4	59.7	57.3
Iceland	Compulsory education	71.3	65.6	71.8	62.5	61.5
	Upper secondary school	79.1	80.3	80.1	73.7	74.0
	Higher education	88.8	85.3	91.5	86.0	87.1
Norway	Compulsory education	39.6	39.1	42.0	45.0	44.1
	Upper secondary school	56.1	57.5	57.0	58.7	58.3
	Higher education	72.4	73.1	72.0	74.4	74.1
Sweden	Compulsory education	46.7	42.7	46.3	44.3	43.4
	Upper secondary school	57.0	57.0	57.3	55.4	54.2
	Higher education	62.8	65.8	65.1	68.0	64.8

Source: EU-SILC 2006-2010, User Data Base

In Norway the differences in seniors' labour force participation by education are very stable in the period from 2006 to 2010. If there is a change that is worth noting, it is the tendency for seniors with compulsory education to have increased their participation in the labour force a little more than other education groups (but this is uncertain since the group is small). Therefore it can indicate a smaller difference in labour force participation between seniors with compulsory education and seniors with higher education in 2010, but this is uncertain even though the difference in itself is statistically certain. The difference was 30.0 percentage points in 2010. The difference between those with upper secondary education and those with higher education is roughly half as large, 15.7 percentage points in 2010, and this is a certain difference that has remained fairly stable. The regression analyses confirm this, after controlling for other characteristics and with compulsory education as the reference

group, upper secondary school education gives a higher likelihood of participating in the labour force in all the years 2006-2010, while higher education gives an even greater likelihood in all the years.

Regression analyses for Sweden give roughly the same result for the effect of education on seniors' labour force participation as for Norway and Finland. The likelihood of participation in the labour force increases with education.

However in Sweden the differences in labour force participation by education have increased a little if we compare 2006 and 2010. Compared with seniors with higher education, those with compulsory education have a 21.4 percentage point lower participation in the labour force in 2010, those with upper secondary school have a 10.6 percentage point lower participation. In 2006 the differences were 16.1 and 5.8 percentage points respectively, and the difference between those with higher and those with upper secondary school education was not certain in 2006. This change is due to seniors with higher education appearing to have slightly increased their labour force participation from 62.8 to 64.8 per cent, while it has fallen a little in the two other education groups. However the changes within the education groups are small and uncertain by themselves.

The shares show a fairly clear tripartition in all the Nordic countries - labour force participation rises with education, among the seniors as well, but in Denmark and to an even greater extent in Iceland it is more unclear whether or not the difference between compulsory education and upper secondary school is very important when we also take other characteristics into account. Differences in labour force participation by education are larger among seniors than among 25-54 year olds, so it is still possible to conclude that the differences that the education leads to in labour force participation are reinforced over the course of a career. We have previously pointed out disparities in occupations and differences in health as part of the explanation for this, even though here we have also controlled for health effects by including self-assessed health in the regression analyses. Naturally, there may also be other factors that are contributing. In Denmark, Finland and Norway it appears that the differences in seniors' labour force participation by education remain relatively steady, while there is a tendency that they are rising in Iceland and Sweden.

Health

Impaired health is perhaps the most important factor in explaining why seniors leave the labour force. In the previous report we also established that impaired health has a clearly negative effect on the likelihood of being a working senior in the Nordic countries, and that the likelihood diminishes with the extent of the health impairment. Based on our regression analyses for the period 2006-2010 we can establish that this is a conclusion that is valid without exception. If seniors are to be included to a larger extent in the labour market going forward, a key challenge will be to ensure that people with impaired health can still remain in work, full-time or part-time. This also makes it highly relevant to monitor changes in health among the seniors, as in chapter 5. The question in this context is therefore whether or not the

differences in seniors' labour force participation by health have been reduced in the period we are looking at.

The answer to the question for Denmark is no, the differences have increased instead. It is fair to say that labour force participation among seniors has increased for both those with good and poor health if we view the period as a whole, but it has risen more for those with good health, and therefore their labour force participation is 40.0 percentage points higher than for those with poor health in 2010. In 2006 this difference was 37.3 per cent, so this is not a dramatic increase we are talking about, and since there is a relatively small number with poor health we should not read too much into this change. For people with neither good nor poor health the difference compared to those with good health was also higher in 2010 than in 2006, 21.4 compared with 18.2 percentage points, but here the changes are also so small that instead we can establish that the differences in Danish seniors' labour force participation by health are large and stable.

In Finland the difference in labour force participation between seniors with good and poor health was 34.4 percentage points in 2010, and it is roughly identical to the difference in 2006. Labour force participation has increased from 2006 to 2010, both among those with good health and those with poor health, while the share for those with neither good nor poor health has remained steady. The difference between those with upper secondary school and those with higher education was 17.3 percentage points in 2010. Among those with good and poor health the changes have taken place to some extent in different years, so the differences vary a little, even though the general impression is stable, also when we look at the results from the regression analysis (table 4.5.3).

In Iceland there are features that indicate that seniors with impaired health are increasingly dropping out of working life, even though the changes from year to year are uncertain when we break the data down by health. From 2006 to 2008 labour force participation increased among both seniors with good health and poor health (the increase is certain among those with good health), and the difference between the groups remained relatively stable, 56.2 percentage points in 2008. From 2008 to 2010 labour force participation drops among all seniors, irrespective of health, but most among those with poor health (the reduction from 2008 to 2010 is statistically significant in this group). The difference in labour force participation compared with those with good health increases to as much as 72.0 percentage points in 2010. At the same time as Icelandic seniors with good health participate the most in the labour force among Nordic seniors, Icelandic seniors with poor health participate the least in the labour force. In other words, there is a big difference here, and it is a fairly safe assumption that those with impaired health are also those who are hardest hit by the financial crisis.

In Norway there is also a clear tripartition among seniors, where labour force participation is curtailed with impaired health, but in contrast to Iceland, and more similar to Finland, these differences are relatively stable over time. The difference in the share of seniors participating in the labour force with good health and poor health was 45.5 percentage points in 2006 and 46.9 percentage points in 2010. Even

though the difference was lower in 2008 and higher in 2010, these are not very large fluctuations. The regression analyses also give the impression that the effect of health on labour force participation is fairly stable over time.

Sweden is the Nordic country where we see the clearest signs that the differences in labour force participation by health are actually slightly reduced, we can also see indications of this in the regression analyses. The reason lies in greater labour force participation among seniors with poor health (not a statistically significant change), at the same time as labour force participation for seniors with good health has declined a little (statistically significant change). In 2006 seniors with poor health had a 44.1 percentage point lower participation in the labour force than those with good health, in 2010 this difference had shrunk to 36.4 percentage points. Labour force participation for seniors with neither good nor poor health has varied a little, and was at its highest in the period 2007-2009, when the difference compared with those with good health was also at its smallest. In 2010 those with neither good nor poor health had a 20.2 percentage point lower participation in the labour force than those with good health, a smaller difference than in 2006.

Table 4.5.6 Seniors participating in the labour force full-time or part-time, by self-assessed health, 55-69 years old, 2006-2010. Per cent

		2006	2007	2008	2009	2010
Denmark	Good health	51.4	50.6	51.7	54.2	57.1
	Neither good nor poor health	33.2	31.1	27.6	36.0	35.6
	Poor health	14.1	13.0	11.8	15.3	17.1
Finland	Good health	46.7	53.6	58.1	54.7	52.4
	Neither good nor poor health	36.9	33.5	36.0	32.9	35.0
	Poor health	12.1	11.7	16.6	19.8	18.0
Iceland	Good health	86.4	88.4	92.2	85.2	85.8
	Neither good nor poor health	69.4	60.1	58.2	54.4	55.2
	Poor health	27.5	26.7	36.0	13.4	13.8
Norway	Good health	64.7	66.1	66.1	69.4	67.4
	Neither good nor poor health	46.1	43.0	45.4	46.8	45.9
	Poor health	19.1	20.9	23.1	18.0	20.5
Sweden	Good health	63.4	60.7	60.8	59.9	59.1
	Neither good nor poor health	39.0	42.8	42.7	43.9	38.9
	Poor health	19.2	20.1	22.7	22.1	22.7

Source: EU-SILC 2006-2010, User Data Base

Impaired health therefore has a clear effect on seniors' labour force participation in all the Nordic countries. When health falters, labour force participation is substantially curtailed. Part of the explanation is probably found in that health also becomes impaired with age, but when we control for this we also find a fairly clear and unambiguous health effect in the whole period. Generally the differences we find with differing health are also fairly stable over time, but there are some indications that they become smaller in Sweden, while it is a clearer feature that health appears to have become more crucial for seniors' labour force participation in Iceland.

Country of birth

Immigrants to the Nordic countries have generally on average been younger than the total population, but this is currently/gradually in the process of changing a little because resident immigrants also become older. The Nordic countries will therefore gradually have a slightly larger element of senior immigrants as well, and it is interesting to follow their position in the labour market. That there are so few senior immigrants in the Nordic countries is also reflected in the EU-SILC data material. When we only look at seniors, we have too few observations for it to be meaningful to create crosstabs as for the other characteristics. Therefore we shall just briefly comment on the findings from the regression analysis. It shows that in Denmark, Finland and Sweden being born outside the EU gives a generally lower likelihood of participating in the labour force as a senior compared with being born in the country. However in Finland it does not give a significant effect in 2006 and 2008, so this is not clear. In Norway there is some variation, in 2006 and 2010 seniors born outside the EU have a higher likelihood of participating in the labour force, in 2008 and 2009 lower, and in 2007 it has no effect. This may be due to random variations from year to year, and it is difficult to draw any conclusions from it. Our findings are almost exactly the same in Iceland, except that the effect is absent in 2008 rather than in 2007. For people born in another EU country the results also differ when we use people born in the country as a reference group. In some years there are no effects, and the effect varies from being positive to negative from year to year and country to country in such a way that it is difficult to draw out any causal relationship and trend from it. We assume that this will become a more important characteristic when the immigrant populations gradually become older.

4.5.5 Seniors Employment in Europe

In table 4.5.7 we see shares of seniors participating full-time or part-time in the labour force in Europe, and this generally mirrors what we saw for employment. Iceland generally has the highest labour force participation among seniors in Europe, followed by Sweden and Norway. Switzerland also stands out with high labour force participation among seniors, 70.8 per cent in 2010 (unfortunately we do not have data for Germany). Even though labour force participation among seniors in Denmark and Finland is lower than among the other Nordic countries, it is still high in a European context, so the regional distinctiveness in the Nordic countries with active seniors is perhaps even clearer when we look at labour force participation than when we looked at employment. Otherwise there are no clear regional features in Europe.

If we compare shares of seniors participating in the labour force in 2006 and 2010, Iceland is one of four countries where labour force participation has declined, the three other countries are Estonia, Latvia and Portugal. In the remaining countries the share has either increased or remained stable, so there is little to indicate that European seniors are being squeezed out of the labour market. However if we compare the shares in 2010 with the shares in 2008, we see a slightly more negative trend, then the seniors' labour force participation drops in 9 of the 22 countries for which we have figures in these two years, so the trend between 2006 and 2008 was more positive than the trend in the subsequent years.

Table 4.5.7 Seniors participating in the labour force full-time or part-time by country, 55-64 years old, 2006-2010. Per cent

	2006	2007	2008	2009	2010
Denmark	60.0	58.1	57.4	61.9	63.3
Finland	55.6	57.1	59.3	58.1	57.4
Iceland	84.8	84.8	86.8	80.4	79.6
Norway	69.1	69.1	70.7	71.5	72.4
Sweden	72.1	72.8	73.4	73.0	74.8
France	37.3	31.9		38.9	39.1
Great Britain	57.9	58.9	61.1	60.1	58.3
Ireland	50.9	51.9	50.4	49.0	
Belgium	31.7	35.2	35.0	38.4	41.0
Luxembourg	39.0	40.9	40.2	39.9	39.3
The Netherlands	45.5	50.0	51.8	53.9	53.6
Austria	35.5	33.7	36.7	37.4	38.2
Switzerland				69.3	70.8
Bulgaria		40.9	46.0	49.6	50.5
The Czech Republic	44.4	46.1	47.2	47.9	47.2
Estonia	63.3	64.3	66.5	64.0	56.8
Latvia	55.4	58.4	57.9	52.5	47.4
Lithuania	50.2	55.5	56.4	53.9	50.9
Hungary	30.6	32.8	31.3	36.7	39.6
Poland	25.6	27.5	31.2	33.1	34.6
Romania		30.3	32.0	33.4	38.2
Slovakia	36.4	38.7	42.7	44.2	44.8
Greece	42.4	43.8	45.0	46.1	46.7
Spain	42.4	44.9	46.3	44.3	45.0
Italy	33.5	34.8	37.3	38.1	38.3
Portugal	48.5	48.1	51.5	46.9	45.3

Source: EU-SILC 2006-2010, User Data Base

4.5.6 Seniors Employment - summary

Nordic seniors stand out in a European context by being active in the labour market, both measured in the form of employment and in the form of labour force participation full-time and part-time. But that does not mean that there are not differences within the Nordic countries. Iceland stands out with very high employment and labour force participation among seniors, even though Icelandic seniors are the only ones in the Nordic countries that were affected by the financial crisis such that employment and labour force participation declined between 2006 and 2010. Finnish seniors have the lowest employment rates and labour force participation in the Nordic countries. In general, employment among seniors is lower than the total employment. The difference measured against the total employment is lowest in countries

with high senior employment, such as Iceland, Sweden and Norway. Since seniors' position in the labour market was little affected by the financial crisis, the difference between senior employment and total employment has been reduced.

The indicator for labour force participation among seniors, based on data from EU-SILC, shows that overall seniors' participation in the labour force in the Nordic countries has remained fairly stable from 2006 to 2010, but with slightly differing fluctuations in the various countries. In Denmark there was an increase in seniors' labour force participation from 2008 to 2010, a rise that primarily occurred among the oldest seniors. In Finland labour force participation has remained fairly stable, but there was also some increase there among 64-69 year olds. As mentioned Iceland was the only country where the seniors' participation in the labour force was affected by the financial crisis, and this manifested as a fall in labour force participation in 2009 and 2010. However, in Norway and Sweden there was an increase in the seniors' labour force participation from 2006 to 2010.

In the analysis of what are the contributory factors to labour force participation among seniors we limited ourselves to a few characteristics, and can establish that female seniors have a generally lower likelihood of participating in the labour force than male seniors, also when we control for other characteristics such as age, education, health, living as a couple and country of birth. But as a whole it can appear that gender has become less important for seniors' participation in the labour force in Sweden, Denmark and partly in Iceland. In Norway the gender difference is stable, while Finland is an exception since female seniors in some years have a higher likelihood of participating in the labour force than male seniors. Naturally it is also the case that within the senior group rising age entails reduced participation in the labour force. It is not the case that the importance of education for labour force participation diminishes with age either, rather to the contrary. When we divide the seniors into three education groups (compulsory education, upper secondary school, higher education), the shares show a fairly clear tripartition in all Nordic countries - labour force participation rises with education among seniors as well. In Denmark and to an even greater extent in Iceland, it is more unclear whether or not the difference between compulsory education and upper secondary school education is very important when we also take other characteristics into consideration. Differences in labour force participation by education are larger among seniors than among 25-54 year olds, so it is still possible to conclude that the differences that education leads to in labour force participation are reinforced over the course of a career. Impaired health therefore has a clear effect on seniors' labour force participation in all the Nordic countries. When health falters, labour force participation is substantially curtailed. Part of the explanation is probably found in that health also becomes impaired with age, but when we control for this we also find a fairly clear and unambiguous health effect in the whole period. Generally the differences we find with differing health are also fairly stable over time, but there are some indications that they become smaller in Sweden, while it is a clearer feature that health appears to have become more crucial for seniors' labour force participation in Iceland. We have also seen that seniors who are married or cohabiting have a greater likelihood of participating in the labour force, while we could not draw clear conclusions when it comes to the effect of country of birth on seniors' labour force participation.

Chapter 5

Health

Health is important for living conditions and life quality and affects each individual's day-to-day life, opportunities to participate in working life, in cultural activities and in social life in general. At the same time the individual's health is a social product. Work, class relations and patterns of social contact affect health and health status throughout a lifetime.

The share of elderly in the population is increasing and life expectancies are also rising. One of the welfare state's challenges, as we have previously addressed, will be to get a larger share of the population to work longer and avoid early withdrawal from working life. The organisation of the various pension and support schemes could influence this. In addition, the population's general health status will affect the possibility of working longer, at the same time the health status will affect the population's use of health and care services.

5.1 Healthy years of life

Expected healthy life years is an indicator of the health status of the population that can provide information about the extent of the challenges facing the health sector due to the demographic changes. We look at two such indicators, healthy life years at birth and at 65 years old. Both these indicators are calculated in part based on EU-SILC, and as referred to in Norman and Rønning 2008, there may be challenges linked to comparing health data from EU-SILC, so we shall therefore exercise caution when drawing conclusions with unwarranted certainty based on this indicator.

The number of expected healthy life years gives an estimate of how many of the expected life years we can expect to spend in good health or without reduced functional ability. If the number of expected healthy life years is increasing faster than the life expectancy in a population, it does not merely mean that people are living longer, they are also living a larger portion of their lives in good health. The indicator is calculated based on mortality data and data on health status and is a supplement to traditional life expectancy calculations in that it addresses the quality of the life years (Lillegård and Ramm 2010).

In the previous report we showed that Denmark came out on top in both the Nordic countries and the rest of Europe in 2006, when we look at the indicator both at birth and at 65 years old. While the other Nordic countries have had an increase in the number of healthy life years at birth, with the exception of men in Iceland at 65 years old Denmark has had a decline. This is probably due to a change in method because in 2008 Denmark started using a gradation in the evaluation of functional ability. In autumn 2007 Eurostat prepared new guidelines linked to the question that

underlies the calculation of healthy life years, which means that caution should be exercised when interpreting changes from 2006. It is assumed that the figures for 2010 are more comparable than before. Iceland, Norway and Sweden are at roughly the same level when it comes to both healthy life years at birth and at 65 years old. Finland is worst on both. Compared with the rest of Europe the Nordic countries perform well when it comes to both healthy life years at birth and at 65 years old.

Table 5.1.1 Healthy life years at birth by gender, 2006-2010

	Men					Women				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Denmark	67.8	67.1	62.1	61.3	62.3	67.3	67.7	61.0	60.3	61.9
Finland	52.9	56.6	58.6	58.1	58.5	52.7	57.9	59.5	58.3	57.8
Iceland	68.3	72.8	71.0	68.4	69.3	65.8	71.5	69.5	68.7	67.9
Norway	65.7	66.7	69.7	69.0	69.6	63.2	66.0	68.8	68.0	69.7
Sweden	67.2	67.5	69.4	70.7	71.7	67.3	66.9	69.0	69.6	71.0
Belgium	63.0	63.3	63.3	64.0	64.0	63.4	63.9	64.2	63.7	62.6
Bulgaria	66.1	67.0	62.1	62.1	63.0	71.9	73.9	65.7	65.9	67.2
The Czech Republic	58.2	61.3	61.2	61.1	62.2	59.6	63.3	63.4	62.7	64.6
Germany	58.7	59.0	56.3	57.1	57.9	58.4	58.5	57.7	58.0	58.6
Estonia	49.5	49.6	53.0	55.2	54.0	53.9	54.9	57.5	59.2	58.1
Ireland	63.1	62.7	63.5	63.6	65.9	65.0	65.6	65.0	65.1	66.9
Greece	66.4	66.0	65.8	66.0	66.4	68.0	67.6	66.1	66.7	67.6
Spain	64.0	63.4	64.1	62.8	64.3	63.7	63.3	63.6	62.3	63.7
France	62.7	62.8	62.7	62.7	61.9	64.3	64.3	64.6	63.3	63.5
Italy	65.2	63.1	63.0	63.4	67.3	64.6	62.4	61.9	62.5	67.3
Cyprus	64.2	63.2	64.5	65.3	65.1	63.3	62.9	65.4	66.4	64.9
Latvia	50.9	51.3	51.8	52.8	53.5	52.6	54.2	54.6	56.1	56.5
Lithuania	52.6	53.6	54.8	57.3	57.7	56.6	58.2	59.9	61.1	62.3
Luxembourg	61.3	62.2	64.8	65.5	64.5	62.5	64.5	64.4	66.2	66.0
Hungary	54.3	55.2	54.8	55.8	56.4	57.2	57.6	58.3	58.3	58.6
Malta	68.4	69.1	69.0	69.6	70.2	69.4	71.0	72.3	71.0	71.6
The Netherlands	65.1	66.0	62.4	61.7	61.1	63.5	64.0	59.9	60.0	60.2
Austria	58.6	58.9	58.3	59.5	59.3	60.9	61.5	59.7	60.8	60.7
Poland	58.3	57.7	58.5	58.3	58.5	62.9	61.5	63.0	62.5	62.2
Portugal	60.1	58.5	59.1	58.2	59.2	57.7	57.8	57.6	56.2	56.6
Romania	:	60.5	60.2	59.8	57.4	:	62.6	62.8	61.7	57.4
Slovenia	57.7	58.6	59.5	60.5	53.2	60.9	62.2	60.8	61.3	54.5
Slovakia	54.6	55.6	52.1	52.4	52.3	54.6	56.3	52.6	52.6	52.1
Great Britain	64.8	64.6	65.0	65.1	64.9	64.9	66.0	66.3	66.0	65.6
Switzerland	:	:	65.7	65.3	65.5	:	:	64.6	63.0	63.5

Source: Eurostat

Table 5.1.2 Healthy life years at age 65 by gender, 2006-2010

	Men					Women				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
Denmark	12.6	13.1	12.0	11.3	11.8	14.1	14.3	12.4	12.1	12.8
Finland	6.2	7.9	8.0	8.2	8.8	7.5	8.9	9.0	9.0	8.9
Iceland	13.7	15.6	13.9	12.7	13.4	12.9	16.3	13.9	13.5	14.8
Norway	12.4	12.4	14.1	13.6	14.5	11.8	13.1	14.9	14.0	15.7
Sweden	13.0	13.0	13.1	13.6	14.1	14.2	13.9	14.0	14.7	15.5
Belgium	9.6	10.2	10.4	10.6	10.3	10.0	10.4	10.4	10.3	9.7
Bulgaria	11.4	11.6	8.7	8.5	8.8	13.7	14.2	9.4	9.3	9.9
The Czech Republic	6.8	8.1	7.5	8.1	8.5	7.1	8.4	8.2	8.5	8.8
Germany	7.8	7.8	6.3	6.5	6.9	7.5	7.7	6.7	6.7	7.1
Estonia	4.0	3.5	4.0	5.6	5.3	4.0	4.2	4.2	5.4	5.5
Ireland	9.2	9.6	9.3	10.2	11.1	10.5	10.5	10.3	10.5	11.2
Greece	10.2	9.9	9.0	7.9	8.8	10.3	9.5	8.3	7.3	8.1
Spain	10.0	10.4	9.9	9.2	9.6	9.6	10.1	8.7	8.4	8.9
France	8.7	8.9	8.7	9.0	9.0	9.6	9.9	10.1	9.5	9.8
Italy	9.0	8.1	7.6	8.0	10.1	8.8	7.6	7.1	7.2	9.9
Cyprus	9.4	9.1	9.4	10.1	10.0	7.3	7.4	7.8	8.8	8.2
Latvia	4.6	5.2	4.9	4.8	4.9	4.4	4.5	5.0	5.7	5.6
Lithuania	5.9	5.3	5.8	6.1	6.3	5.3	5.5	6.5	6.8	6.7
Luxembourg	8.9	9.0	10.7	10.8	10.5	9.4	10.7	11.6	11.5	12.4
Hungary	5.1	5.3	5.6	5.7	5.4	5.6	5.9	6.4	5.7	5.9
Malta	10.1	10.5	10.5	11.4	12.0	9.9	11.4	11.7	11.6	11.9
The Netherlands	11.1	11.3	9.9	9.5	9.4	11.4	12.2	9.7	10.4	9.5
Austria	7.1	7.5	7.4	8.3	8.5	7.7	7.9	7.5	8.2	7.9
Poland	7.3	6.5	7.0	6.9	6.7	8.2	7.1	7.7	7.7	7.5
Portugal	7.0	6.8	6.7	6.8	7.1	6.0	5.4	5.5	5.5	5.7
Romania	:	7.7	7.8	7.2	5.9	:	7.8	7.9	7.1	5.0
Slovenia	8.3	9.1	9.2	9.3	6.6	9.6	10.0	9.4	9.9	7.2
Slovakia	4.0	4.1	3.0	3.5	3.3	3.8	4.2	2.7	2.9	2.8
Great Britain	10.3	10.4	10.7	10.9	10.8	11.1	11.7	11.8	11.4	11.8
Switzerland	:	:	12.2	12.0	11.5	:	:	12.8	12.1	12.2

Source: Eurostat

5.2 Self-assessed health, chronic illness and reduced functional ability

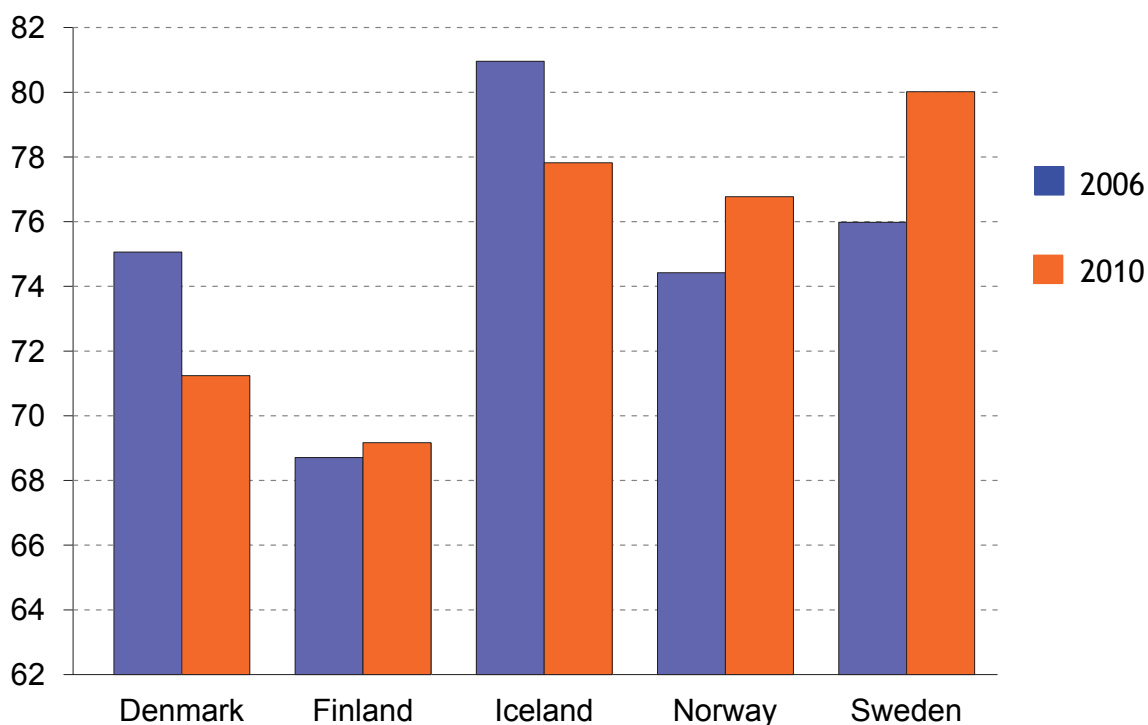
In this section we will take a closer look at whether or not there have been changes from 2006 to 2010 in how the population assesses its own health. EU-SILC contains questions on self-assessed health, chronic illness and reduced functional ability that can give an indication of the population's health status and the potential to increase or avoid a decline in employment in coming years. The share with poor health also affects the expenditure side through costs of treatment and through various benefits linked to disability. Even though we cannot expect major changes from 2006 to 2010 in these variables, a longer time series will be able to capture the meaning of demographic changes in the population. Many European countries have been through a financial crisis since 2006, and even though it is not possible to measure the direct effect of this by using certain measures of health status there is an underlying change that can affect how people assess their own health. A Norwegian study showed that those who experienced that the job was closed down were more often disabled (Rege, Telle, Votruba, 2009).

The assessments of health, illness and functional ability are subjective and could vary with what is considered to be "normal" for a group or in a country. The indicators do not show the actual incidence of various diagnoses in the various countries and specific differences are not necessarily expressions of actual health differences. In this chapter the figures are illustrated with data for 2006 and 2010, the complete time series are shown in the appendix tables.

5.2.1 Many People in the Nordic Region Are in Good Health

Most people assess their health as being good and there are relatively small changes from 2006 to 2010. There has been a reduction in the share who assess their health as being good in Denmark and in Iceland, while there is a higher share with good health in Sweden and in Norway. Both in 2006 and in 2010 the lowest share is in Finland (69 %), while the highest share with good health in 2006 was in Iceland (81 %), Sweden has the highest share in 2010 (80 %).

Figure 5.2.1 Share who assess their health as being good, by country, people aged 16 and over, 2006 and 2010

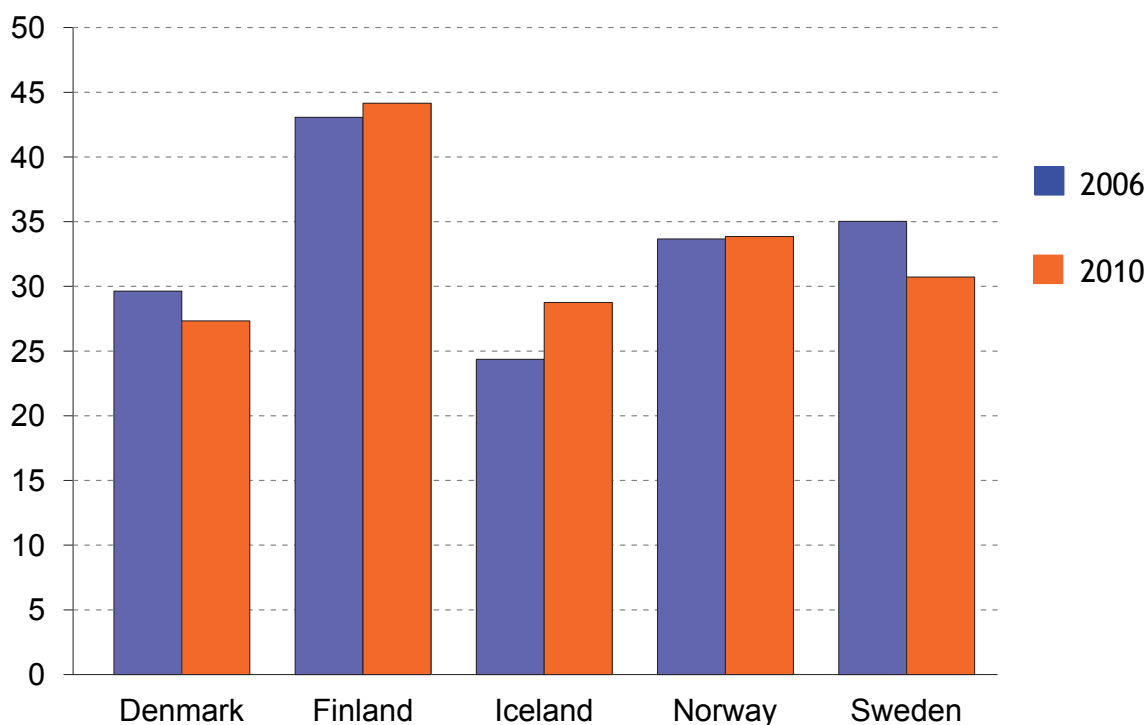


Source: EU-SILC, User Data Base

The shares who report poor health vary in 2010 from 8 per cent in Denmark, Finland and Norway to 5 per cent in Iceland and in Sweden. The changes from 2006 are small (see appendix table 5.1).

Another dimension with health that can also affect employment in the future is whether or not many have to live with protracted or chronic illness.

Figure 5.2.2 Share with chronic illness by country, people aged 16 and over, per cent, 2006 and 2010

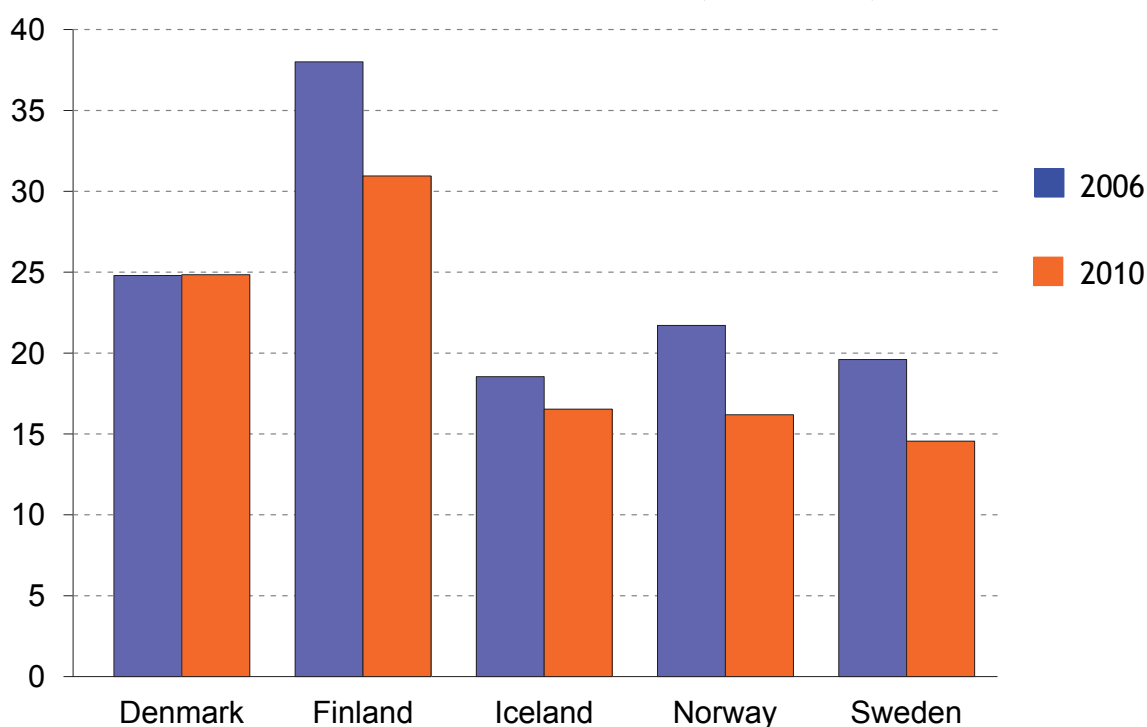


Source: EU-SILC, User Data Base

As in 2006, Iceland in 2010 has the lowest share with chronic illness, but the share has increased from 24 per cent to 29 per cent. In Sweden we see the opposite development, where the share with chronic illness has shrunk by 5 percentage points from 35 per cent in 2006 to 30 per cent in 2010. The other countries have small changes from 2006 to 2010.

A third measure looks at the share who have severely or slightly reduced functional ability. Denmark started to use gradations of functional ability in 2008, therefore the figure shows 2008 and not 2006 for Denmark. The shares who have reported severely or slightly reduced functional ability are, with the exception of Denmark, lower in all countries in 2010 than in 2006 and the differences between the countries that were relatively large in 2006 are smaller in 2010. In both 2006 and in 2010 Finland has the highest share with 31 per cent in 2010. Iceland, Norway and Sweden have roughly equal shares that report severely or slightly reduced functional ability in 2010 at about 16 per cent, while Denmark is a little higher with a share of 24 per cent.

Figure 5.2.3 Share with severely or slightly reduced functional ability, by country, people aged 16 and over, 2006 (2008 for DK) and 2010



Source: EU-SILC, User Data Base

When we look at the indicators on self-assessed health, chronic illness and reduced functional ability the general impression is that there are many people who have good health in the Nordic countries. The changes from 2006 to 2010 are relatively small. Finland stands out as having the lowest share who assess their own health as being good and the highest shares who have a chronic illness and with severely or slightly reduced functional ability.

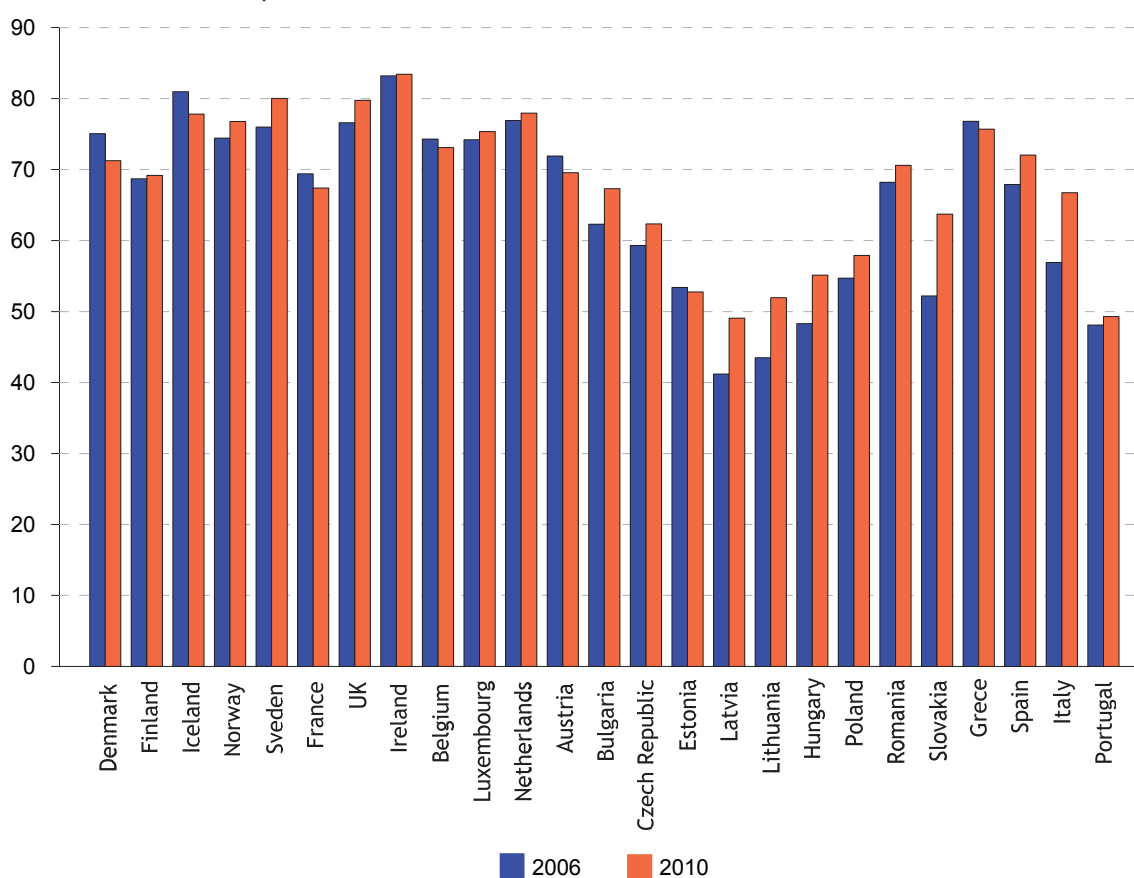
5.2.2 Self-assessed health, chronic illness and reduced functional ability in Europe

As for the Nordic countries, for many European countries there are small changes from 2006 to 2010 in self-assessed health. Ireland had the highest share who assessed their own health as being good in both 2006 and in 2009 at 83 per cent. In 2010 the data for Ireland is missing. In 2010 Great Britain and Switzerland have the highest share with good health - about 80 per cent.

The largest change in self-assessed health is for countries in East Europe. These are countries that stood out in 2006 with generally lower shares than for the other European countries. The shares varied in 2006 from 41 per cent in Latvia to 59 per cent in the Czech Republic. In 2010 the share in Latvia has risen to 49 per cent. Slovakia has increased with as many as 12 percentage points from 52 per cent in 2006 to 64 per cent in 2010. In Hungary the share with good health rose by 7 percentage

points to 55 per cent and in Lithuania the share increased from 44 per cent to 52 per cent. The shares in East Europe who report chronic illness and reduced functional ability do not stand out as being particularly high in either 2006 or in 2010 and the increase in good self-assessed health for these countries suggests a better correlation between the three indicators in 2010 than in 2006. Italy stands out with an increase in the share with good health from 57 per cent in 2006 to 67 per cent in 2010. The increase for Italy looks to have primarily occurred from 2006 to 2007 when 64 per cent reported having good health.

Figure 5.2.4 Good self-assessed health by country, people aged 16 and over, per cent, 2006 and 2010

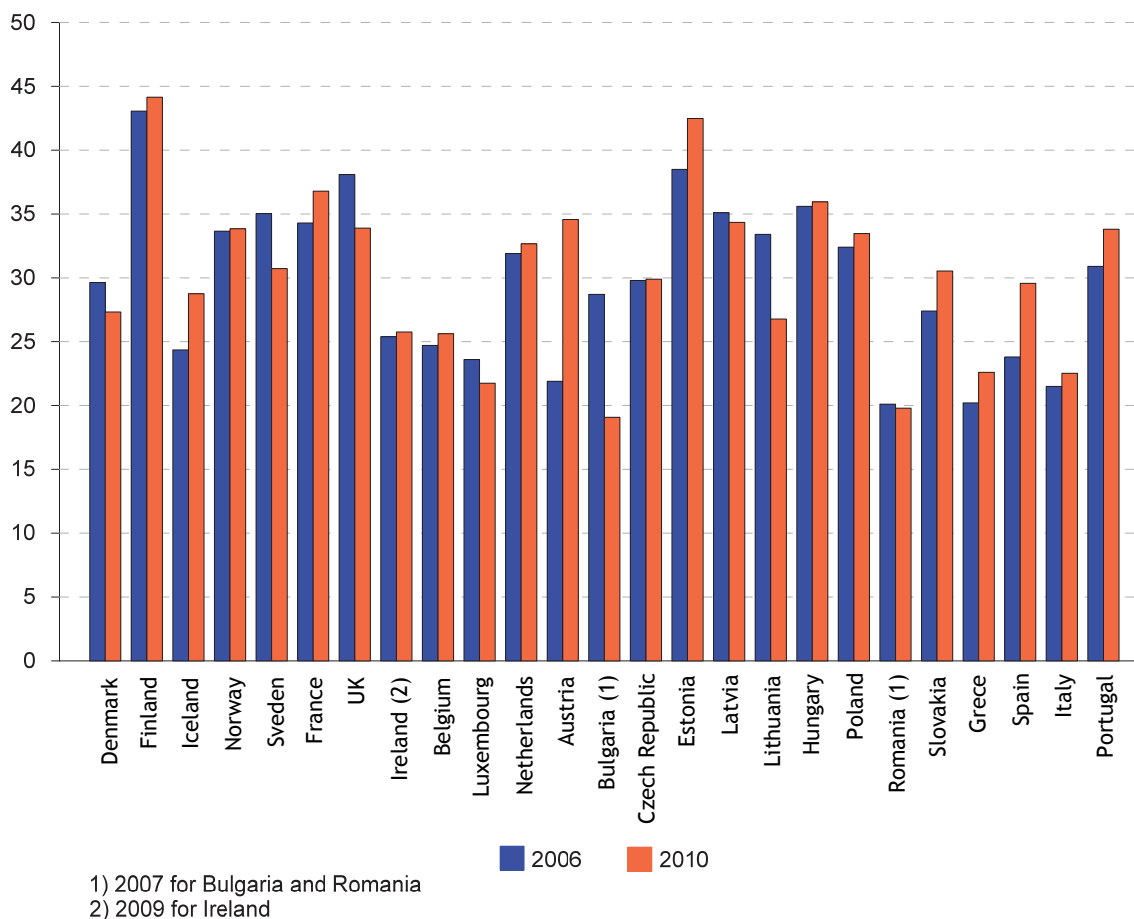


Source: EU-SILC, User Data Base

When it comes to the shares who report chronic illness Finland stands out in 2010 as well with a relatively high share (44 per cent) compared with other European countries. Estonia is roughly on a par with Finland where 42 per cent report chronic illness. Austria and Spain stand out with a relatively large increase from 2006 to 2010 in the shares who report chronic illness. In Austria the share rises from 22 per cent to 35 per cent and in Spain from 24 per cent to 30 per cent. Bulgaria (2007) and Lithuania are countries where the share with chronic illness has gone down by a relatively large amount. In Bulgaria the share was 19 per cent in 2010, a reduction of 10 per-

centage points from 2007. In Lithuania the reduction was 6 percentage points, from 33 per cent in 2006 to 27 per cent in 2010.

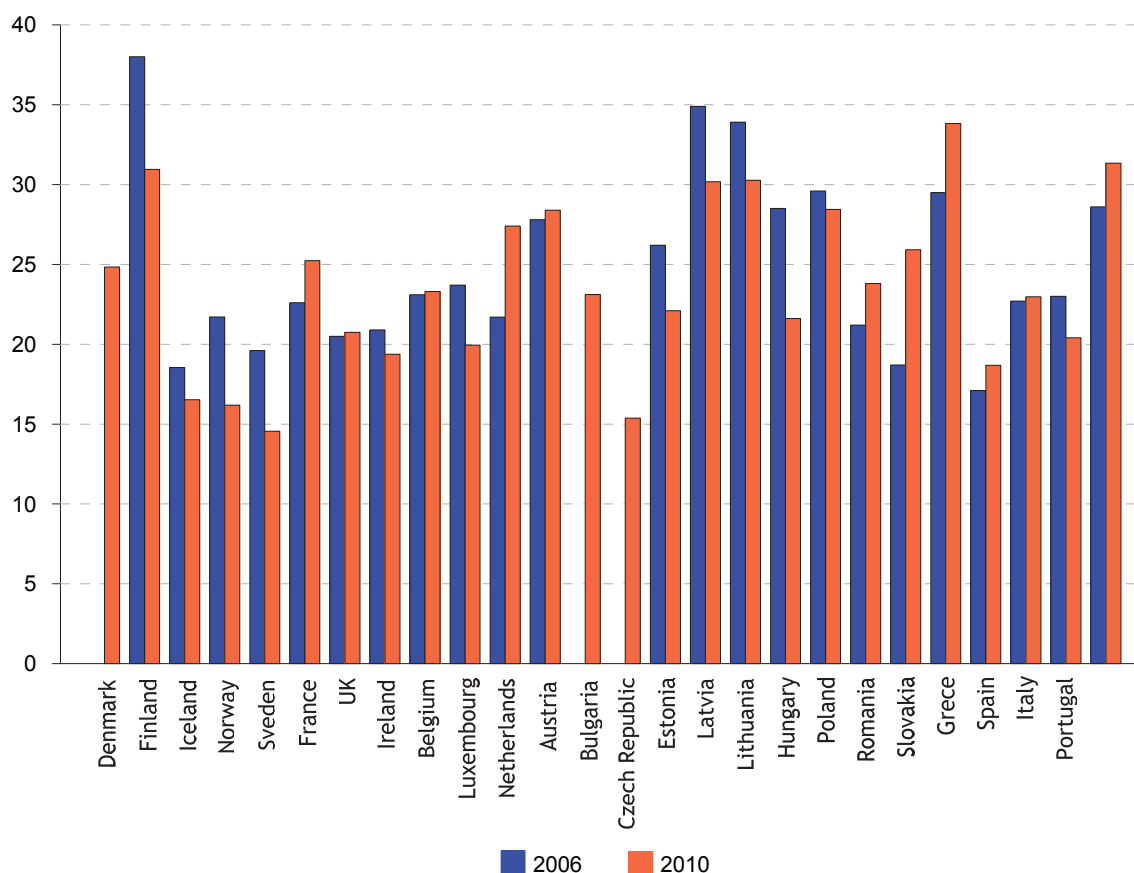
Figure 5.2.5 Chronic illness by country, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

With the exception of Denmark the Nordic countries have reported a fall in the shares with severely or slightly reduced functional ability from 2006 to 2010. This is something they have in common with other countries in Europe such as Luxembourg, the Czech Republic, Estonia, Lithuania and Latvia. France, the Netherlands and Romania are examples of countries that report an increase in this indicator.

Figure 5.2.6 Severely or slightly reduced functional ability by country, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

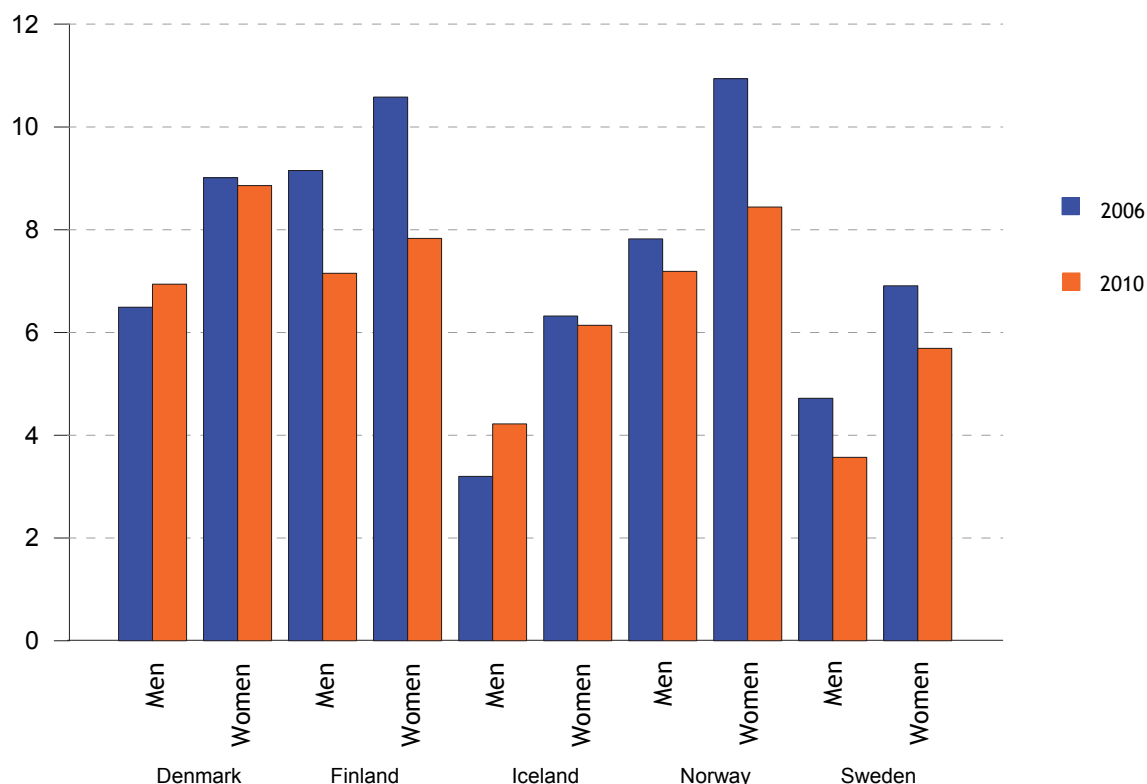
It can be difficult to see a clear pattern in the three indicators for Europe as a whole. Even though for some countries the development is different for the three indicators, for other countries there is a development that indicates a slightly better correlation between the indicators in 2010 than in 2006. This can be connected with improvements in method and quality adjustments of the indicators, including work that has been undertaken to better harmonise the health questions in EU-SILC.

5.3 Larger or smaller gender differences?

In the previous report we showed that there are some gender differences in self-assessed health, chronic illness and reduced functional ability. When it comes to self-assessed health women more often report worse health than men. We also find this difference in the figures for 2010, but it can appear that the differences have become slightly smaller. In Finland, Norway and Sweden there is a reduction from 2006 to 2010 in the shares who report poor health. This applies to both women and men, but the reduction is strongest for women. This particularly applies to women in Fin-

land and Norway where the share with poor health was reduced by 3 percentage points. The differences between the countries are relatively small and show that Denmark has the highest share of women with poor health at 9 per cent, in Finland and Norway the share for women is 8 per cent and in Iceland and in Sweden it is 6 per cent.

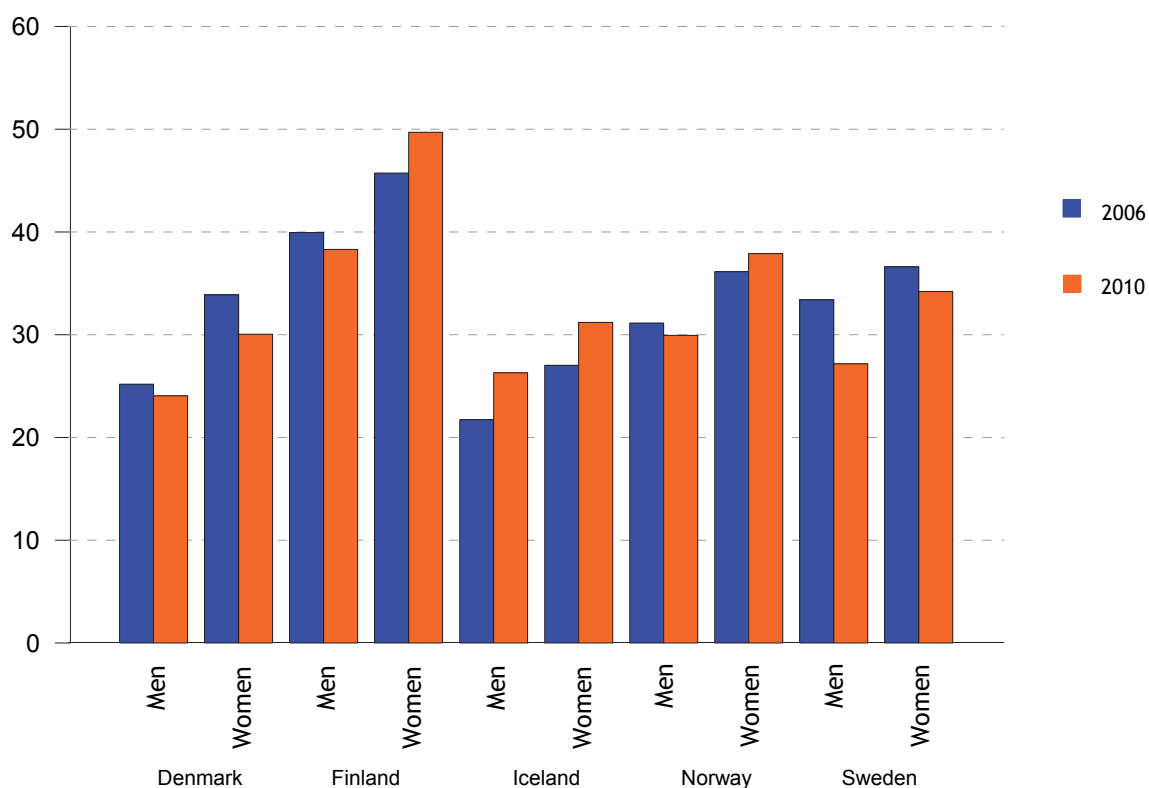
Figure 5.3.1 Poor self-assessed health by country and gender, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

When it comes to changes in the indicator for chronic health the picture is not entirely clear. Both in 2006 and in 2010 a larger share of women than men report chronic illness. In Denmark the share of women with chronic illness is reduced (3 percentage points) and the same is the case for men in Sweden (6 percentage points) and Finland (2 percentage points). In Iceland the share for both men and women is increasing (5 and 4 percentage points), while in Norway the share for women is increasing (2 percentage points) and is declining for men (1 percentage point). These different changes have led to an increase in the gender differences in Finland, Norway and Sweden, while they have been reduced in Denmark and are unchanged in Iceland.

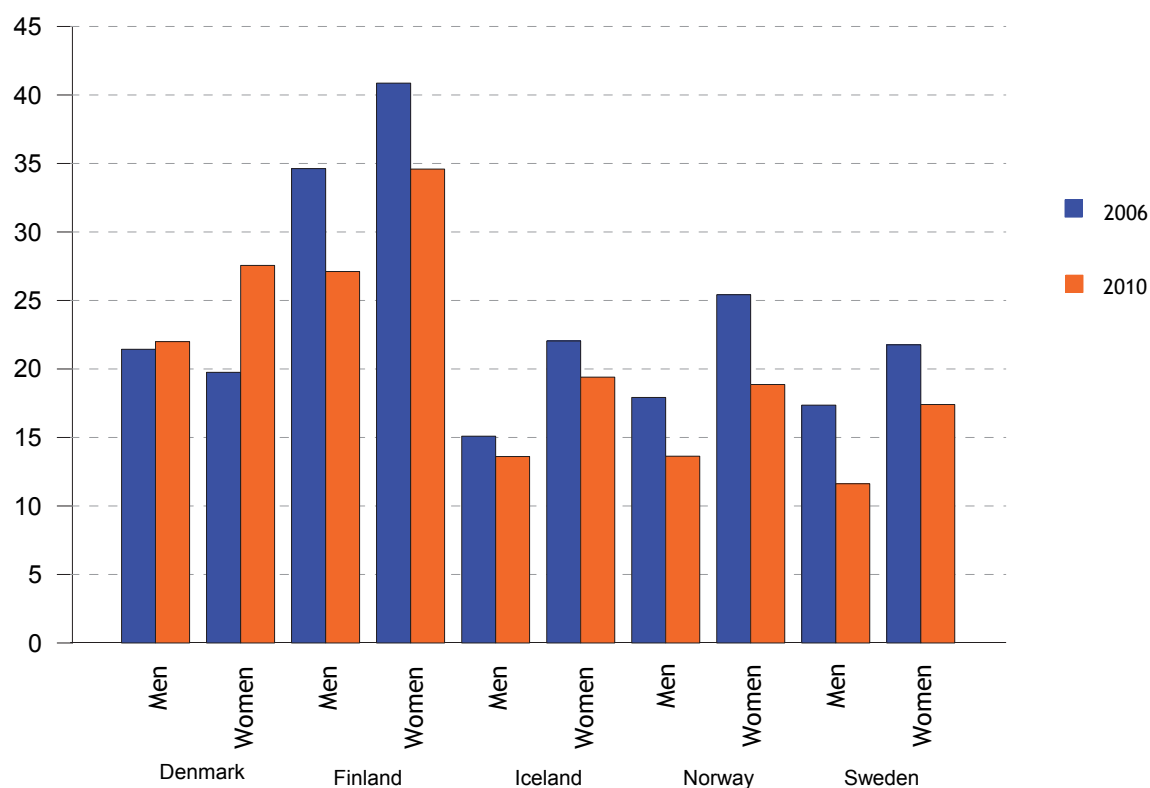
Figure 5.3.2 Chronic illness by country and gender, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

We find the same gender difference again in the indicator when we look at reduced functional ability. In all the Nordic countries there is a higher share of women than men who report having severely or slightly reduced functional ability. With the exception of Denmark where it is difficult to assess the changes from 2006 because the method was changed in 2008, there is a reduction in the shares with reduced functional ability in all countries from 2006 to 2010. Both in 2006 and in 2010 the Finnish women have the highest share at 41 per cent in 2006 and 35 per cent in 2010. The share of women for Iceland, Norway and Sweden is a little under 20 per cent in 2010. In Iceland and in Norway there is a larger reduction in the share with reduced functional ability for women than for men, such that the differences have become a little smaller in 2010 than in 2006. For Sweden and Finland the differences have become slightly larger.

Figure 5.3.3 Reduced functional ability by country and gender, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

The three indicators: self-assessed health, chronic illness and reduced functional ability give slightly different pictures of whether or not the differences between women and men have become larger or smaller from 2006 to 2010, such that we must exercise caution when commenting on this. Having said this, all three indicators continue to give a picture that more women than men appear to have health problems.

5.4 Age differences - healthier seniors?

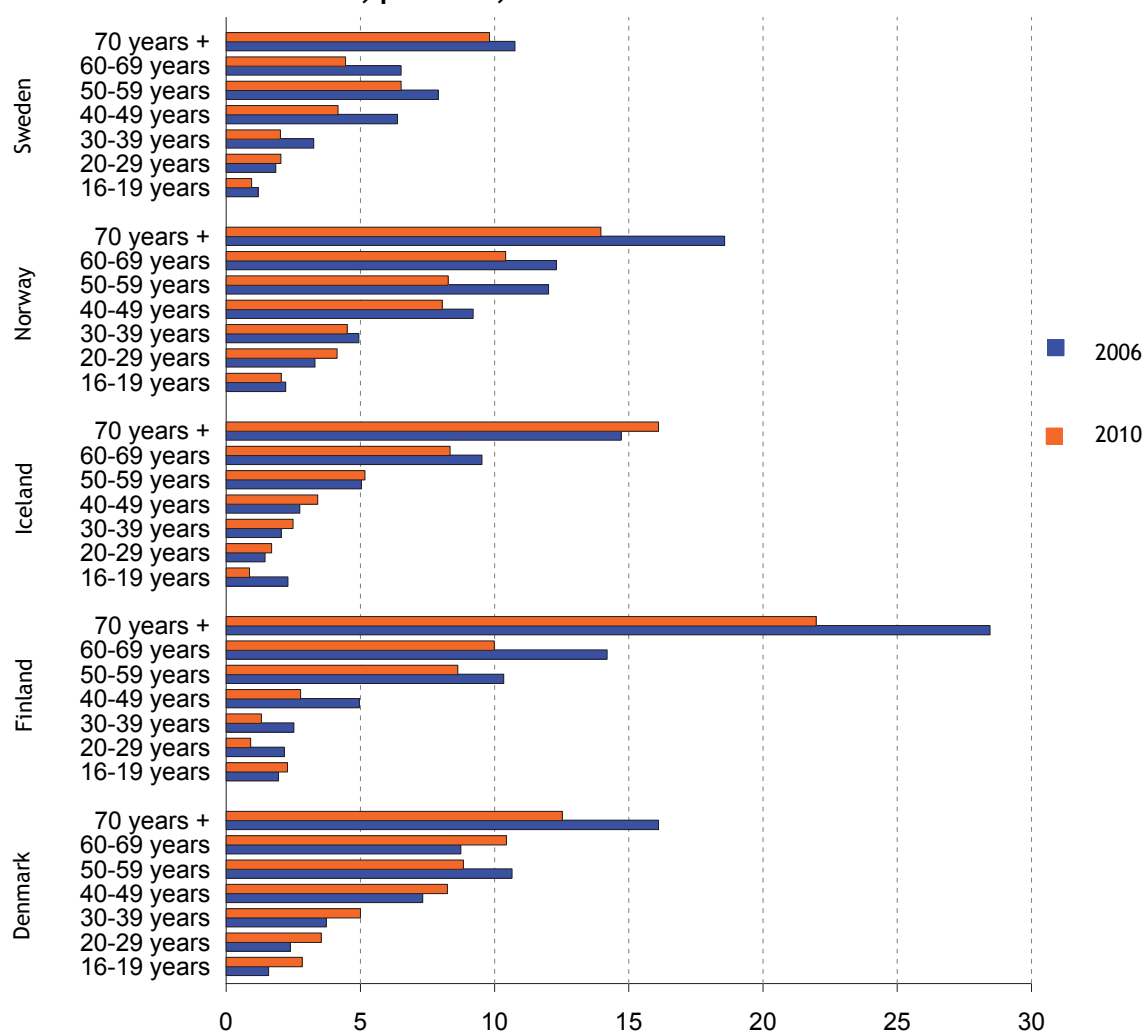
Health and illness are linked to age. The older one is, the more illnesses and ailments one usually must live with. In the previous report we showed that it is particularly those over 70 years old who report having poor health, and that we have to come up to an age of more than 50 years old to find more than 10 per cent with poor health. This still applies, but there are signs of changes from 2006 to 2010.

We have previously shown that there is a little reduction in the shares who assess their own health as poor, and when we now look in more detail at the age distribution for this indicator we see that this particularly applies to those over 70 years old. The share is still largest in Finland, but it has been reduced by 6 percentage points from 2006 to 2010, where 22 per cent of those over 70 assess their own health as

being poor. In Denmark, Norway and Iceland this share is between 13 and 16 per cent, while the healthiest elderly people continue to be in Sweden where 10 per cent of those over 70 years old have poor health.

In the previous report we pointed out that in order to find more than 10 per cent who reported poor health in 2006 we had to come up to an age of over 50 years old for most of the Nordic countries. It appears that this has shifted to the group aged 60 and over for Denmark, Finland and Norway. For Iceland and Sweden the same applies for the group aged over 70.

Figure 5.4.1 Poor self-assessed health by country and age groups, people aged 16 and over, per cent, 2006 and 2010

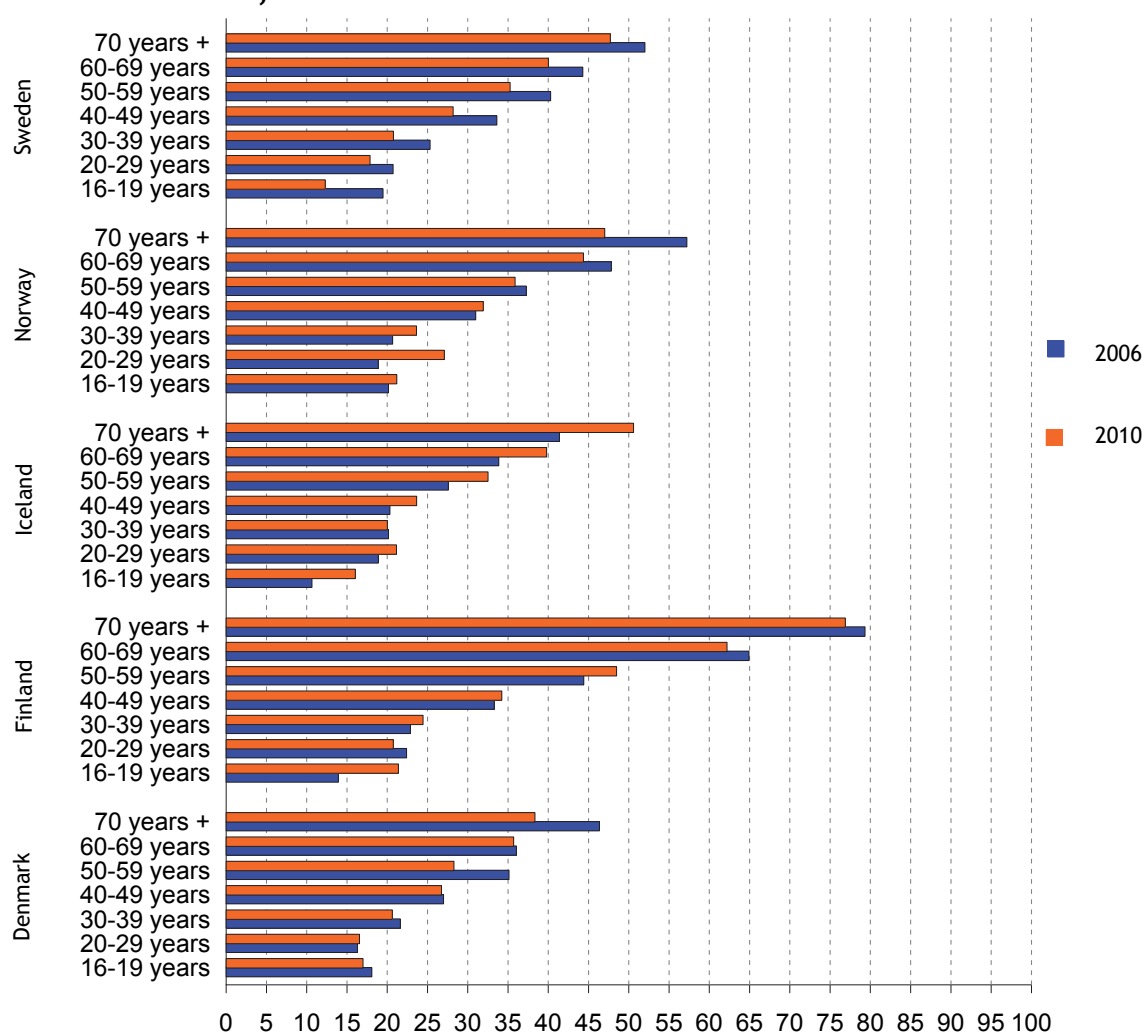


Source: EU-SILC, User Data Base

The indicator for chronic illness also shows that it is the oldest age groups that have the highest shares, but as previously shown, the picture is not clear for this indicator. For some countries the shares with chronic illness increase in various age groups, while for other countries the shares shrink. In the groups aged 50 and over

Finland continues to be the country that has the highest shares with chronic illness. In Denmark and Sweden in 2010 there are reduced shares with chronic illness in all age groups compared with 2006. In Iceland the shares are rising in all the age groups, while in Norway the shares increase up to 50 years old and subsequently decline. In Finland the shares are rising, except for the group aged 20-29, up to aged 60 and subsequently decline.

Figure 5.4.2 Chronic illness by country and age, people aged 16 and over, per cent, 2006 and 2010

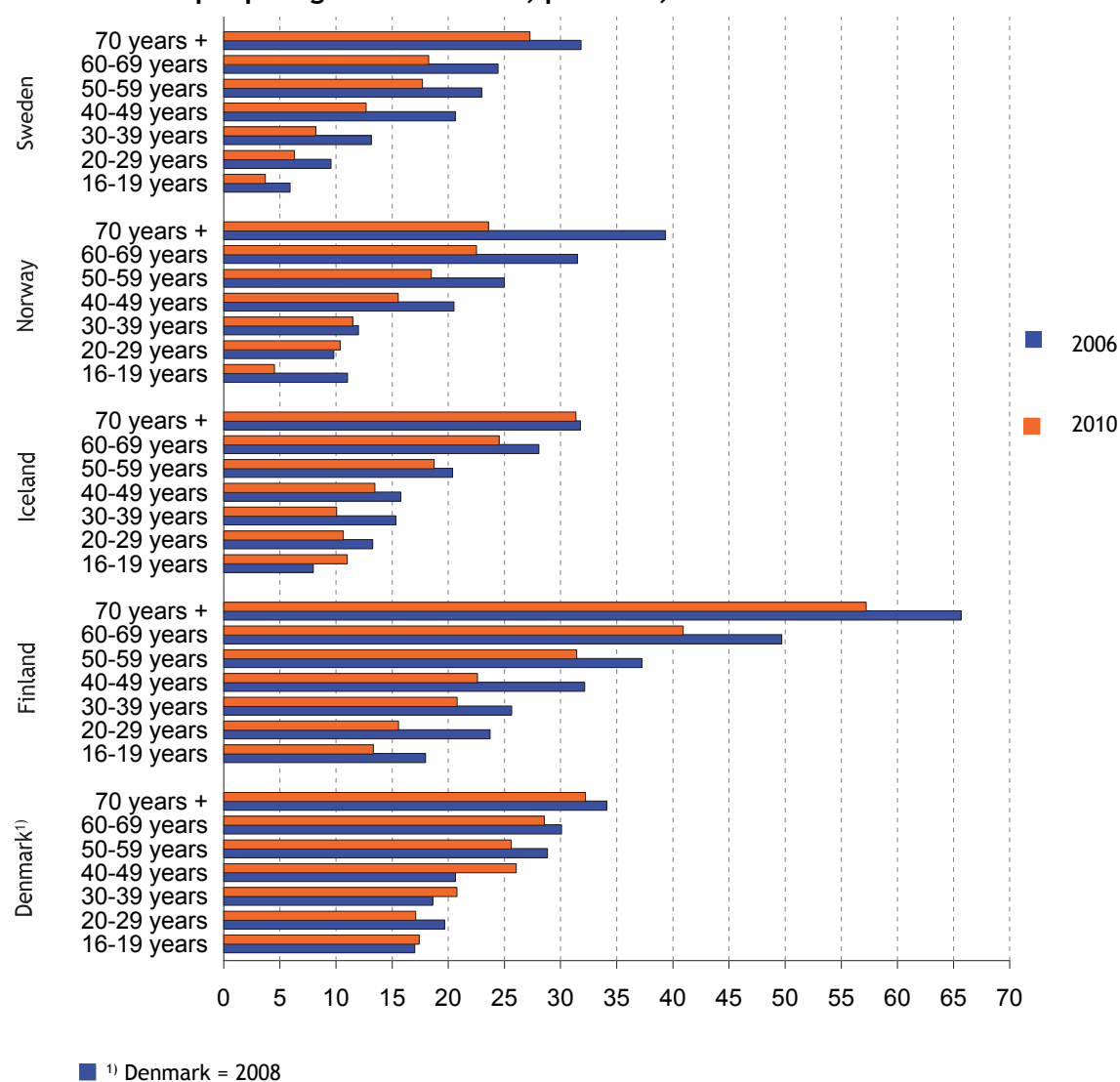


Source: EU-SILC, User Data Base

Denmark changed the method it uses in 2008 and it is therefore difficult to compare the change from 2006 to 2009 with corresponding changes for the other Nordic countries. While Denmark has an increase in all the age groups for those with reduced functional ability, the other countries have a decline in most age groups. However the change in the age groups is slightly differently distributed between the countries. As previously shown, the decline is largest in Finland and it is distributed

relatively equally across the various age groups, but with the strongest reduction in the group aged between 40 and 49. In Iceland there is no reduction in the oldest age groups, while for Norway the strongest drop is for those over 60 years old. In Sweden the reduction is relatively equal in the various age groups, with the strongest reduction (8 percentage points) in the group aged between 40 and 49.

Figure 5.4.3 Severely or slightly reduced functional ability, by country and age, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

5.5 Gender and age differences

Even though we have pointed out a possible change towards slightly smaller gender differences and an indication of healthier older people the picture continues to be such that women report worse health than men, and that the elderly have worse health than those younger. In the previous report we showed that in many age groups the gender differences are not especially large, but in general a larger share of women than men reported poor health. This is also the picture in 2010.

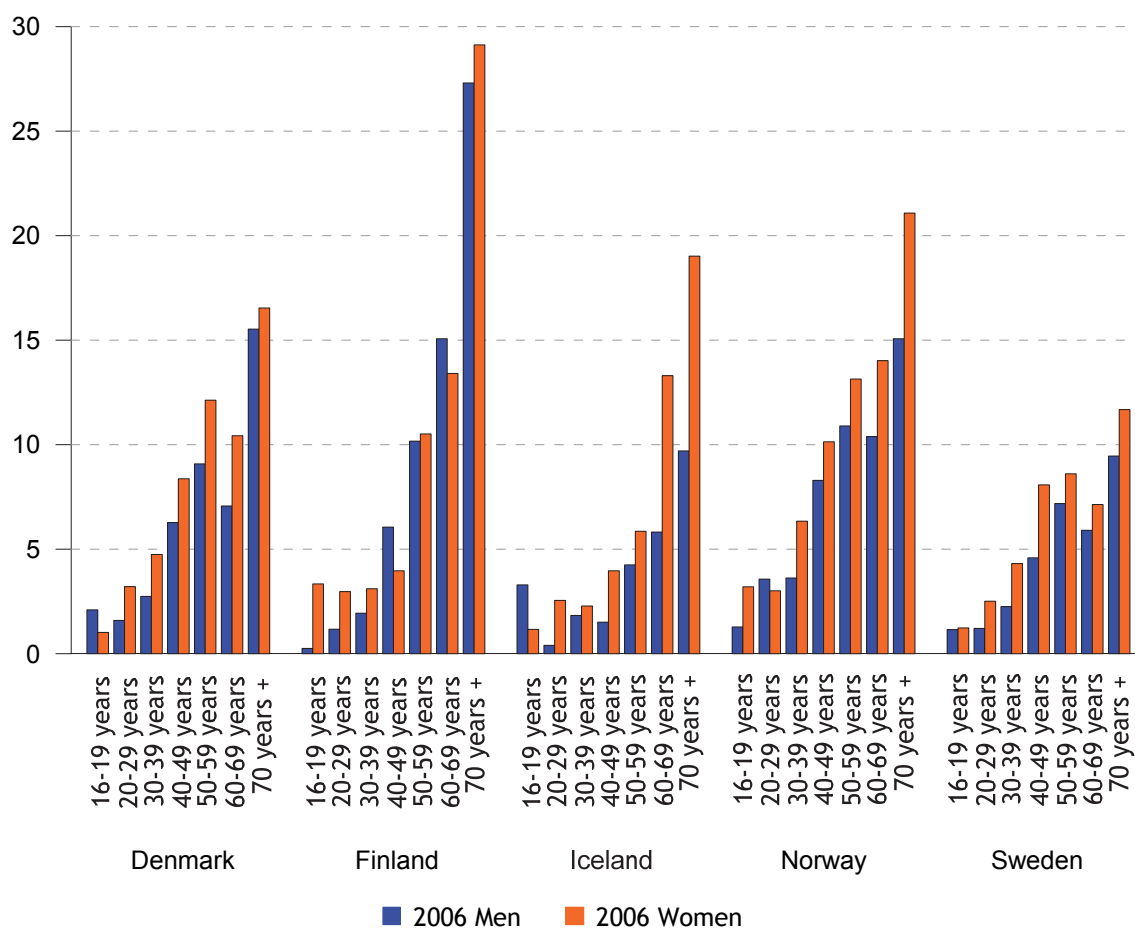
In Denmark in general across all age groups women reported slightly worse health than men and this applies to both 2006 and 2010.

In total the women (8 per cent) in Finland in 2010 reported poor health slightly more often than the men (7 per cent). The difference is small, and when we look more closely at the distribution by age groups this is primarily due to the data from the oldest age group. In the other age groups men reported poor health a little more often than women.

In Iceland, which has a relatively low share with poor health, the gender differences in 2006 were readily apparent in the groups aged over 60. Then the difference between women and men was 7 percentage points for those between 60 and 69 years old and 9 percentage points for those over 70 years old. In 2010 it is in the group aged 50 - 59 that we find the largest difference between women and men with 6 percentage points.

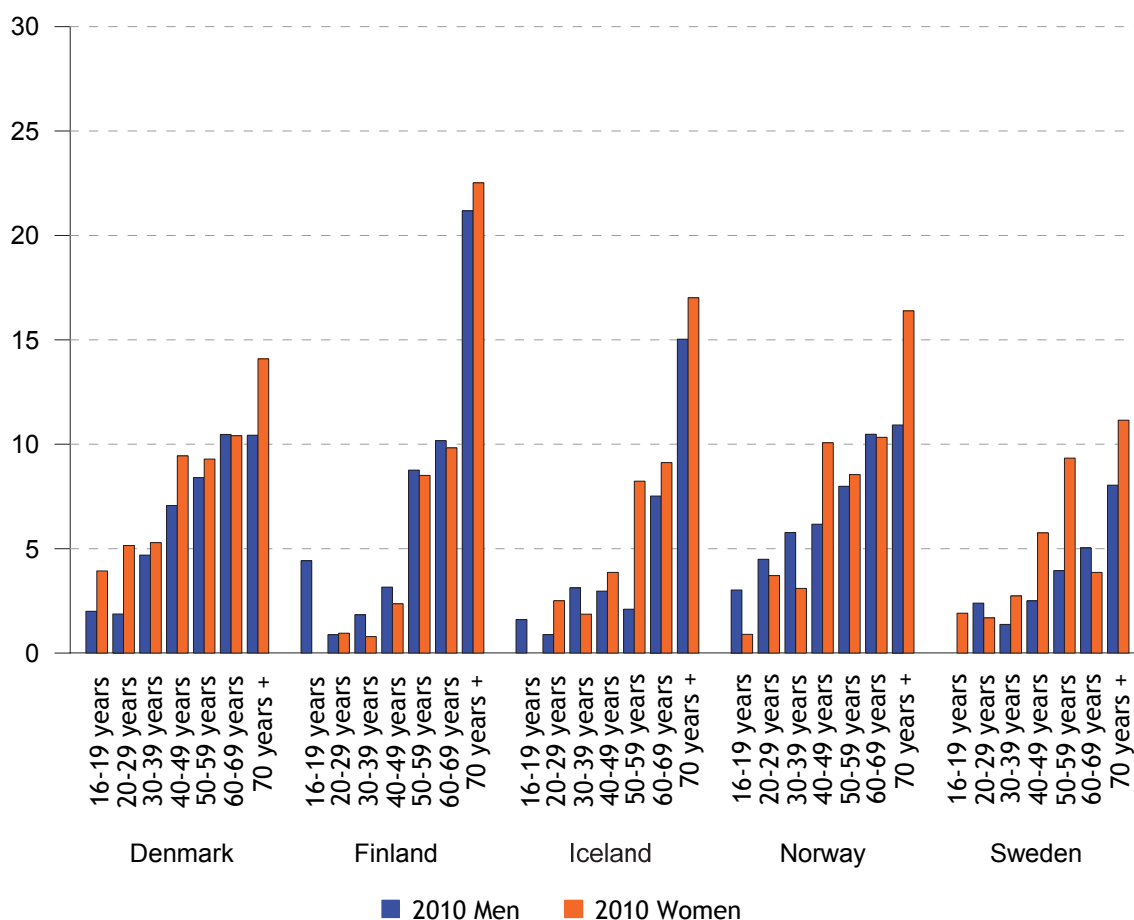
In 2006 the Norwegian women in the various age groups in general reported poor health slightly more often than men. This picture is changed a little in 2010, where in some age groups there is a predominance of men who have poor health. But it is still the oldest women who most often report poor health. On the whole we see the same pattern again for Sweden, but here women between 50 and 59 years old most often report poor health.

Figure 5.5.1 Poor self-assessed health, men and women, broken down by age and country, people aged 16 and over, per cent 2006



Source: EU-SILC, User Data Base

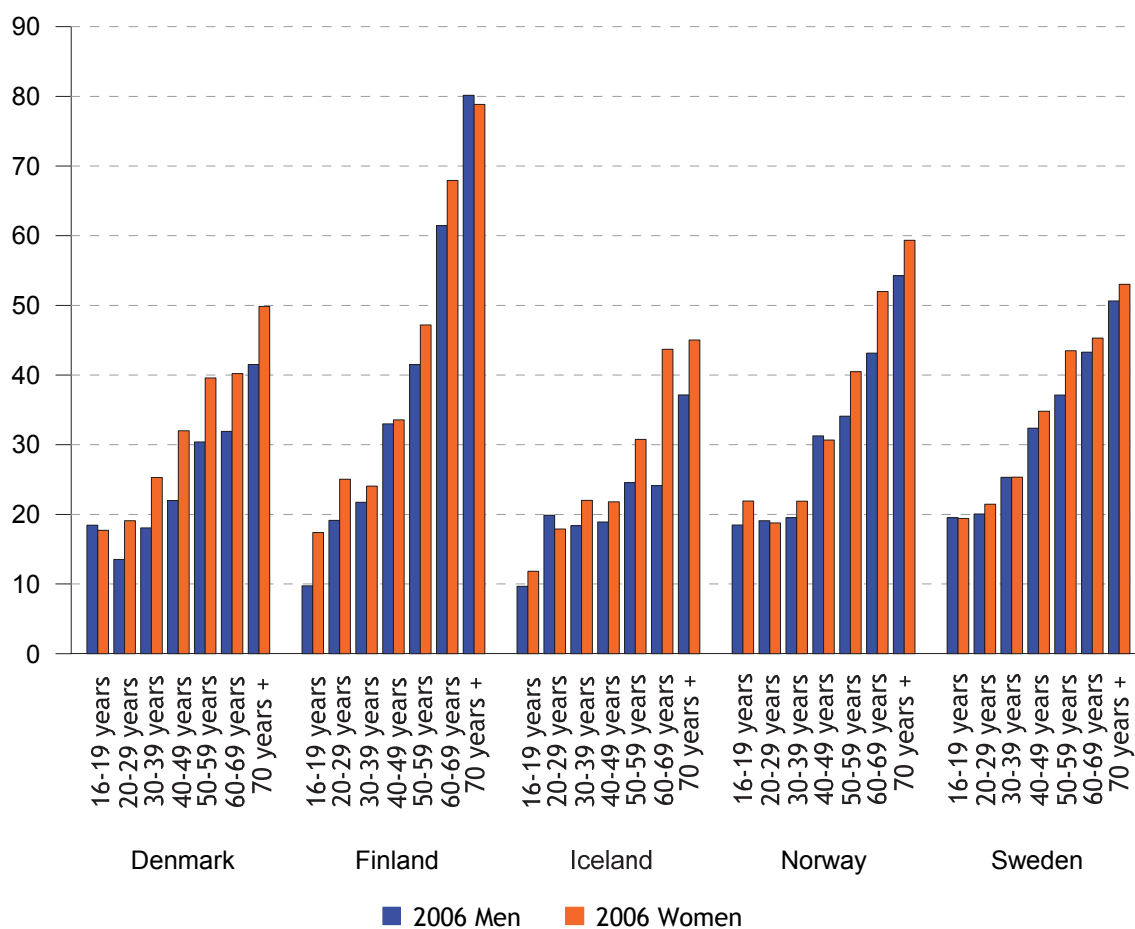
Figure 5.5.2 Poor self-assessed health, men and women, broken down by age and country, people aged 16 and over, per cent 2010



Source: EU-SILC, User Data Base

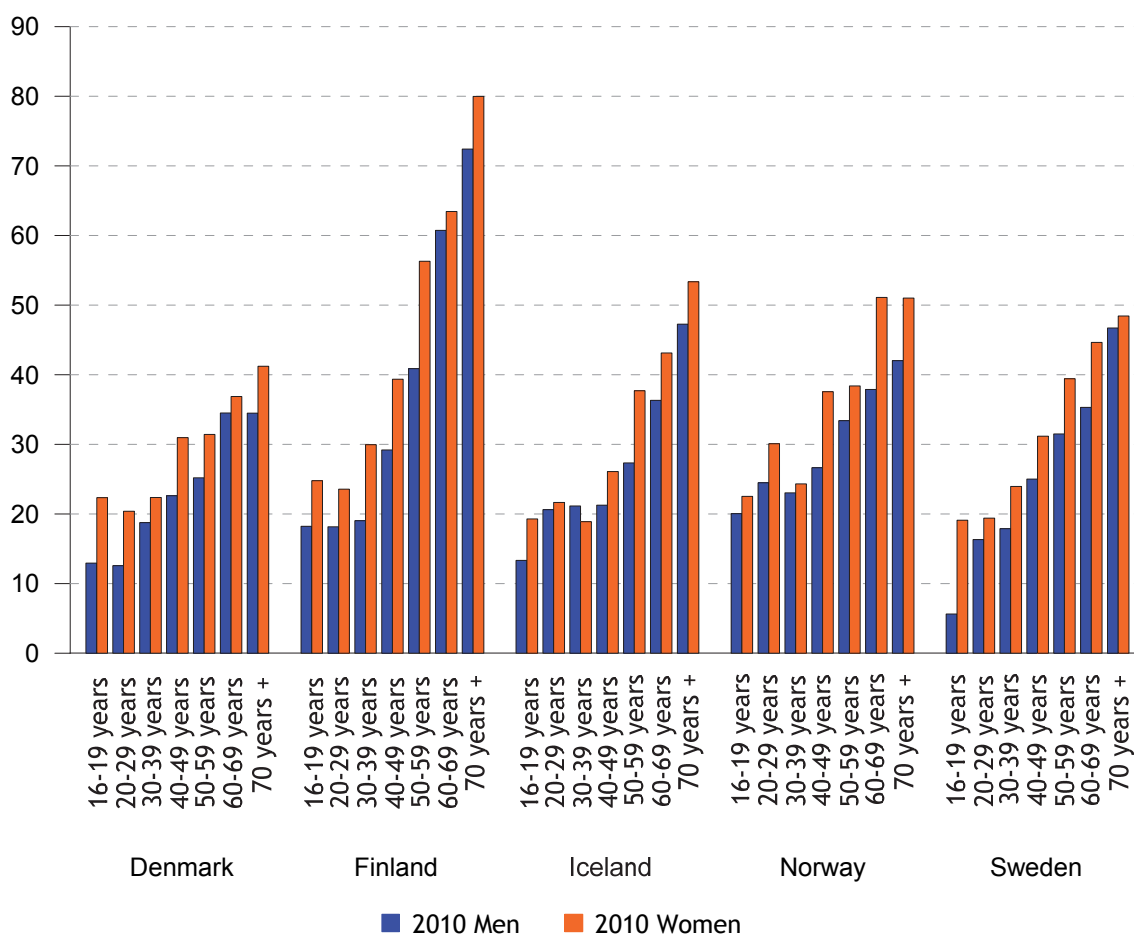
The gender differences broken down by the various age groups also become clearly apparent when it comes to the shares who report chronic illness. This applies to both 2006 and 2010. We previously saw that the gender differences have become reduced from 2006 to 2010 in Denmark. This is chiefly due to a stronger reduction in the share of women from the age of 50 and over who report a chronic illness. In Finland, Norway and Sweden the gender differences have increased. In Finland the share of men with chronic illness is reduced in all age groups, and particularly for those over 70 years old. At the same time the share of women with chronic illness between 30 and 60 years old is rising. The increase in the share of women in Norway with chronic illness is particularly apparent in the groups aged 20-29 and 40-49. In Sweden there is a lower share with chronic illness for both men and women in all age groups. With the exception of the oldest age group, men in the other age groups have a larger reduction in the share than women. In Iceland the share with chronic illness has risen for both men and women and this applies to all age groups, except for women in the group aged 30-39.

Figure 5.5.3 Share with chronic illness, men and women, broken down by age and country, people aged 16 and over, per cent, 2006



Source: EU-SILC, User Data Base

Figure 5.5.4 Share with chronic illness, men and women, broken down by age and country, people aged 16 and over, per cent, 2010



Source: EU-SILC, User Data Base

We can see elements of the same picture when we use the indicator for reduced functional ability. A larger share of women than men in all age groups report severely or slightly reduced functional ability. This applies to both 2006 and 2010 (see appendix table 5.15).

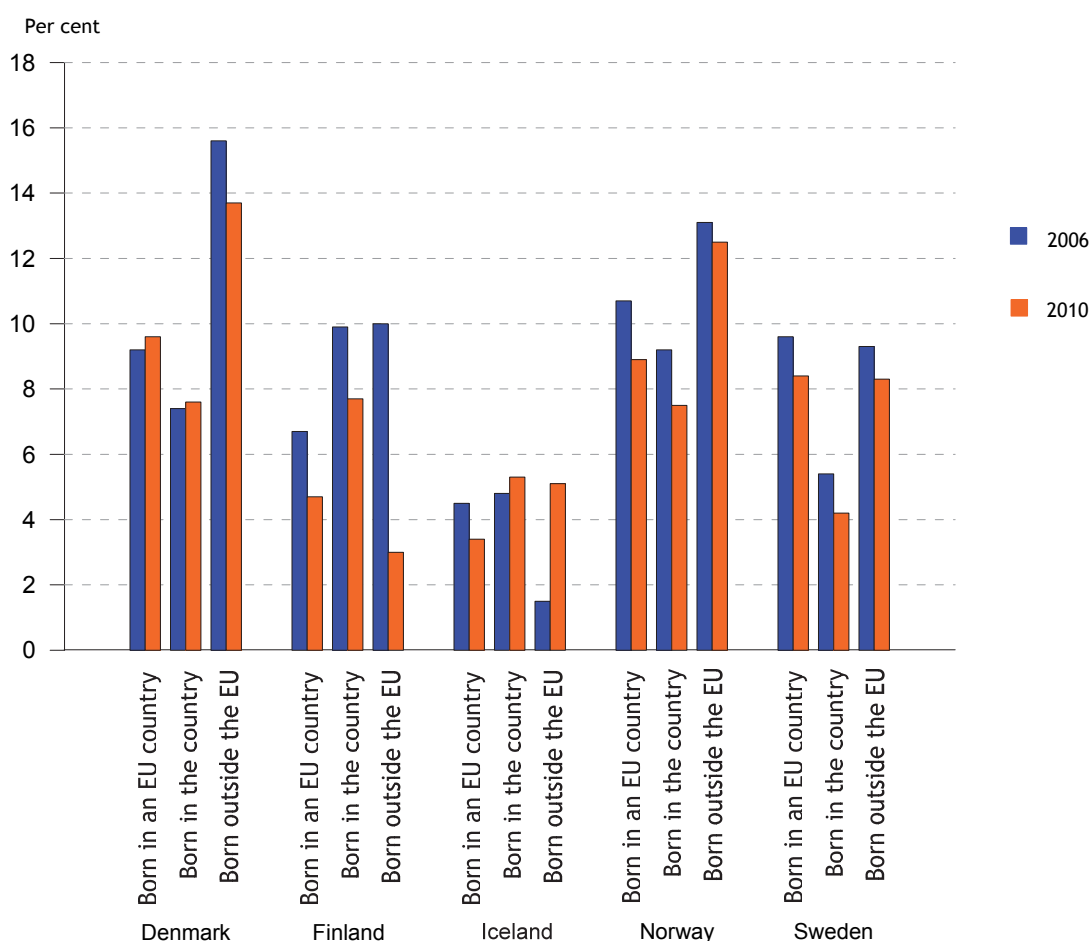
5.6 Does country of Birth Impact health?

In chapter 2 we have mentioned immigration as a challenge that the welfare states must come to grips with in the years ahead. Here we will take a closer look at whether or not country of birth affects how health is assessed. We can divide country of birth into three categories: Born in the country, born in an EU country and born outside the EU. A slightly special attribute of the Nordic countries is that two countries are not members of the EU, and people born in Norway and in Iceland will therefore be classified as born outside the EU when they are resident in other countries. The sample among those who are born in an EU country and born outside the

EU is small. The differences between the groups and development over time will therefore be statistically uncertain, and should be interpreted with caution.

We see a tendency in Denmark, Norway and Sweden for there to be a slightly higher share who report poor health among those who are born outside the country. The differences are relatively small and therefore uncertain. In Finland and to some extent in Iceland there is a small tendency for a higher share among those who are born in the country to report poor health - here the results are uncertain as well.

Figure 5.6.1 Share with poor health, country background, per cent, 2006 and 2010

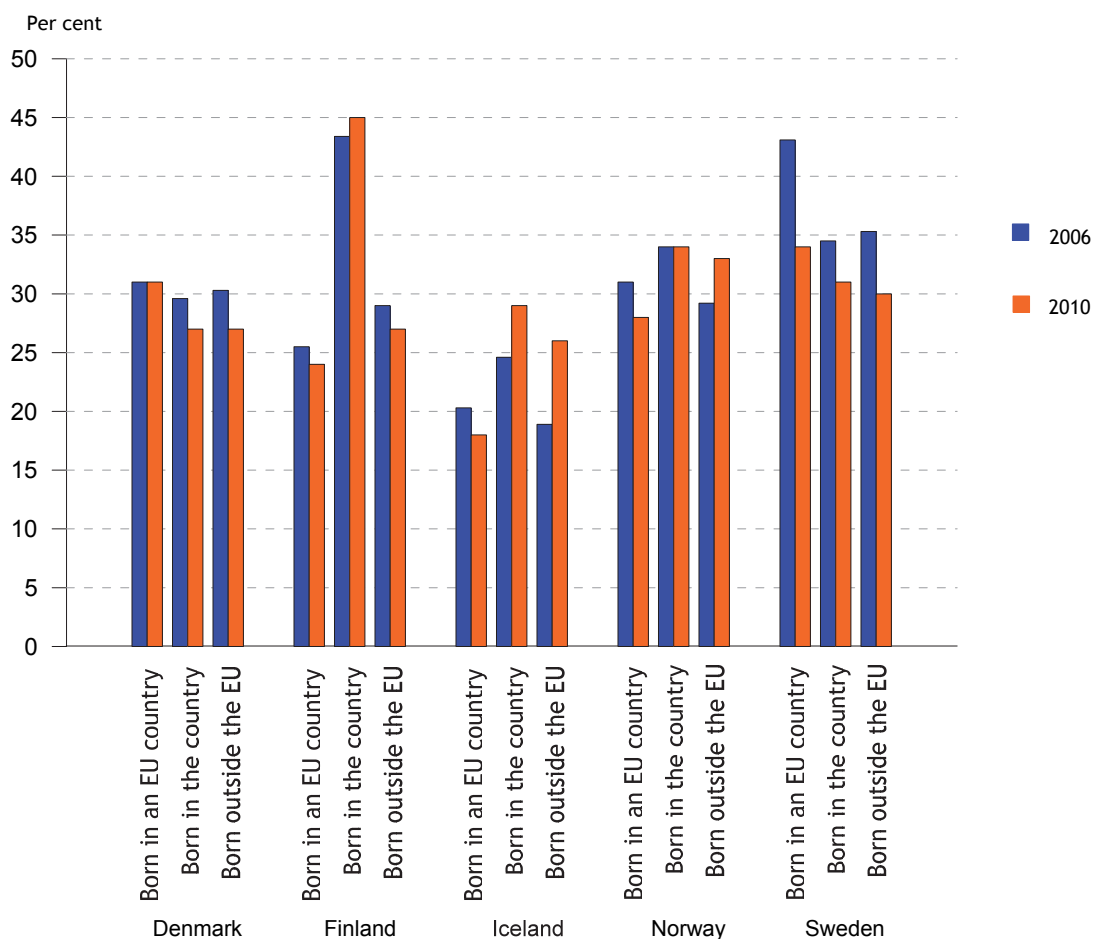


Source: EU-SILC, User Data Base

When it comes to the shares who report living with chronic illness there are small differences between the groups, with the exception of Finland. Here there is a larger share who are born in Finland who report a chronic illness compared with those who are born outside Finland. In 2010 45 per cent of those who are born in Finland reported a chronic illness, while this applied to 24 per cent of those who are born in another EU country and 27 per cent of those who are born outside the EU. The dif-

ferences are about the same in the other years (2006 - 2009). The difference is statistically significant.

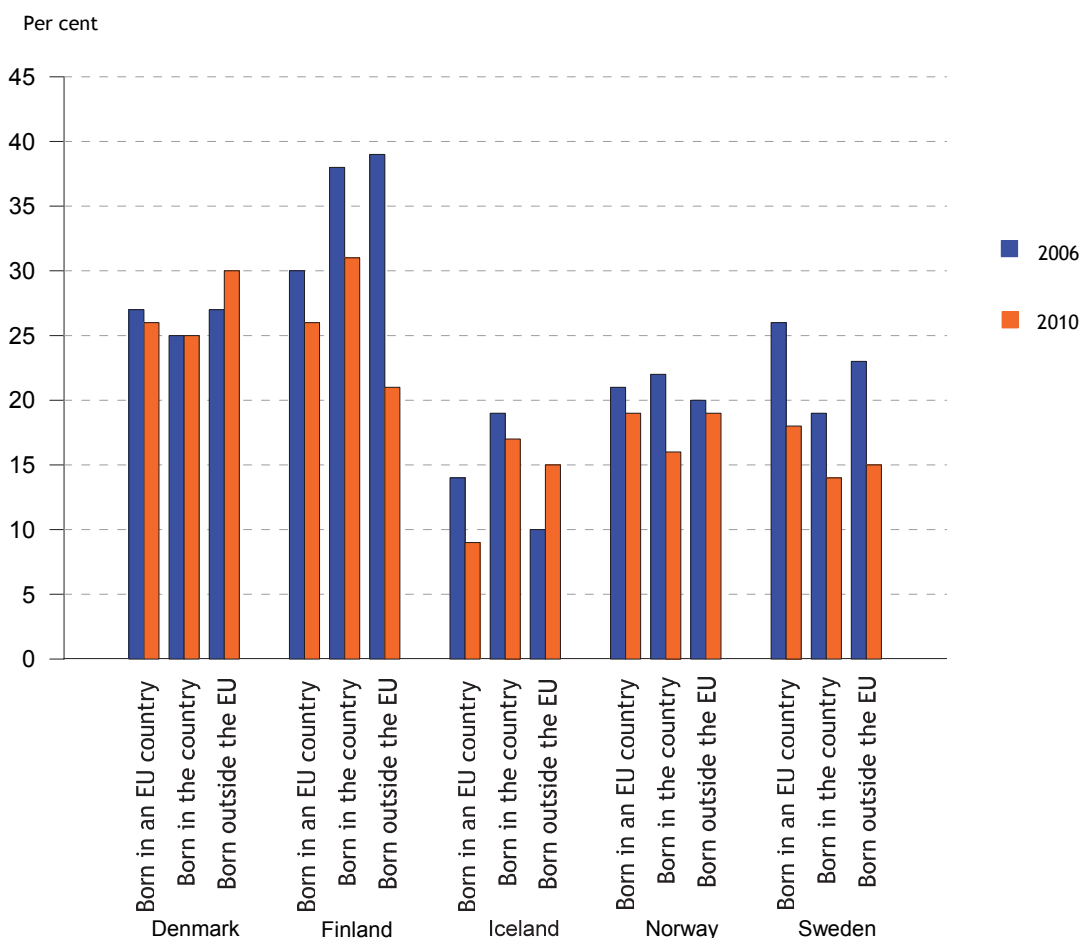
Figure 5.6.2 Share with chronic illness, country background, per cent 2006 and 2010



Source: EU-SILC, User Data Base

With regard to the shares who report severely or slightly reduced functional ability there are relatively small differences between the groups. The difference in 2010 is greatest between those who are born in Finland and those who live in Finland but are born outside the EU, but this difference is not statistically significant.

Figure 5.6.3 Share with severely or slightly reduced functional ability, country background, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

5.7 Educational differences - still there?

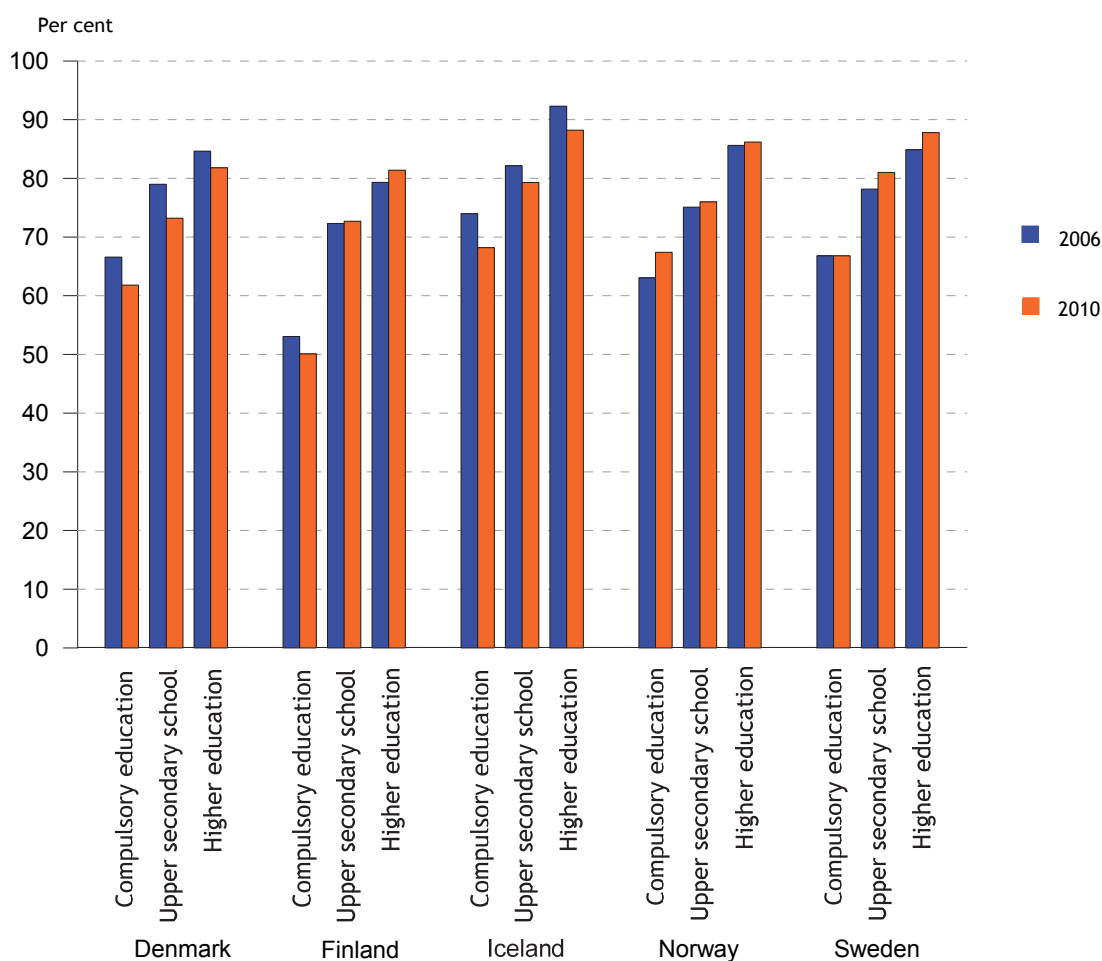
In the previous report we referred to the publication "Utdanning og helseulikheter" (Education and health disparities) from 2008 in which Elstad reviewed recent Nordic research on the correlation between education and health. Here we pointed out that a common way of describing the differences is to demonstrate how health conditions vary with education. Such analyses often show that there are generally fewer health problems and lower mortality the higher a person is positioned in the educational hierarchy. Elstad referred to a number of studies and concluded that there is a good basis for saying that it has been a tendency over the last ten years that education differences in mortality in Norway have risen overall, most in relative terms, but also to some extent in absolute terms. With some variations, this appears to apply to many European countries.

This is also apparent in the statistics from Eurostat, for example it was pointed out in Statistics in focus 24/10 that highly educated men and women live longer. In another analysis published by Eurostat that also uses EU-SILC data it was also observed that merely having a compulsory education is associated with health problems and limitations in daily activities (Eurostat, 2010).

There are also several studies showing that the use of health services among people who at the outset have the same need for the service varies with social status. The use of health services increases with rising social status, and in particular with increasing education (Jensen, 2009).

Both in 2006 and in 2010 there are larger shares with good health among those with higher education compared with those who have completed compulsory education or upper secondary school education. This applies to all the Nordic countries and the changes are relatively small from 2006 to 2010. In Denmark we see a reduction in the share with good health and it is most apparent for those with compulsory education where the share drops from 67 per cent to 62 per cent and upper secondary school education which changes by 6 percentage points to 73 per cent. For those with higher education in Denmark the share with good health is reduced from 85 per cent in 2006 to 82 per cent in 2010. In Finland there is a reduction in the share with good health among those with compulsory education from 53 per cent to 50 per cent and an increase in the share for those with higher education from 79 per cent to 81 per cent. In Iceland the decline in the share with good health is most apparent for those with compulsory education, where the share is reduced by 6 percentage points to 68 per cent in 2010. In Norway there is an increase in the share with good health and it is particularly clear for those with compulsory education where the share rises by 4 percentage points to 67 per cent in 2010. In Sweden it is those with upper secondary school or higher education who have reported having better health. Here the increase is 3 percentage points, to 81 per cent for those with upper secondary school and to 88 per cent for those with higher education.

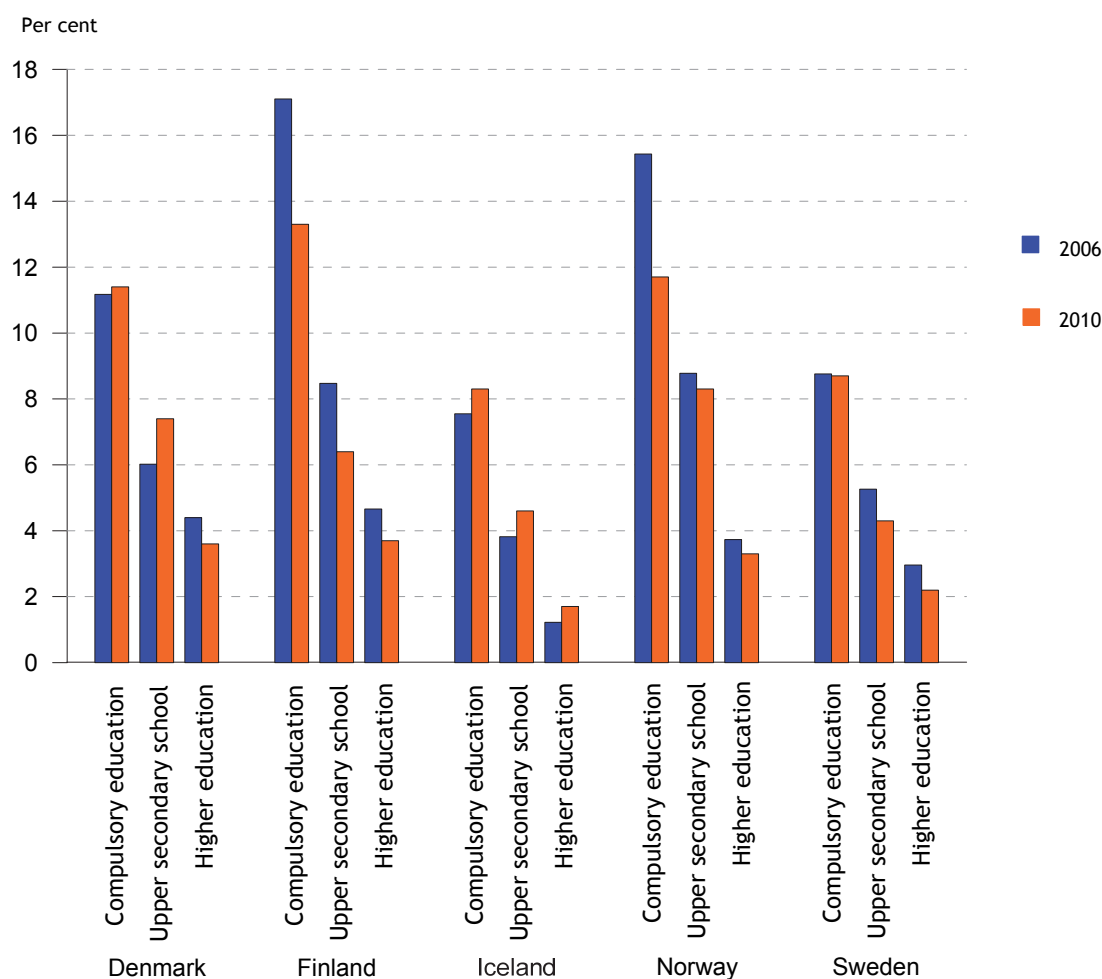
Figure 5.7.1 Share with good health broken down by education and country, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

The shares who report poor health are small, but we see that there is a higher share who only have compulsory education who report poor health compared with other education groups. Both in Finland and Norway it appears that the share with low education and poor health is lower in 2010 than in 2006.

Figure 5.7.2 Share with poor health broken down by education and country, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

We gain the same impression when we look at the shares who report chronic illness. The shares vary a little between the Nordic countries, but there is generally a higher share with chronic illness among those with lower education. We find the highest share with chronic illness in Finland among those with compulsory education. Here 58 per cent report chronic illness in 2010, about the same as in 2006. We find the lowest shares among those with higher education in Norway and in Iceland where 20 per cent have a chronic illness.

The developments are slightly different between the countries. In Denmark there are small changes from 2006 to 2010, but there is a tendency in all the three education groups for the share who report chronic illness to be a little lower in 2010 than in 2006. The share varies in 2010 from 33 per cent for those with compulsory education to 23 per cent for those with higher education.

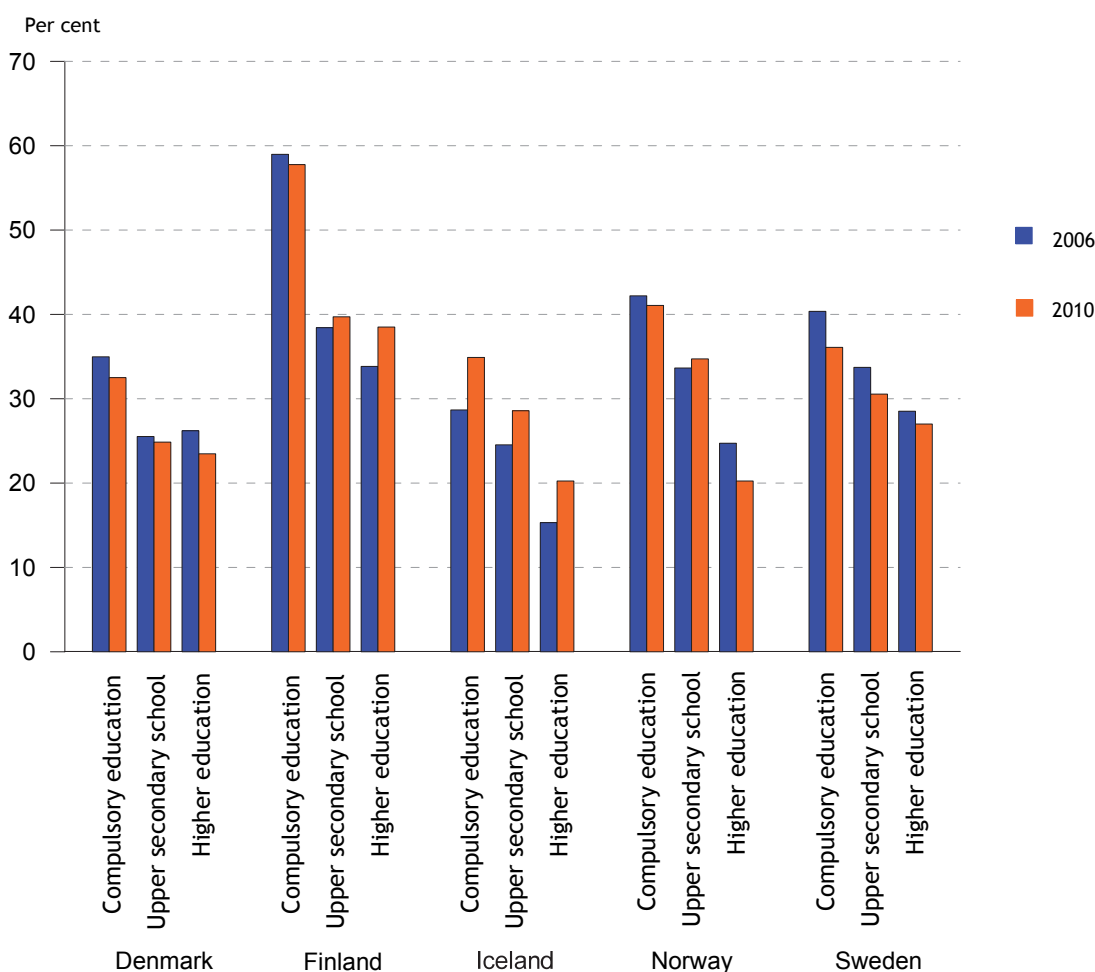
In Finland there is an increase from 34 per cent in 2006 to 39 per cent in 2010 in the share with chronic illness for those with higher education, while there are smaller changes in the other education groups.

In Iceland the shares with chronic illness have increased in all the three education groups. For those with compulsory education the share rises by 6 percentage points to 35 per cent, for those with upper secondary school education there is an increase of 4 percentage points to 29 per cent and for those with higher education there is an increase of 5 percentage points to 20 per cent.

In Norway 41 per cent with compulsory education and 35 per cent with upper secondary school report chronic illness in 2010 and there are small changes from 2006. For those with higher education there is a reduction of 4 percentage points to 20 per cent who have a chronic illness.

In Sweden there has been a reduction in the share with chronic illness in all of the three groups. 36 per cent of those with compulsory education had a chronic illness in 2010, down 4 percentage points from 2006. For those with upper secondary school the decrease was 3 percentage points to 31 per cent, and for those with higher education the reduction was 2 percentage points to 27 per cent.

Figure 5.7.3 Share with chronic illness broken down by education and country, people aged 16 and over, per cent, 2006 and 2010



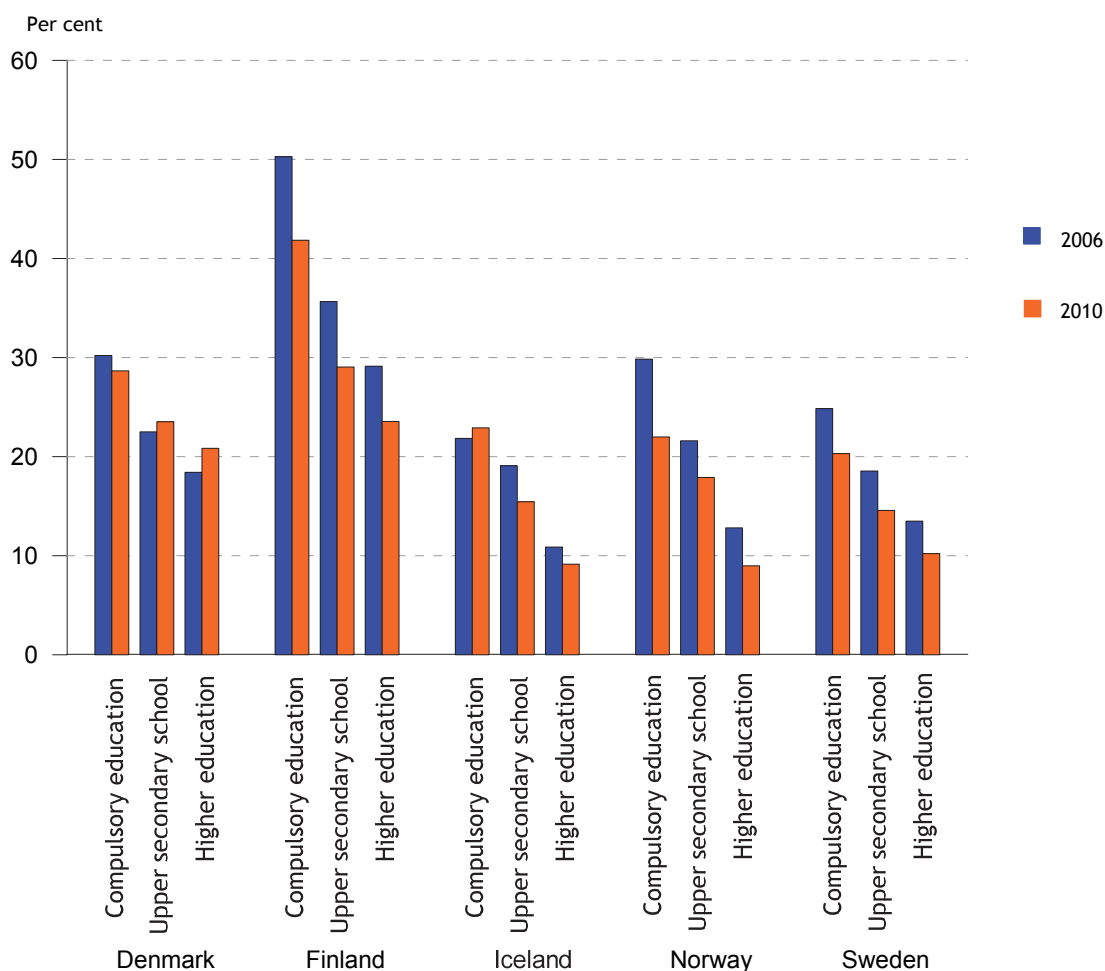
Source: EU-SILC, User Data Base

If we look at the shares who report severely or slightly reduced functional ability it is also the case that there is a higher share among those with lower education compared with those with higher education. With the exception of Denmark, which changed the method it uses and where the change from 2006 to 2009 cannot be compared (in the figure 2008 has been used for Denmark), the share who report severely or slightly reduced functional ability has become lower from 2006 to 2010. This applies to all the education groups, but is strongest for those with compulsory education in Finland and Norway.

The share with reduced functional ability is highest for those with compulsory education in Finland where the share who reported reduced functional ability is 42 per cent in 2010, down 8 percentage points from 2006. In Denmark 30 per cent of those with compulsory education have reduced functional ability, while this applies to about 20 per cent of those with compulsory education in Iceland, in Norway and in Sweden. We find the lowest share with reduced functional ability among those with

higher education in Iceland and in Norway (both 9 per cent), and in Sweden (10 per cent).

Figure 5.7.4 Share with severely or slightly reduced functional ability broken down by education and country, people aged 16 and over, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

The three indicators: self-assessed health, chronic illness and reduced functional ability all give an impression that there is a higher share with health problems in the groups that have compulsory education or upper secondary school as the highest level of education.

5.8 Employment and health are connected

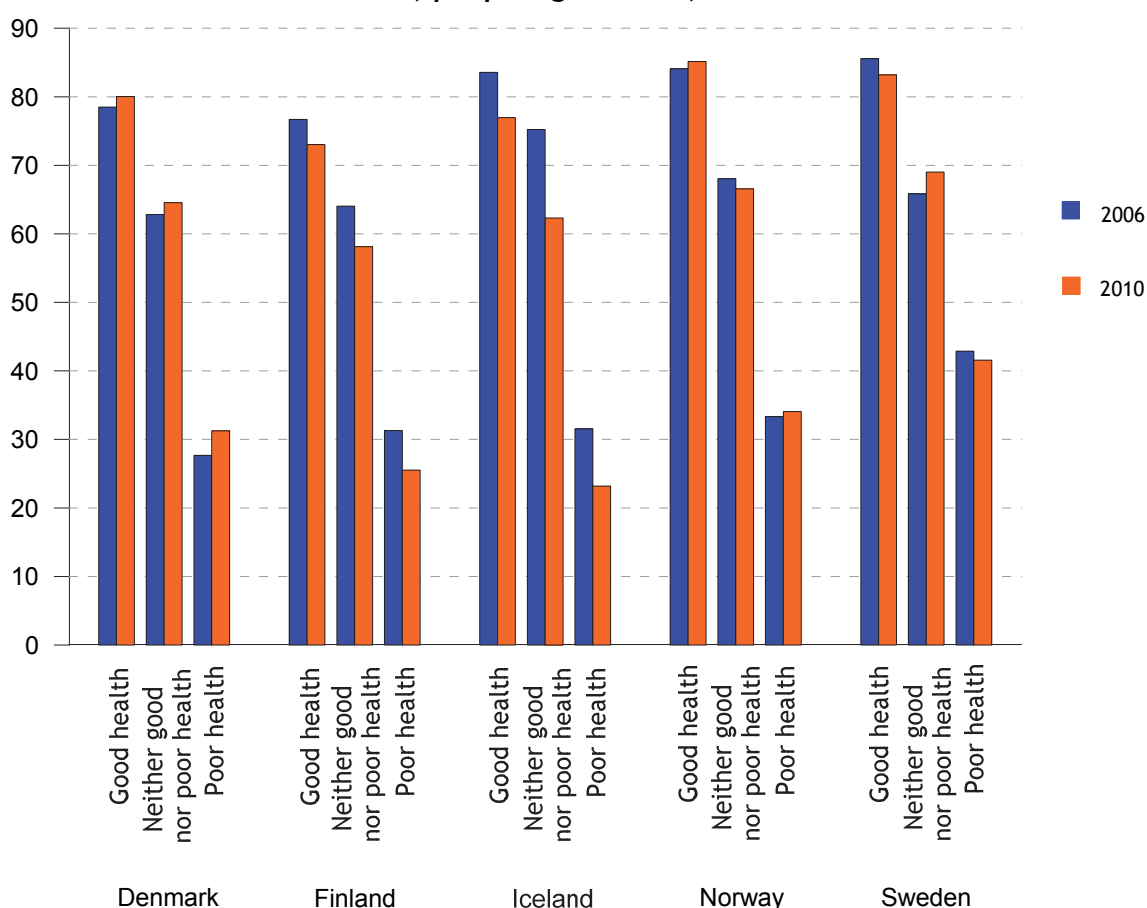
Labour force participation can vary with health status, something that we also saw in chapter 4. A person who assesses their health as being poor, has reported a chronic illness or reduced functional ability can work full-time, part-time, be retired and

receiving a pension, disabled or work at home. A labour force participant is someone who works full-time or part-time, while the others (retired and receiving a pension, disabled, working at home, or are inactive in another way) are considered to be not participating in the labour force.

We use EU-SILC as a source for labour force participation and the figures will therefore deviate from those we find in other sources such as AKU (LFS).

There is a higher share with good health who are participating in the labour force compared with those who have poor health. This applies to both 2006 and 2010. Norway has the highest share with good health who are participating in the labour force at 85 per cent in 2010, but in Denmark and Sweden the share is 80 per cent or more as well. Finland has the lowest share with good health, while the share in Iceland was 77 per cent in 2010. The share with poor health who are participating in the labour force in 2010 was lowest in Iceland at 23 per cent and highest in Sweden at 42 per cent.

Figure 5.8.1 Share of labour force participants (full-time and part-time) by self-assessed health, people aged 20-64, 2006-2010



Source: EU-SILC, User Data Base

In the chapter on the labour market and employment the changes in the period 2006-2010 are described in more depth than we will go into here. But naturally we find the same patterns again. Both in Iceland and in Finland there is a lower share who participate in the labour force in 2010 compared with 2006, and this applies irrespective of whether health is assessed as being good or poor.

In Iceland the share of labour force participants with good health dropped by 7 percentage points from 84 per cent in 2006 to 77 per cent in 2010. The largest reduction is for those who assess their health as being neither good nor poor, with a 13 percentage point drop to 62 per cent in 2010. Those with poor health cut their labour force participation from 32 per cent in 2006 to 23 per cent in 2010.

In Finland labour force participation for those with good health is reduced by 4 percentage points to 73 per cent in 2010, while 58 per cent of those with neither good nor poor health were participating in the labour force in 2010, a reduction of 6 percentage points compared with 2006. Those with poor health reduced their labour force participation by 5 percentage points from 31 per cent to 26 per cent.

In Denmark we see a tendency towards a different development. Here labour force participation rises from 2006 to 2010 and this applies to both those with good and those with poor self-assessed health. Labour force participation for those with good health increased from 78 per cent to 80 per cent, and for those with poor health from 28 per cent to 31 per cent.

In Norway there has been little change in the years after 2006. In 2006 84 per cent of people with good health were participating in the labour force and in 2010 it was 85 per cent. The corresponding figures for those with poor health: 33 per cent were participating in the labour force in 2006 and 34 per cent in 2010.

In Sweden there is also a reduction in labour force participation. For those with good health labour force participation is reduced from 86 per cent in 2006 to 83 per cent in 2010, and for those with poor health from 43 per cent to 42 per cent.

5.8.1 Employment - Narrower gender Gap

The development in labour force participation has been slightly different in the Nordic countries, we see the strongest effect in Iceland, probably as a result of the financial crisis. We also see that the change is about the same irrespective of whether health has been assessed as good or poor.

It is a general feature that there is a higher share of men who participate in the labour force than women, regardless of how health is assessed. The exceptions in 2010 apply to those with neither good nor poor health in Finland, and those with poor health in Sweden. Here the share of women participating in the labour force is larger than the share of men participating in the labour force.

In Denmark labour force participation among women with good health has increased from 74 per cent in 2006 to 79 per cent in 2010, while it has been slightly reduced for men. The gender difference is not reduced as much for those with poor health, the share of women with poor health who participate in the labour force at the same time rose from 23 per cent in 2006 to 26 per cent in 2010, and correspondingly for men with poor health from 35 per cent to 37 per cent. For those with nei-

ther good nor poor health it is also the women who have increased their labour force participation.

In Finland labour force participation has fallen for both women and men irrespective of whether the health is assessed as being good or poor. The tendency is that labour force participation has become more reduced for women than men and is contributing to the gender differences in Finland increasing a little.

As in Finland labour force participation in Iceland has also fallen among both women and men, irrespective of whether the health is good or poor. For those with good health the reduction among women is a bit larger than among men, such that the gender difference increases a little here. For those with poor health the reduction in labour force participation for men (14 percentage points) is larger than for women (5 percentage points) such that for this group the gender differences are smaller. The same is the case for those who report neither good nor poor health.

In Norway the largest change in labour force participation is for those with poor health. Men in this group reduce their participation in the labour force from 45 per cent in 2006 to 35 per cent in 2010, at the same time as women in the same group increase participation in the labour force from 24 per cent to 34 per cent. For those with good health, women's participation in the labour force also rises. The effect is smaller gender differences, particularly for the group with poor health. For those who have reported neither good nor poor health, there is lower participation in the labour force for women and slightly higher for men, such that for this group there is an increase in the gender differences.

Swedish men with poor health cut their labour force participation from 49 per cent in 2006 to 38 per cent in 2010. At the same time labour force participation for women in the same group increased from 38 per cent to 44 per cent. For this group a higher share of women than men are now participating in the labour force. For the group with good health there is a slightly bigger reduction in labour force participation for men than women, such that the gender difference here has become a little smaller.

Table 5.8.1 Labour force participation by self-assessed health and gender, people aged 20-64, per cent, 2006-2010

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark															
Good health	78	83	74	80	84	77	81	84	78	81	83	80	80	81	79
Neither good nor poor health	63	70	56	61	73	50	66	74	59	64	66	62	65	69	60
Poor health	28	35	23	31	40	25	29	40	22	37	34	40	31	37	26
Finland															
Good health	77	80	74	79	82	76	79	83	76	78	80	75	73	77	69
Neither good nor poor health	64	65	63	60	59	62	60	61	59	58	61	55	58	56	60
Poor health	31	30	32	23	25	21	31	30	32	31	29	34	26	28	23
Iceland															
Good health	84	88	79	85	89	81	84	88	80	78	80	75	77	82	71
Neither good nor poor health	75	88	63	72	82	65	72	80	64	67	74	61	62	65	60
Poor health	32	48	22	35	42	30	44	51	38	26	44	14	23	34	17
Norway															
Good health	84	88	80	84	88	80	86	89	82	85	88	83	85	87	83
Neither good nor poor health	68	71	65	68	76	61	74	79	67	68	73	62	67	73	60
Poor health	33	45	24	40	42	38	39	44	36	34	40	29	34	35	34
Sweden															
Good health	86	88	83	86	89	84	85	87	83	83	84	81	83	86	81
Neither good nor poor health	66	66	65	70	72	69	69	69	68	67	68	67	69	71	67
Poor health	43	49	38	41	45	39	41	48	37	34	38	32	42	38	44

Source: EU-SILC, User Data Base

5.8.2 Share of part-time does not vary as much according to health condition as full-time work

If we look more closely at whether the labour force participants work full-time or part-time the figures show that those with good health to a larger extent work full-time than those who assess their health as being poor. Let us reiterate that the source is EU-SILC and that the figures will therefore deviate from other statistics on full-time and part-time. In 2010 the shares who work full-time and have good health vary from 76 per cent in Norway to 65 per cent in Iceland. In Iceland the share with good health and who work full-time has gone down 9 percentage points from 74 per cent in 2006 to 65 per cent in 2010, and for those who have assessed their health as being neither good nor poor with 15 percentage points. The changes in the shares of

full-time for those with good health, or neither good nor poor health, are smaller for the other countries. Between 20 and 25 per cent of those who have assessed their health as poor work part-time.

For the shares who work part-time, health status does not vary as much. In Denmark about 10 per cent work part-time and that applies to both the group with good health and the group with poor health. In 2010 Sweden has, as in 2006, the largest share who work part-time, 16 per cent of those with good or poor health, and 21 per cent of those with neither good nor poor health work part-time. We find the largest change in the shares of part-time for those with poor health in Iceland, here the share who work part-time has diminished from 13 per cent to 5 per cent.

That the share of people who work part-time does not vary to the same extent with health status as for full-time shares can indicate that in the choice between full-time and part-time there are other factors than health that also come into play, for example the combination of paid work and caregiving at home.

Table 5.8.2 Labour force participation broken down by full-time and part-time by self-assessed health, 2006-2010

	2006		2007		2008		2009		2010	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Denmark										
Good health	68	10	70	10	71	10	72	9	70	10
Neither good nor poor health	52	11	50	11	56	11	51	13	52	12
Poor health	19	9	23	7	20	10	30	7	22	10
Finland										
Good health	68	8	71	8	70	9	70	7	67	6
Neither good nor poor health	57	7	50	10	51	9	50	8	49	9
Poor health	25	7	19	4	25	6	21	10	18	7
Iceland										
Good health	74	9	75	10	74	10	66	12	65	11
Neither good nor poor health	63	12	59	14	58	13	54	14	47	15
Poor health	19	13	24	11	33	10	20	6	18	5
Norway										
Good health	74	10	75	9	78	8	77	9	76	9
Neither good nor poor health	54	14	57	11	61	13	53	15	53	14
Poor health	26	7	27	13	30	10	25	9	23	11
Sweden										
Good health	69	17	69	17	69	16	66	16	68	16
Neither good nor poor health	44	22	46	24	44	24	42	25	48	21
Poor health	23	20	22	19	24	17	20	14	25	16

Source: EU-SILC, User Data Base

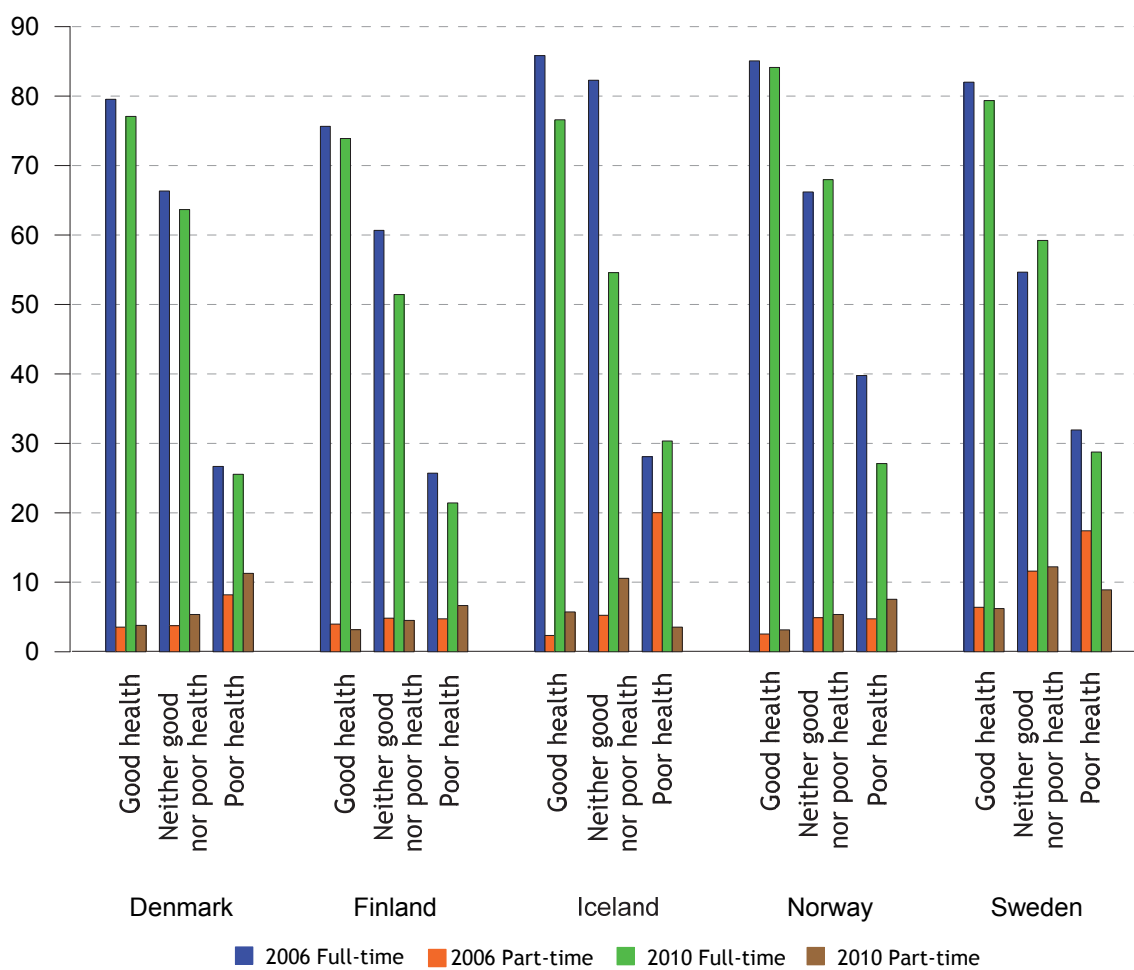
5.8.3 Men work more full-time - irrespective of health

Men work full-time to a greater extent than women, and this applies irrespective of how health is assessed. The share of men who assess their own health as being good and who at the same time are working full-time is large; it varies in 2010 from 84 per cent in Norway to 74 per cent in Finland. The corresponding share for women varies from 68 per cent in Norway to 54 per cent in Iceland. The share of men with good health who work part-time is between 3 and 6 per cent for all the countries. The share of women who work part-time and who have good health is higher than the share of men. In 2010 Sweden has (as in 2006) the highest share of women with good health who at the same time work part-time at 26 per cent. In the other countries the share is between 14 per cent and 19 per cent.

In the report from 2009 we pointed out that in 2006 men with poor health worked full-time to a larger extent than women with poor health. This also applies in 2010. The shares for men in 2010 vary from 30 per cent in Iceland to 21 per cent in Finland. The shares of women with poor health who work full-time vary from 23 per cent in Sweden to 11 per cent in Iceland. Sweden also has the highest share of women with poor health who work part-time (21 per cent) while the lowest share is in Iceland (14 per cent).

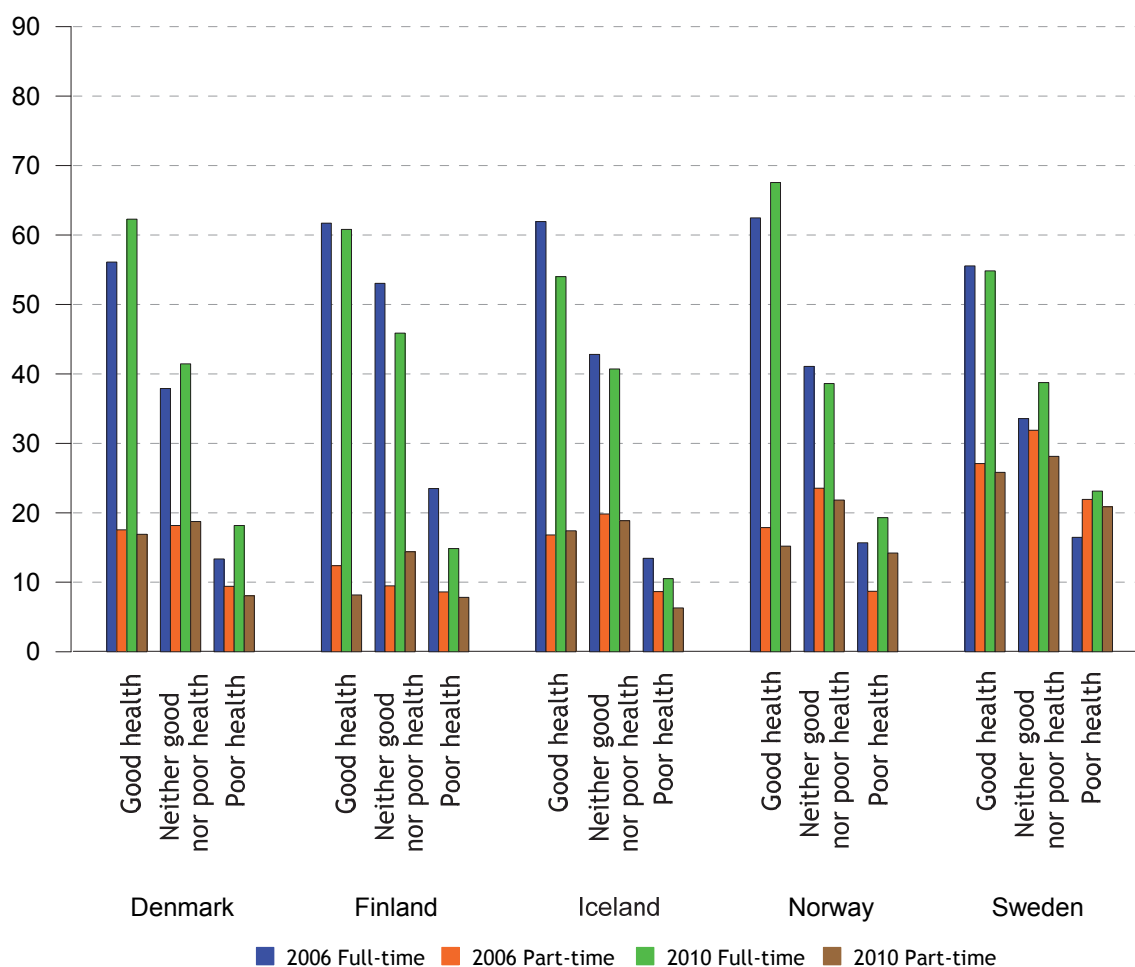
If we connect this to the key challenges going forward concerning having a greater share of the population engage in work, these figures may indicate that there is a potential for increased participation in the labour force for women with good health who work part-time.

Figure 5.8.2 Self-assessed health and labour force participation, full-time and part-time, men, people aged 20 - 64, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

Figure 5.8.3 Self-assessed health and labour force participation, full-time and part-time, women, people aged 20 - 64, per cent, 2006 and 2010



Source: EU-SILC, User Data Base

We get the same picture when we use the variables for chronic illness or reduced functional ability. A higher share of those without chronic illness or reduced functional ability are in work. A higher share of men than women are in work, and this applies irrespective of whether or not they have reported a chronic illness or reduced functional ability. Therefore we will not comment in more detail on these indicators here, the data are shown in the appendix tables.

5.9 Health - education and Employment

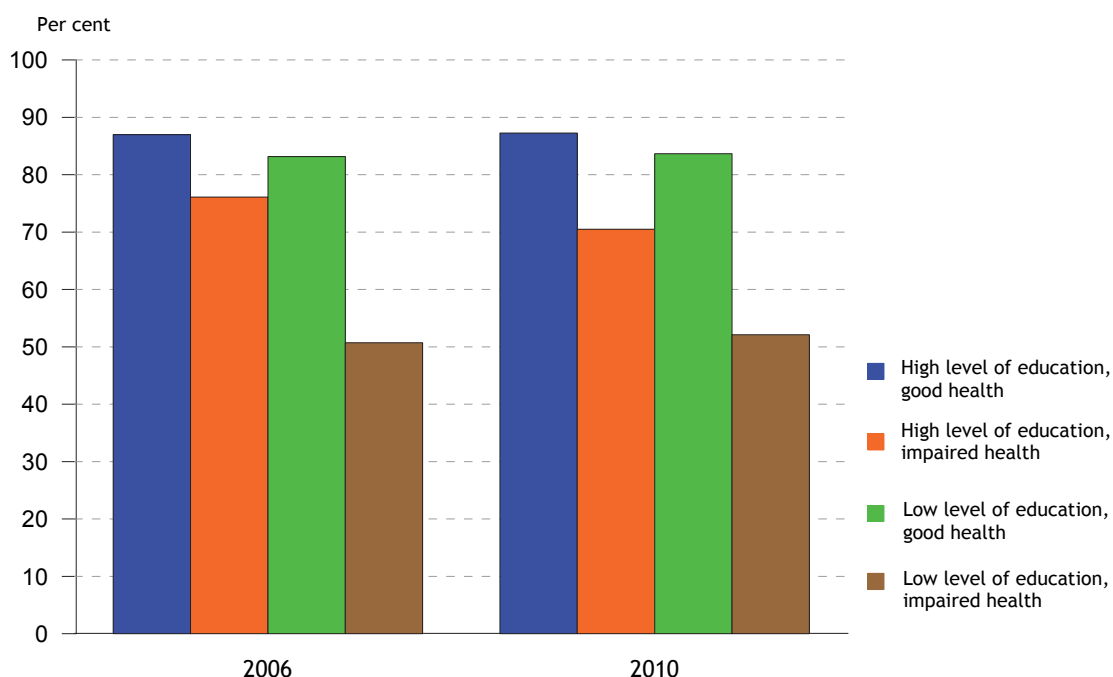
We have previously shown that those with higher education more often assess their own health as being good, and we have also seen that those with good health are more often in work. We will now look more closely at a combination of education, labour force participation and self-assessed health. In order to avoid getting too few answers in each category, here we have combined those who have poor health and those who have neither good nor poor health and call this impaired health. When we look at this, it is also important to take into account that labour force participation is lower for people with low education than for people with a high level of education, irrespective of health. It must also be reiterated that impaired health may not only lead to difficulties in the labour market, difficulties in the labour market can also negatively affect (the assessment of) a person's own health.

5.9.1 Largest reduction in labour force participation for those with impaired health and low education

We showed in the previous publication with figures from 2006 that in all the Nordic countries there is lower labour force participation among those with impaired health and low education than among those with impaired health and a high level of education. We pointed out in the previous report that it is those with low education and impaired health in particular who drop out of the labour force and that this can indicate that measures to keep people in work longer, even if health becomes impaired, should be particularly directed towards people with low education. It is not unreasonable to imagine that those with a lower education work in occupations that may often be more physically demanding than those with a higher education, and that it may be more difficult to adjust the work if a person's health becomes impaired.

We found the largest effect in 2006 in Norway, where the share of labour force participation among those with low education was 32 percentage points lower for those with impaired health compared with those with good health. Among people with a high level of education the corresponding difference was 11 percentage points. In 2010 the greatest effect is still in Norway and the difference for those with impaired health and low education compared with those with good health and low education is 32 percentage points - the same as in 2006. The difference for those with a high level of education has grown from 11 percentage points to 17 percentage points. This is due to a stronger reduction in labour force participation for those with impaired health compared with those with good health. While 87 per cent of those with a high level of education and good health were working in 2010 - the same as in 2006 - this applied to 70 per cent of those with impaired health and a high level of education - a reduction of 6 percentage points from 2006.

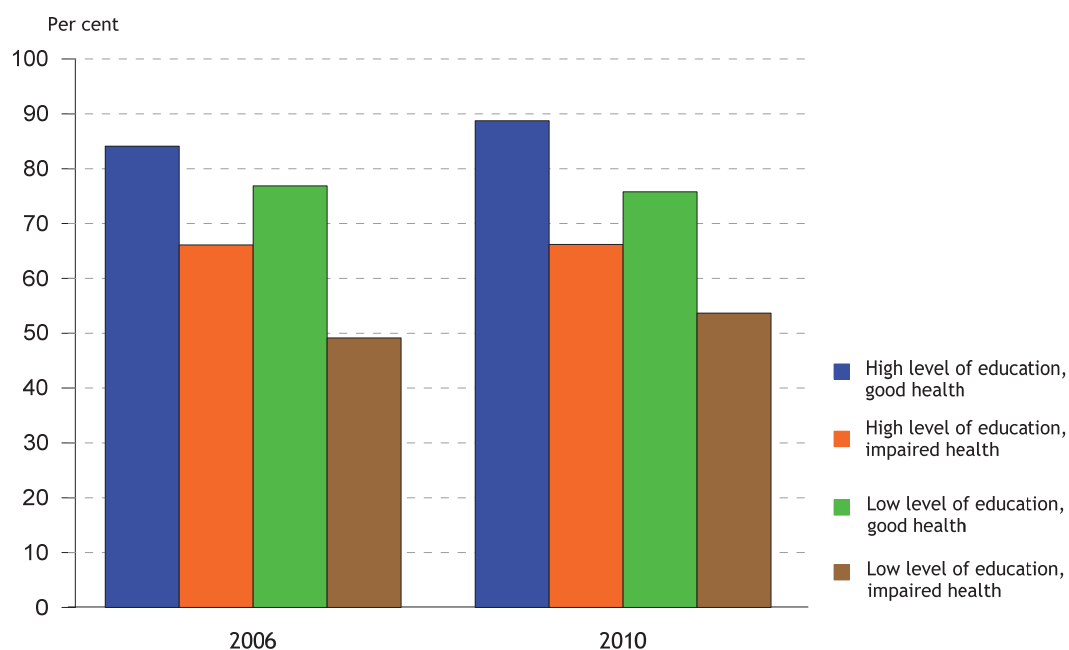
Figure 5.9.1 Norway, share of labour force participants broken down by health and education, people aged 20-64, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

In Denmark in 2006 there was an 18 percentage point difference in labour force participation for the group with impaired health and a high level of education compared with those with good health and a high level of education. While 85 per cent of those with good health and a high level of education were in work, this applied to 66 per cent of those with impaired health. In 2010 there is slightly higher labour force participation among those with good health and a high level of education (89 per cent) while the share for those with impaired health is the same as in 2010. For those with low education and good health 77 per cent were participating in the labour force in 2006 and for those with low education and impaired health 49 per cent were participating in the labour force. There was therefore a 28 percentage point lower labour force participation for the group with impaired health and low education compared with those with good health and low education. This difference shrunk to 22 percentage points in 2010 due to higher labour force participation (54 per cent) among those with impaired health and low education. This means that the differences in the change in labour force participation between a high level and a low level of education in relation to whether health is good or impaired are not present in 2010.

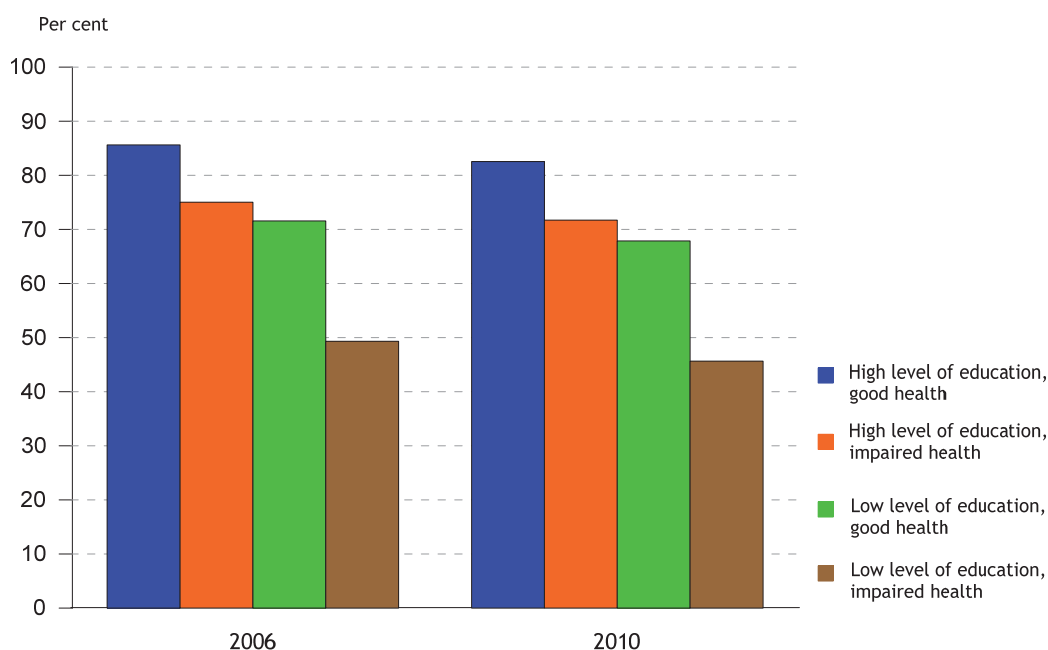
Figure 5.9.2 Denmark, share of labour force participants broken down by health and education, people aged 20-64, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

In Finland we also see a tendency for slightly lower labour force participation, and this applies to both those with high and low levels of education, and both those with good and those with impaired health. For those with a high level of education and impaired health in 2006 there was an 11 percentage point lower labour force participation (75 per cent) compared with those with a high level of education and good health. For the group with low education the difference between those with good health and impaired health was 22 percentage points. We find the same differences again in 2010 and labour force participation is reduced in all the groups.

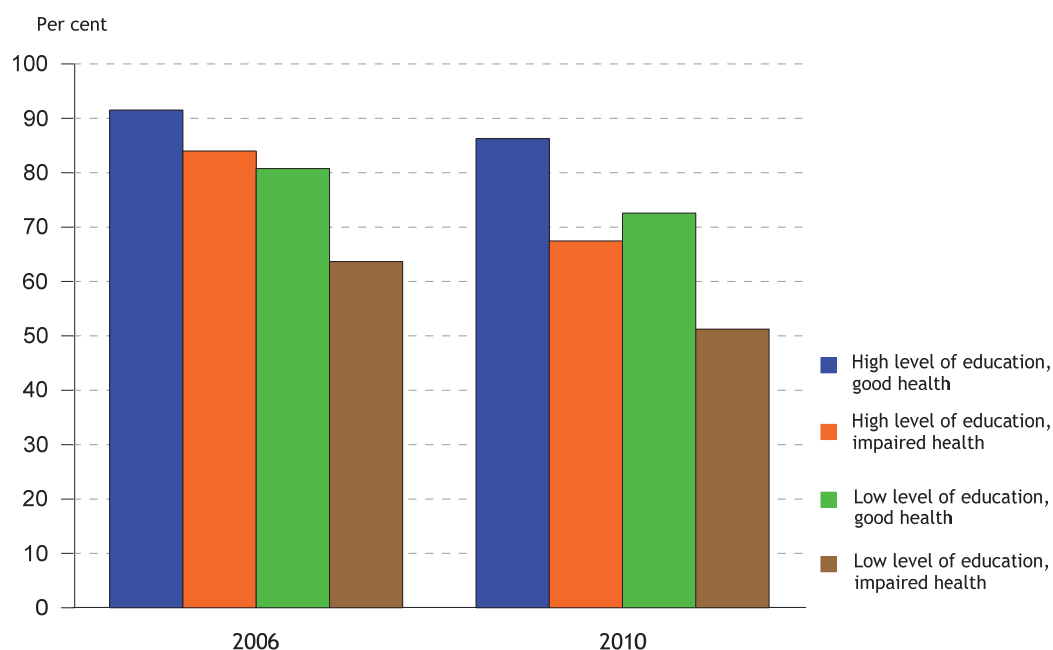
Figure 5.9.3 Finland, share of labour force participants broken down by health and education, people aged 20-64, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

In Iceland labour force participation has generally fallen from 2006 to 2010. This applies to a greater extent to those with impaired health, and the reduction is largest for those with a high level of education and impaired health. As we also address in the chapter on work, this may indicate that the financial crisis, in relative terms, has worsened the situation for those with higher education. Here labour force participation has fallen from 84 per cent in 2006 to 67 per cent in 2010. For those with impaired health and low education labour force participation falls from 64 per cent to 51 per cent. This leads to the reduction in labour force participation for those with impaired health now being almost the same for those with a high and a low level of education.

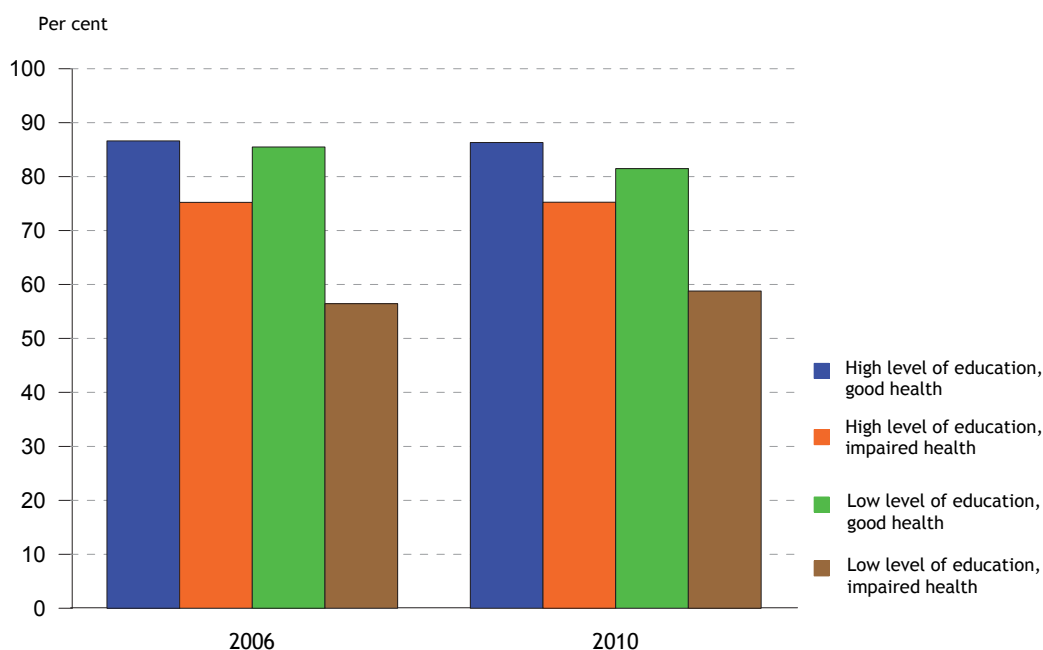
Figure 5.9.4 Iceland, share of labour force participants broken down by health and education, people aged 20-64, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

In Sweden labour force participation for those with impaired health and a high level of education was 11 percentage points lower than for those with good health and a high level of education in both 2006 and in 2010. For those with a low level of education and good health labour force participation has decreased a little from 2006 to 2010 and at the same time it has increased a little for those with a low level of education and impaired health. This means that the difference of 29 percentage points in 2006 has been reduced to 23 percentage points in 2010.

Figure 5.9.5 Sweden, share of labour force participants broken down by health and education, people aged 20-64, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

We have shown that there is still a larger reduction in labour force participation for those who have both impaired health and low education compared with those who have impaired health and a high level of education. The trends in the underlying figures differ slightly in the different countries, but a general characteristic is that it can look as if the reduction in labour force participation for those with a low level of education and poor health compared with those with a high level of education and poor health is a little lower in 2010 than it was in 2006. We cannot comment on whether this is a permanent development or whether it may be a result of factors such as the financial crisis. Differing activation policies and other changes in the different countries with regard to welfare schemes may also play a role. For example the change in Iceland is due to it being particularly those with a high level of education and impaired health who reduced their participation in the labour force, while in Denmark those with a low level of education and impaired health increased their participation in the labour force.

5.9.2 What about the rest of Europe? Education, impaired health and change in labour Market Activity

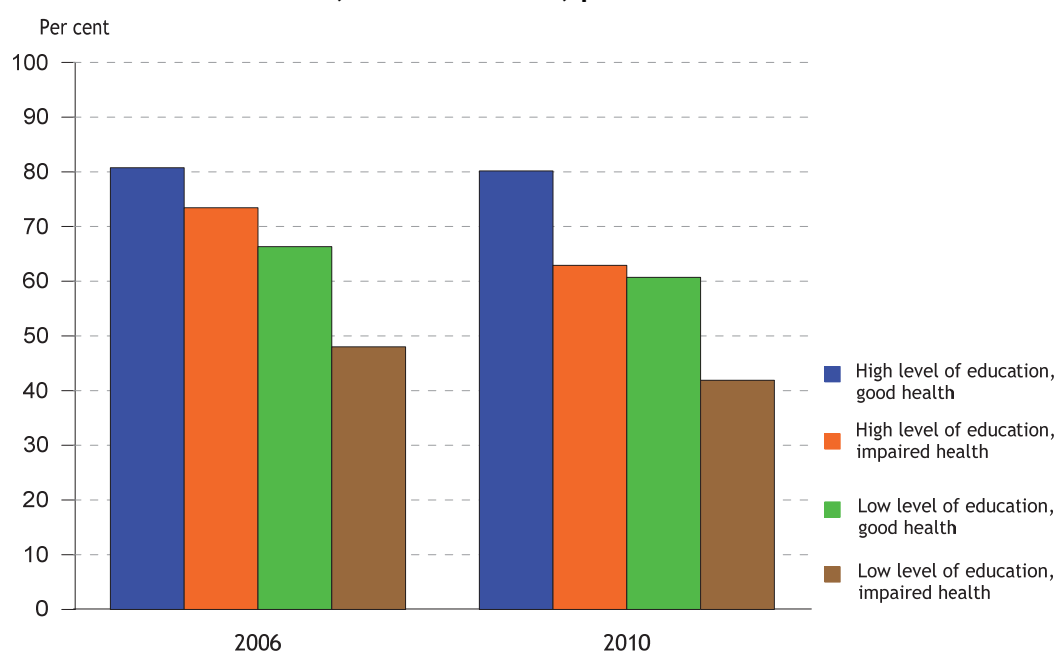
The development in employment is described in more detail in the work chapter and showed, among other things, that the financial crisis was evident in the Baltic States, Ireland and Spain. These countries had a reduction in employment while in countries such as Germany, Poland and Macedonia employment increases.

When we look more closely now at the combination of education, self-assessed health and labour force participation we get the same picture in the rest of Europe

as in the Nordic countries. The reduction in the share of labour force participation is larger for those with low education than for those with a high level of education when health is impaired. However some countries stand out to some extent and are commented on here.

As with Iceland there is a large reduction in labour force participation for those with a high level of education and impaired health in Spain. Labour force participation for this group fell from 73 per cent in 2006 to 63 per cent in 2010. For those with a high level of education and good health, labour force participation in 2010 is at the same level as in 2006 (80 per cent). Labour force participation for those with a low level of education is lower in 2010 than in 2006 and this applies to both those with good health and those with impaired health.

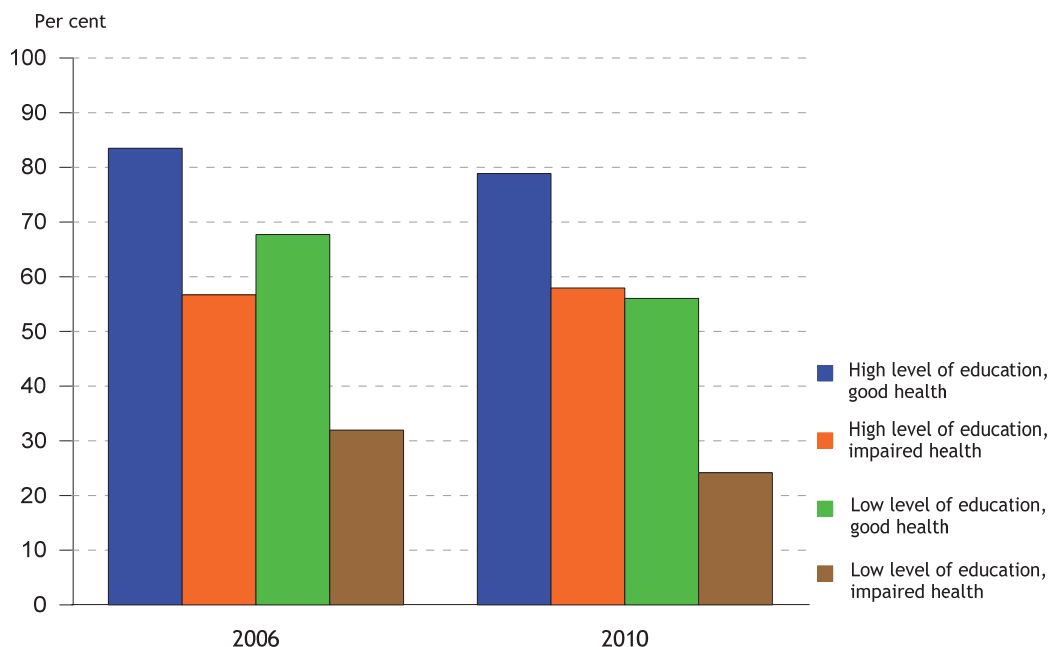
Figure 5.9.6 Spain, share of labour force participants broken down by health and education, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

For Ireland, which was severely affected by the financial crisis early on, we clearly see this in reduced labour force participation among those with a low level of education. This applies to both those with good health and those with impaired health. For those with a low level of education and good health, labour force participation declined from 68 per cent in 2006 to 56 per cent in 2009, a reduction of 12 percentage points. The reduction for those with a low level of education and impaired health was slightly lower - 8 percentage points - but here the starting point was much lower. 24 per cent of those with a low level of education and impaired health were participating in the labour force in 2009.

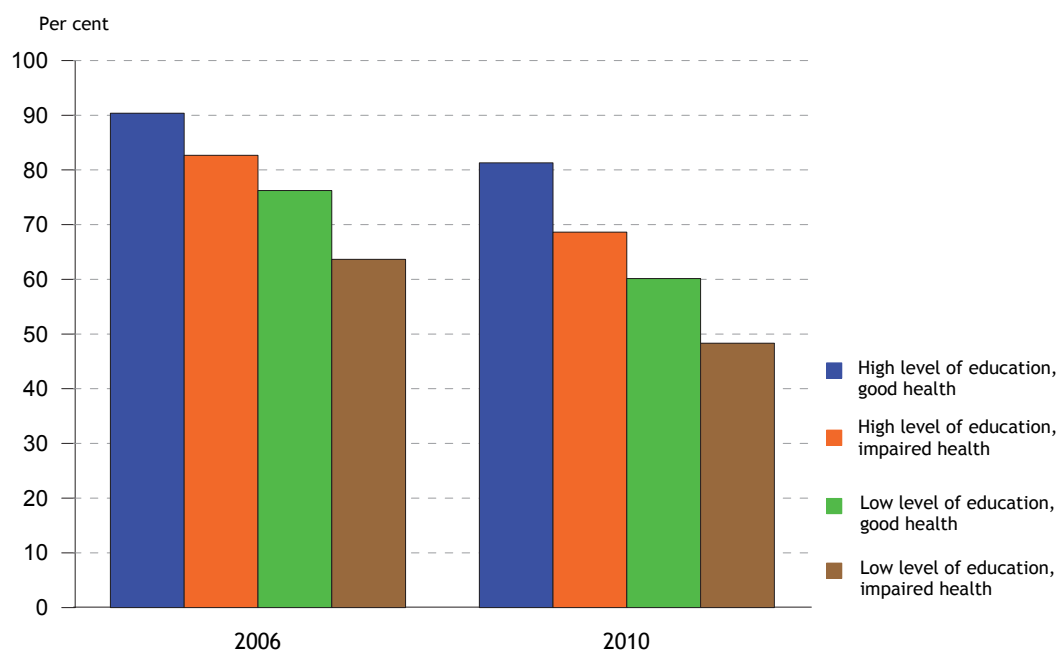
Figure 5.9.7 Ireland, share of labour force participants broken down by health and education, 2006 and 2009, per cent



Source: EU-SILC, User Data Base

In Latvia labour force participation is also reduced, and particularly for those with a low level of education. For those with a low level of education, labour force participation declined by 16 percentage points for both those with good health and for those with impaired health. For those with good health and a low level of education, labour force participation fell from 76 per cent in 2006 to 60 per cent in 2010, and for those with impaired health and a low level of education from 64 per cent to 48 per cent. But also those with a high level of education and impaired health show a marked drop in labour force participation from 83 per cent in 2006 to 69 per cent in 2010. There is a smaller decline - 9 percentage points - from 90 per cent to 81 per cent for the group with a high level of education and good health. But we see that all the groups have a clear reduction in the share of labour force participants.

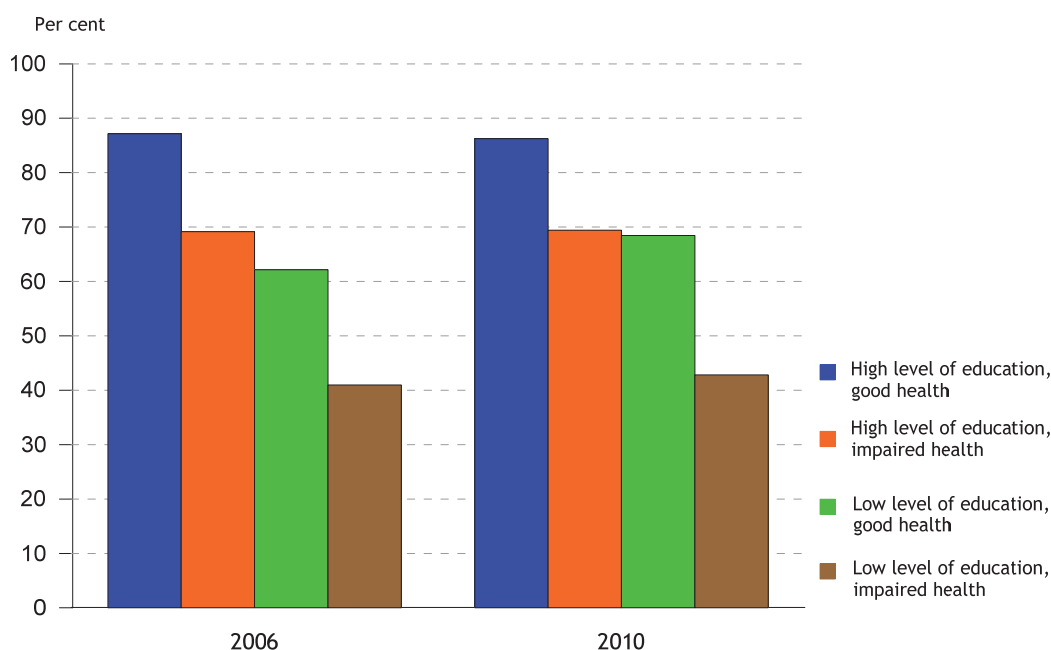
Figure 5.9.8 Latvia, share of labour force participants broken down by health and education, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

As previously pointed out the financial crisis is not as apparent in the employment figures for Poland. We also see this when looking at the combination of labour force participants, education and self-assessed health. For the group with a high level of education there is a large share who are participating in the labour force and this applies to both those with good health (86 per cent in 2010) and those with impaired health (69 per cent in 2010). The change from 2006 is small. For the group with a low level of education there is an increase in the share who are participating in the labour force from 62 per cent in 2006 to 68 per cent in 2010 for those with good health and from 41 per cent to 43 per cent for those with impaired health.

Figure 5.9.9 Poland, share of labour force participants broken down by health and education, 2006 and 2010, per cent



Source: EU-SILC, User Data Base

For the Nordic countries, in broad terms, it looked as if the reduction in labour force participation for those with a low level of education and poor health compared with those with a high level of education and poor health is a little lower in 2010 than it was in 2006. We cannot see the same picture for the rest of Europe. In some countries the differences are smaller in 2010 than in 2006 and in other countries they have grown. For example the reduction in labour force participation was the same for those with a high and a low education with impaired health in Austria in 2006, while it had become larger in 2010. This is due to an increase in labour force participation for those with a high level of education and impaired health and a reduction in labour force participation for those with a low level of education and impaired health. In Spain in 2010 labour force participation among those with a high level of education and impaired health was 7 percentage points lower compared with those with a high level of education and good health. The corresponding difference among those with a low level of education was 18 percentage points. In 2010 the difference was larger for those with a high level of education, 17 percentage points lower labour force participation among those with impaired health compared with those with good health. In the group with a low level of education the difference is stable.

The development in the countries is affected by both how the reduction in labour force participation due to the financial crisis manifests itself among those with a high and a low level of education - here the results are different and will also be affected by different rules and measures. At the same time the figures show that it remains the case, also in the rest of Europe, that those with a high level of education and impaired health participate to a greater extent in working life than those with a low

level of education and impaired health. With the aim of increasing labour force participation to meet future challenges with pressure on public finances as a consequence of a growing share of elderly in the population, there may be less to gain from the group with a high level of education and impaired health because they are already participating in working life to a large extent. The challenges can then be particularly related to increasing labour force participation for those with a low level of education and impaired health.

5.10 Summary

When we look at the indicators on self-assessed health, chronic illness and reduced functional ability the general impression is that there are many people who have good health in the Nordic countries. The changes from 2006 to 2010 are relatively small. Finland stands out as having the lowest share who assess their own health as being good and the highest shares who have a chronic illness and with severely or slightly reduced functional ability. In comparison with other European countries Finland also distinguishes itself in this context.

The three indicators: self-assessed health, chronic illness and reduced functional ability give slightly different pictures of whether the differences between women and men have become larger or smaller from 2006 to 2010, but all three indicators continue to give a picture that more women than men appear to have health problems.

The indicators show that in the oldest age groups the health problems are greatest. When the indicator self-assessed health is broken down by age groups we see that the data suggest that older people are healthier. In the previous report we pointed out that in order to find more than 10 per cent who reported poor health in 2006 we had to come up to an age of over 50 years old for most of the Nordic countries. It appears that this has shifted to the group aged 60 and over for Denmark, Finland and Norway. For Iceland and Sweden the same applies for the group aged over 70. The changes in the indicator for chronic illness and reduced functional ability do not give an equally unambiguous picture of healthier older people. In many age groups the gender differences are not especially large, but in general a larger share of women than men reported poor health.

We looked at whether different country backgrounds have an impact on health, but due to small samples in the groups who are born in another EU country or outside the EU, the results are generally uncertain. There is a tendency in Denmark, Norway and Sweden for there to be a slightly higher share who report poor health among those who are born outside the country. In Finland and to some extent in Iceland there is a small tendency for a higher share among those who are born in the country to report poor health. One difference that is apparent is that there is a larger share who are born in Finland who report a chronic illness compared with those who are born outside Finland. In 2010 45 per cent of those who are born in Finland reported a chronic illness, while this applied to 24 per cent of those who are born in another EU country and 27 per cent of those who are born outside the EU. The differences are

about the same in the other years (2006 - 2009). The differences are statistically significant.

Both in 2006 and in 2010 there are larger shares with good health among those with higher education compared with those who have completed compulsory education or upper secondary school. This applies to all the Nordic countries and the changes are relatively small from 2006 to 2010. There is also a lower share among those with higher education who reported chronic illness and reduced functional ability.

We are also seeing that there is a higher share with good health who are participating in the labour force compared with those who have poor health. The development in labour force participation has been slightly different in the Nordic countries, with the greatest impact in Iceland where the share of labour force participants has fallen, this applies to those with good health, neither good nor poor health and those with poor health, and we can probably view this as being a result of the financial crisis. It is a general feature that there is a higher share of men who participate in the labour force than women, regardless of how health is assessed. Regardless of how health is assessed labour force participation in Finland and Iceland is falling, in Denmark labour force participation is rising for both men and women with the exception of men with good health. Men with poor health in Norway and Sweden have reduced their participation in the labour force from 2006 to 2010.

We find that those with good health are increasingly working full-time compared with those who assess their own health as being poor. The shares of people who work part-time do not vary to the same extent as how health is assessed and may indicate that in the choice between full-time and part-time there are other factors than health that also come into play, for example the combination of paid work and caregiving at home. Men engage in more full-time work than women, and this applies irrespective of how health is assessed. The share of men who assess their own health as being good and who at the same time are working full-time is large; it varies in 2010 from 84 per cent in Norway to 74 per cent in Finland. The corresponding share for women varies from 68 per cent in Norway to 54 per cent in Iceland. If we connect this to the key challenges going forward concerning having a greater share of the population engage in work, these figures may indicate that there is a potential for increased participation in the labour force for women with good health who work part-time.

The results show that there is still lower participation in the labour force among those with impaired health and a low level of education than those with impaired health and a high level of education in all Nordic countries. This may indicate that measures aimed at extending people's working lives even if their health becomes impaired should be particularly directed towards people with a low level of education, because those with higher education and poor health already participate in the labour force to a greater extent. This can be a challenge as it is not unreasonable to imagine that those with a lower education work in occupations that may often be more physically demanding than those with a higher education, and that it may be more difficult to adjust the work if a person's health becomes impaired.

The trends in the underlying figures differ slightly in the different countries, but a general characteristic is that it can look as if the reduction in labour force participation for those with a low level of education and poor health compared with those with a high level of education and poor health is a little lower in 2010 than it was in 2006. We cannot comment on whether this is a permanent development or whether it may be a result of factors such as the financial crisis. Differing activation policies and other changes in the different countries with regard to welfare schemes may also play a role. For example the change in Iceland is due to it being particularly those with a high level of education and impaired health who reduced their participation in the labour force, while in Denmark those with a low level of education and impaired health increased their participation in the labour force.

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Appendix table

Appendix table 1.1 Different social expenses as a percentage of the total social expenses, Europe 2009

	Old age and survivor pension	Illness / Health services	Disability	Family / Children	Unemployment	Housing and social exclusion
Denmark	36.2	22.6	14.7	12.6	6.4	4.8
Finland	37.5	24.8	11.9	11.0	7.9	4.0
Iceland	23.4	35.6	14.0	12.5	6.8	6.7
Norway	30.5	32.1	16.8	12.3	2.8	3.4
Sweden	41.3	24.9	14.2	10.0	4.1	3.7
Germany	38.6	30.8	7.7	10.1	6.0	2.6
France	43.6	28.4	5.7	8.0	5.8	4.2
Great Britain	41.6	29.7	10.2	6.2	2.9	5.8
Ireland	23.9	38.4	4.8	13.1	11.0	3.3
Belgium	38.2	26.8	6.7	7.3	12.6	3.3
Luxembourg	35.6	25.0	11.2	17.5	5.5	3.5
The Netherlands	37.0	32.7	7.9	4.1	4.6	7.6
Austria	47.7	24.7	7.4	10.0	5.7	1.5
Bulgaria	50.1	22.8	8.1	11.6	3.0	1.2
The Czech Republic	44.3	31.3	7.5	7.1	5.1	1.5
Estonia	42.1	28.0	9.8	11.8	6.4	0.8
Latvia	46.5	23.3	7.7	10.3	9.4	1.6
Lithuania	42.6	25.4	9.8	13.3	4.2	1.8
Hungary	44.7	24.2	8.9	12.9	4.1	3.2
Poland	60.1	24.1	7.2	3.8	2.0	1.1
Romania	51.4	24.3	9.5	9.9	2.4	1.3
Slovenia	45.2	32.3	7.2	8.7	2.4	2.1
Slovakia	40.9	30.4	9.2	9.0	5.5	:
Greece	48.4	28.4	4.6	6.5	5.8	3.9
Spain	39.2	29.2	6.9	6.0	14.7	1.9
Italy	57.3	24.5	5.8	4.7	2.7	0.3
Portugal	48.2	27.0	8.0	5.5	5.1	1.3

Source: Eurostat, ESSPROS

Appendix table 1.2 Expenses for old age and survivor pensions at purchasing power parity per capita, share of GNP and share of total social expenses. Europe 2006-2009

	Purchasing power parity per capita				Share of GNP				Share of total social expenses			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
Denmark	3.163	3.267	3.412	3.433	10.8	10.7	11.1	12.1	36.9	37.1	37.4	36.2
Finland	2.610	2.775	2.857	3.047	9.7	9.5	9.6	11.3	36.6	37.3	36.8	37.5
Iceland	1.871	1.601	1.647	1.647	6.4	5.3	5.4	5.9	30.2	24.8	24.4	23.4
Norway	2.997	3.154	3.295	3.313	6.9	7.1	7.0	8.1	30.5	30.9	31.0	30.5
Sweden	3.418	3.633	3.733	3.721	11.8	11.6	12.1	13.3	38.7	39.8	41.1	41.3
Germany	3.241	3.289	3.282	3.286	11.9	11.4	11.3	12.1	41.1	41.0	40.6	38.6
France	3.364	3.549	3.584	3.620	13.2	13.2	13.5	14.4	42.6	43.1	43.7	43.6
Great Britain	3.230	2.525	3.123	3.217	11.3	8.7	11.0	12.2	43.6	37.4	41.7	41.6
Ireland	1.609	1.746	1.823	2.000	4.6	4.7	5.5	6.7	25.5	25.2	24.8	23.9
Belgium	2.954	2.949	3.114	3.189	10.6	10.2	10.8	11.6	39.2	38.1	38.3	38.2
Luxembourg	4.691	4.843	4.983	5.163	7.3	7.1	7.2	8.2	35.9	36.6	35.4	35.6
The Netherlands	3.391	3.599	3.621	3.586	10.9	10.9	10.9	11.7	38.0	38.5	38.1	37.0
Austria	3.968	4.082	4.210	4.301	13.3	13.2	13.6	14.7	47.2	47.6	47.7	47.7
Switzerland	4.086	4.452	4.473	:	12.7	12.7	12.5	:	45.5	46.5	47.3	:
Bulgaria	654	706	805	895	7.3	7.0	7.4	8.6	51.0	49.8	47.8	50.1
The Czech Republic	1.424	1.583	1.688	1.799	7.5	7.7	8.0	9.1	41.8	42.5	44.5	44.3
Estonia	844	918	1.089	1.207	5.4	5.2	6.3	8.1	44.6	43.2	42.5	42.1
Latvia	702	697	798	953	5.8	5.0	5.7	7.8	45.5	44.6	44.8	46.5
Lithuania	752	968	1.067	1.168	5.7	6.5	6.9	9.0	42.8	45.4	43.2	42.6
Hungary	1.386	1.501	1.632	1.570	9.3	9.8	10.2	10.5	41.4	43.1	44.5	44.7
Poland	1.414	1.456	1.529	1.688	11.5	10.7	10.9	11.8	59.5	59.0	58.5	60.1
Romania	520	624	832	960	5.7	6.0	7.1	8.8	44.7	44.4	50.0	51.4
Slovenia	2.095	2.152	2.189	2.271	10.1	9.7	9.6	11.0	44.5	45.7	45.0	45.2
Slovakia	1.035	1.145	1.195	1.324	6.9	6.7	6.6	7.7	42.3	42.1	41.1	40.9
Greece	2.697	2.825	2.977	2.946	12.4	12.6	12.9	13.5	50.0	50.6	49.1	48.4
Spain	2.082	2.222	2.308	2.389	8.4	8.5	8.9	9.8	41.1	41.0	40.3	39.2
Italy	3.809	4.032	4.178	4.170	15.5	15.6	16.1	17.1	58.1	58.3	57.9	57.3
Portugal	2.115	2.221	2.325	2.451	11.3	11.3	11.9	13.0	46.2	47.3	49.0	48.2

Source: Eurostat, ESSPROS

Appendix table 1.3 Expenses on illness and health services at purchasing power parity per capita, share of GNP and share of total social expenses. Europe 2006-2009

	Purchasing power parity per capita				Share of GNP				Share of total social expenses			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
Denmark	3.163	3.267	3.412	3.433	10.8	10.7	11.1	12.1	36.9	37.1	37.4	36.2
Finland	2.610	2.775	2.857	3.047	9.7	9.5	9.6	11.3	36.6	37.3	36.8	37.5
Iceland	1.871	1.601	1.647	1.647	6.4	5.3	5.4	5.9	30.2	24.8	24.4	23.4
Norway	2.997	3.154	3.295	3.313	6.9	7.1	7.0	8.1	30.5	30.9	31.0	30.5
Sweden	3.418	3.633	3.733	3.721	11.8	11.6	12.1	13.3	38.7	39.8	41.1	41.3
Germany	3.241	3.289	3.282	3.286	11.9	11.4	11.3	12.1	41.1	41.0	40.6	38.6
France	3.364	3.549	3.584	3.620	13.2	13.2	13.5	14.4	42.6	43.1	43.7	43.6
Great Britain	3.230	2.525	3.123	3.217	11.3	8.7	11.0	12.2	43.6	37.4	41.7	41.6
Ireland	1.609	1.746	1.823	2.000	4.6	4.7	5.5	6.7	25.5	25.2	24.8	23.9
Belgium	2.954	2.949	3.114	3.189	10.6	10.2	10.8	11.6	39.2	38.1	38.3	38.2
Luxembourg	4.691	4.843	4.983	5.163	7.3	7.1	7.2	8.2	35.9	36.6	35.4	35.6
The Netherlands	3.391	3.599	3.621	3.586	10.9	10.9	10.9	11.7	38.0	38.5	38.1	37.0
Austria	3.968	4.082	4.210	4.301	13.3	13.2	13.6	14.7	47.2	47.6	47.7	47.7
Switzerland	4.086	4.452	4.473	:	12.7	12.7	12.5	:	45.5	46.5	47.3	:
Bulgaria	654	706	805	895	7.3	7.0	7.4	8.6	51.0	49.8	47.8	50.1
The Czech Republic	1.424	1.583	1.688	1.799	7.5	7.7	8.0	9.1	41.8	42.5	44.5	44.3
Estonia	844	918	1.089	1.207	5.4	5.2	6.3	8.1	44.6	43.2	42.5	42.1
Latvia	702	697	798	953	5.8	5.0	5.7	7.8	45.5	44.6	44.8	46.5
Lithuania	752	968	1.067	1.168	5.7	6.5	6.9	9.0	42.8	45.4	43.2	42.6
Hungary	1.386	1.501	1.632	1.570	9.3	9.8	10.2	10.5	41.4	43.1	44.5	44.7
Poland	1.414	1.456	1.529	1.688	11.5	10.7	10.9	11.8	59.5	59.0	58.5	60.1
Romania	520	624	832	960	5.7	6.0	7.1	8.8	44.7	44.4	50.0	51.4
Slovenia	2.095	2.152	2.189	2.271	10.1	9.7	9.6	11.0	44.5	45.7	45.0	45.2
Slovakia	1.035	1.145	1.195	1.324	6.9	6.7	6.6	7.7	42.3	42.1	41.1	40.9
Greece	2.697	2.825	2.977	2.946	12.4	12.6	12.9	13.5	50.0	50.6	49.1	48.4
Spain	2.082	2.222	2.308	2.389	8.4	8.5	8.9	9.8	41.1	41.0	40.3	39.2
Italy	3.809	4.032	4.178	4.170	15.5	15.6	16.1	17.1	58.1	58.3	57.9	57.3
Portugal	2.115	2.221	2.325	2.451	11.3	11.3	11.9	13.0	46.2	47.3	49.0	48.2

Source: Eurostat, ESSPROS

Appendix table 1.4 Expenses for disability at purchasing power parity per capita, share of GNP and share of total social expenses. Europe 2006-2009

	Purchasing power parity per capita				Share of GNP				Share of total social expenses			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
Denmark	1.245	1.286	1.350	1.396	4.2	4.2	4.4	4.9	14.5	14.6	14.8	14.7
Finland	874	909	950	968	3.2	3.1	3.2	3.6	12.3	12.2	12.2	11.9
Iceland	955	843	935	984	3.3	2.8	3.0	3.5	15.4	13.1	13.8	14.0
Norway	1.812	1.865	1.823	1.823	4.2	4.2	3.9	4.4	18.5	18.3	17.2	16.8
Sweden	1.318	1.380	1.324	1.275	4.5	4.4	4.3	4.5	14.9	15.1	14.6	14.2
Germany	632	638	654	658	2.3	2.2	2.3	2.4	8.0	8.0	8.1	7.7
France	450	475	467	470	1.8	1.8	1.8	1.9	5.7	5.8	5.7	5.7
Great Britain	689	715	783	788	2.4	2.5	2.7	3.0	9.3	10.6	10.5	10.2
Ireland	312	356	381	404	0.9	1.0	1.1	1.3	4.9	5.1	5.2	4.8
Belgium	512	516	543	561	1.8	1.8	1.9	2.0	6.8	6.7	6.7	6.7
Luxembourg	1.688	1.603	1.597	1.618	2.6	2.3	2.3	2.6	12.9	12.1	11.3	11.2
The Netherlands	732	795	791	769	2.4	2.4	2.4	2.5	8.2	8.5	8.3	7.9
Austria	679	665	661	668	2.3	2.2	2.1	2.3	8.1	7.8	7.5	7.4
Switzerland	1.041	1.094	1.114	:	3.2	3.1	3.1	:	11.6	11.4	11.8	:
Bulgaria	114	114	125	144	1.3	1.1	1.2	1.4	8.9	8.0	7.4	8.1
The Czech Republic	282	296	300	304	1.5	1.4	1.4	1.5	8.3	7.9	7.9	7.5
Estonia	177	196	249	282	1.1	1.1	1.4	1.9	9.4	9.2	9.7	9.8
Latvia	106	103	129	157	0.9	0.7	0.9	1.3	6.9	6.6	7.2	7.7
Lithuania	178	214	249	269	1.4	1.4	1.6	2.1	10.1	10.0	10.1	9.8
Hungary	322	330	337	314	2.2	2.1	2.1	2.1	9.6	9.5	9.2	8.9
Poland	231	231	226	204	1.9	1.7	1.6	1.4	9.7	9.4	8.6	7.2
Romania	98	131	162	177	1.1	1.3	1.4	1.6	8.5	9.3	9.7	9.5
Slovenia	389	374	375	361	1.9	1.7	1.6	1.7	8.3	7.9	7.7	7.2
Slovakia	200	223	254	297	1.3	1.3	1.4	1.7	8.2	8.2	8.7	9.2
Greece	249	267	275	282	1.1	1.2	1.2	1.3	4.6	4.8	4.5	4.6
Spain	376	399	410	418	1.5	1.5	1.6	1.7	7.4	7.4	7.2	6.9
Italy	372	397	408	424	1.5	1.5	1.6	1.7	5.7	5.7	5.7	5.8
Portugal	426	443	417	407	2.3	2.3	2.1	2.2	9.3	9.4	8.8	8.0

Source: Eurostat, ESSPROS

Appendix table 1.5 Expenses for unemployment at purchasing power parity per capita, share of GNP and share of total social expenses. Europe 2006-2009

	Purchasing power parity per capita				Share of GNP				Share of total social expenses			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
Denmark	602	484	431	609	2.1	1.6	1.4	2.1	7.0	5.5	4.7	6.4
Finland	590	560	535	644	2.2	1.9	1.8	2.4	8.3	7.5	6.9	7.9
Iceland	84	71	113	476	0.3	0.2	0.4	1.7	1.4	1.1	1.7	6.8
Norway	170	129	195	301	0.4	0.3	0.4	0.7	1.7	1.3	1.8	2.8
Sweden	473	339	268	365	1.6	1.1	0.9	1.3	5.4	3.7	3.0	4.1
Germany	505	447	417	514	1.8	1.5	1.4	1.9	6.4	5.6	5.2	6.0
France	501	481	450	484	2.0	1.8	1.7	1.9	6.3	5.8	5.5	5.8
Great Britain	180	149	168	222	0.6	0.5	0.6	0.8	2.4	2.2	2.2	2.9
Ireland	443	502	602	924	1.3	1.4	1.8	3.1	7.0	7.2	8.2	11.0
Belgium	951	945	954	1.052	3.4	3.3	3.3	3.8	12.6	12.2	11.7	12.6
Luxembourg	628	635	632	795	1.0	0.9	0.9	1.3	4.8	4.8	4.5	5.5
The Netherlands	421	376	346	444	1.4	1.1	1.0	1.4	4.7	4.0	3.6	4.6
Austria	476	443	427	517	1.6	1.4	1.4	1.8	5.7	5.2	4.8	5.7
Switzerland	316	270	230	:	1.0	0.8	0.6	:	3.5	2.8	2.4	:
Bulgaria	27	28	38	54	0.3	0.3	0.3	0.5	2.1	1.9	2.2	3.0
The Czech Republic	105	124	129	209	0.6	0.6	0.6	1.1	3.1	3.3	3.4	5.1
Estonia	17	24	52	183	0.1	0.1	0.3	1.2	0.9	1.1	2.0	6.4
Latvia	63	57	72	193	0.5	0.4	0.5	1.6	4.1	3.7	4.0	9.4
Lithuania	52	57	60	116	0.4	0.4	0.4	0.9	3.0	2.7	2.4	4.2
Hungary	101	118	133	145	0.7	0.8	0.8	1.0	3.0	3.4	3.6	4.1
Poland	70	54	50	56	0.6	0.4	0.4	0.4	2.9	2.2	1.9	2.0
Romania	30	28	24	44	0.3	0.3	0.2	0.4	2.6	2.0	1.4	2.4
Slovenia	127	94	86	123	0.6	0.4	0.4	0.6	2.7	2.0	1.8	2.4
Slovakia	80	95	109	178	0.5	0.6	0.6	1.0	3.2	3.5	3.8	5.5
Greece	242	245	296	350	1.1	1.1	1.3	1.6	4.5	4.4	4.9	5.8
Spain	520	539	649	893	2.1	2.1	2.5	3.7	10.3	10.0	11.3	14.7
Italy	127	117	133	195	0.5	0.5	0.5	0.8	1.9	1.7	1.8	2.7
Portugal	237	225	204	258	1.3	1.1	1.0	1.4	5.2	4.8	4.3	5.1

Source: Eurostat, ESSPROS

Appendix table 1.6 Expenses for family and children at purchasing power parity per capita, share of GNP and share of total social expenses. Europe 2006-2009

	Purchasing power parity per capita				Share of GNP				Share of total social expenses			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
Denmark	1.097	1.122	1.171	1.193	3.7	3.7	3.8	4.2	12.8	12.7	12.8	12.6
Finland	797	839	872	890	3.0	2.9	2.9	3.3	11.2	11.3	11.2	11.0
Iceland	908	862	898	880	3.1	2.9	2.9	3.2	14.6	13.3	13.3	12.5
Norway	1.199	1.267	1.310	1.335	2.8	2.8	2.8	3.2	12.2	12.4	12.3	12.3
Sweden	867	914	931	902	3.0	2.9	3.0	3.2	9.8	10.0	10.2	10.0
Germany	788	811	829	860	2.9	2.8	2.9	3.2	10.0	10.1	10.2	10.1
France	641	667	659	665	2.5	2.5	2.5	2.6	8.1	8.1	8.0	8.0
Great Britain	431	464	480	482	1.5	1.6	1.7	1.8	5.8	6.9	6.4	6.2
Ireland	858	954	1.028	1.098	2.5	2.6	3.1	3.7	13.6	13.8	14.0	13.1
Belgium	564	598	595	611	2.0	2.1	2.1	2.2	7.5	7.7	7.3	7.3
Luxembourg	2.164	2.160	2.739	2.537	3.4	3.1	3.9	4.0	16.6	16.3	19.4	17.5
The Netherlands	456	516	394	398	1.5	1.6	1.2	1.3	5.1	5.5	4.1	4.1
Austria	848	842	878	901	2.8	2.7	2.8	3.1	10.1	9.8	10.0	10.0
Switzerland	412	435	449	:	1.3	1.2	1.3	:	4.6	4.5	4.7	:
Bulgaria	92	119	141	207	1.0	1.2	1.3	2.0	7.2	8.4	8.4	11.6
The Czech Republic	249	331	293	286	1.3	1.6	1.4	1.4	7.3	8.9	7.7	7.1
Estonia	227	243	304	338	1.5	1.4	1.8	2.3	12.0	11.4	11.9	11.8
Latvia	147	163	195	211	1.2	1.2	1.4	1.7	9.5	10.4	11.0	10.3
Lithuania	150	179	287	365	1.1	1.2	1.9	2.8	8.5	8.4	11.6	13.3
Hungary	422	437	459	454	2.8	2.8	2.9	3.0	12.6	12.5	12.5	12.9
Poland	101	108	103	107	0.8	0.8	0.7	0.8	4.2	4.4	3.9	3.8
Romania	159	173	174	185	1.8	1.7	1.5	1.7	13.7	12.3	10.4	9.9
Slovenia	394	382	405	436	1.9	1.7	1.8	2.1	8.4	8.1	8.3	8.7
Slovakia	247	263	268	291	1.6	1.5	1.5	1.7	10.1	9.6	9.2	9.0
Greece	323	336	367	398	1.5	1.5	1.6	1.8	6.0	6.0	6.1	6.5
Spain	298	329	353	368	1.2	1.3	1.4	1.5	5.9	6.1	6.2	6.0
Italy	283	317	326	342	1.2	1.2	1.3	1.4	4.3	4.6	4.5	4.7
Portugal	221	234	248	282	1.2	1.2	1.3	1.5	4.8	5.0	5.2	5.5

Source: Eurostat, ESSPROS

Appendix table 1.7 Expenses for housing and social exclusion at purchasing power parity per capita, share of GNP and share of total social expenses. Europe 2006-2009

	Purchasing power parity per capita				Share of GNP				Share of total social expenses			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
Denmark	439	437	451	460	1.5	1.4	1.5	1.6	5.1	5.0	4.9	4.8
Finland	223	231	293	323	0.8	0.8	1.0	1.2	3.1	3.1	3.8	4.0
Iceland	169	358	381	470	0.6	1.2	1.2	1.7	2.7	5.5	5.6	6.7
Norway	319	320	353	370	0.7	0.7	0.7	0.9	3.2	3.1	3.3	3.4
Sweden	320	331	332	333	1.1	1.1	1.1	1.2	3.6	3.6	3.6	3.7
Germany	224	226	215	224	0.8	0.8	0.7	0.8	2.8	2.8	2.7	2.6
France	315	326	330	352	1.2	1.2	1.2	1.4	4.0	4.0	4.0	4.2
Great Britain	462	398	406	447	1.6	1.4	1.4	1.7	6.2	5.9	5.4	5.8
Ireland	239	258	283	278	0.7	0.7	0.8	0.9	3.8	3.7	3.8	3.3
Belgium	168	233	277	279	0.6	0.8	1.0	1.0	2.2	3.0	3.4	3.3
Luxembourg	375	379	402	512	0.6	0.6	0.6	0.8	2.9	2.9	2.9	3.5
The Netherlands	637	680	703	740	2.1	2.1	2.1	2.4	7.1	7.3	7.4	7.6
Austria	125	130	135	134	0.4	0.4	0.4	0.5	1.5	1.5	1.5	1.5
Switzerland	286	286	270	:	0.9	0.8	0.8	:	3.2	3.0	2.9	:
Bulgaria	31	34	38	22	0.3	0.3	0.3	0.2	2.4	2.4	2.2	1.2
The Czech Republic	105	54	47	62	0.6	0.3	0.2	0.3	3.1	1.4	1.2	1.5
Estonia	19	16	17	22	0.1	0.1	0.1	0.1	1.0	0.8	0.7	0.8
Latvia	27	33	40	33	0.2	0.2	0.3	0.3	1.7	2.1	2.2	1.6
Lithuania	27	27	30	50	0.2	0.2	0.2	0.4	1.6	1.2	1.2	1.8
Hungary	101	163	137	114	0.7	1.1	0.9	0.8	3.0	4.7	3.7	3.2
Poland	41	35	31	30	0.3	0.3	0.2	0.2	1.7	1.4	1.2	1.1
Romania	27	46	38	25	0.3	0.4	0.3	0.2	2.3	3.2	2.3	1.3
Slovenia	115	110	100	108	0.6	0.5	0.4	0.5	2.5	2.3	2.0	2.1
Slovakia	:	:	:	73	:	:	:	:	:	:	:	:
Greece	237	237	246	235	1.1	1.1	1.1	1.1	4.4	4.2	4.1	3.9
Spain	101	115	110	113	0.4	0.4	0.4	0.5	2.0	2.1	1.9	1.9
Italy	18	19	20	24	0.1	0.1	0.1	0.1	0.3	0.3	0.3	0.3
Portugal	50	54	55	64	0.3	0.3	0.3	0.3	1.1	1.2	1.2	1.3

Source: Eurostat, ESSPROS

Appendix table 3.1 Share of people under the low income threshold for risk of poverty after social transfers, by gender. Europe 2006-2010

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	11.7	11.4	12.0	11.7	11.3	12.0	11.8	11.7	12.0	13.1	12.8	13.4	13.3	13.1	13.4
Finland	12.6	12.0	13.1	13.0	12.1	13.8	13.6	12.7	14.5	13.8	12.9	14.7	13.1	12.4	13.8
Iceland	9.6	9.1	10.2	10.1	9.1	11.0	10.1	9.5	10.7	10.2	9.3	11.1	9.8	9.8	9.8
Norway	12.3	11.5	13.2	11.9	10.3	13.4	11.4	9.9	12.9	11.7	10.1	13.2	11.2	10.1	12.2
Sweden	12.3	12.3	12.3	10.5	10.5	10.6	12.2	11.3	13.0	13.3	12.0	14.5	12.9	11.4	14.3
Germany	12.5	12.1	13.0	15.2	14.1	16.3	15.2	14.2	16.2	15.5	14.7	16.3	15.6	14.9	16.4
France	13.2	12.3	14.0	13.1	12.8	13.4	12.7	11.9	13.4	12.9	12.0	13.7	13.5	12.8	14.1
Great Britain	19.0	18.0	19.9	18.6	17.6	19.6	18.7	17.4	20.0	17.3	16.7	17.8	17.1	16.4	17.8
Ireland	18.5	17.5	19.5	17.2	16.0	18.5	15.5	14.5	16.4	15.0	14.9	15.1	16.1	15.9	16.2
Belgium	14.7	13.7	15.6	15.2	14.4	15.9	14.7	13.6	15.9	14.6	13.4	15.7	14.6	13.9	15.2
Luxembourg	14.1	13.8	14.3	13.5	12.9	14.1	13.4	12.5	14.3	14.9	13.8	16.0	14.5	14.6	14.4
The Netherlands	9.7	9.5	9.9	10.2	9.6	10.7	10.5	10.5	10.4	11.1	10.8	11.3	10.3	9.7	10.8
Austria	12.6	11.0	14.0	12.0	10.6	13.3	12.4	11.2	13.5	12.0	10.7	13.2	12.1	10.7	13.5
Switzerland	:	:	:	:	:	:	16.2	14.5	18.0	15.1	13.5	16.7	15.0	13.8	16.1
Bulgaria	18.4	17.3	19.3	22.0	20.9	23.0	21.4	19.8	22.9	21.8	19.8	23.7	20.7	19.0	22.3
The Czech Republic	9.9	8.9	10.8	9.6	8.7	10.5	9.0	8.0	10.1	8.6	7.5	9.5	9.0	8.0	10.0
Estonia	18.3	16.3	19.9	19.4	16.7	21.7	19.5	16.5	22.0	19.7	17.5	21.6	15.8	15.4	16.2
Latvia	23.1	21.1	24.8	21.2	19.3	22.7	25.6	23.1	27.7	25.7	24.2	27.0	21.3	21.7	21.0
Lithuania	20.0	19.1	20.8	19.1	16.7	21.2	20.0	17.6	22.0	20.6	19.1	21.9	20.2	20.7	19.8
Hungary	15.9	16.3	15.5	12.3	12.3	12.3	12.4	12.4	12.4	12.4	12.8	12.1	12.3	12.6	12.0
Poland	19.1	19.7	18.5	17.3	17.6	17.1	16.9	17.0	16.7	17.1	16.9	17.4	17.6	17.4	17.7
Romania	:	:	:	24.8	24.3	25.3	23.4	22.4	24.3	22.4	21.4	23.4	21.1	20.7	21.4
Slovenia	11.6	10.3	12.9	11.5	10.0	12.9	12.3	11.0	13.6	11.3	9.8	12.8	12.7	11.3	14.1
Slovakia	11.6	11.8	11.5	10.6	10.2	11.0	10.9	10.1	11.5	11.0	10.1	11.8	12.0	11.7	12.2
Greece	20.5	19.5	21.4	20.3	19.6	20.9	20.1	19.6	20.7	19.7	19.1	20.2	20.1	19.3	20.9
Spain	19.9	18.5	21.3	19.7	18.5	20.9	19.6	18.3	21.0	19.5	18.3	20.6	20.7	20.1	21.3
Italy	19.6	18.0	21.1	19.9	18.4	21.3	18.7	17.1	20.1	18.4	17.0	19.8	18.2	16.8	19.5
Portugal	18.5	17.7	19.1	18.1	17.2	19.0	18.5	17.9	19.1	17.9	17.3	18.4	17.9	17.3	18.4

Appendix table 3.2 Share of people under the low income threshold for risk of poverty before social transfers¹. Europe 2006-2010

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	28.0	27.0	29.0	27.1	25.6	28.7	27.8	26.1	29.4	31.2	29.6	32.8	29.1	28.0	30.1
Finland	28.6	27.6	29.5	28.9	27.2	30.6	27.3	25.8	28.6	26.2	24.8	27.6	27.0	26.0	28.0
Iceland	18.5	17.6	19.3	18.2	16.9	19.4	19.0	18.4	19.7	19.7	18.5	20.9	22.8	22.1	23.5
Norway	32.6	30.8	34.4	27.7	25.7	29.8	25.6	23.6	27.6	25.2	23.3	27.2	26.6	24.9	28.4
Sweden	29.0	27.5	30.4	27.5	25.8	29.2	28.5	26.6	30.3	26.6	24.4	28.7	26.7	24.6	28.7
Germany	25.7	25.2	26.2	24.8	23.6	26.0	24.2	23.1	25.2	24.1	23.2	25.0	24.2	23.4	25.1
France	24.9	23.9	25.8	26.4	26.0	26.8	22.8	22.0	23.6	23.8	22.9	24.6	25.0	24.4	25.6
Great Britain	30.1	28.0	32.0	29.7	27.8	31.5	28.9	27.0	30.7	30.4	28.9	31.9	31.0	29.4	32.7
Ireland	32.8	31.0	34.6	33.1	30.9	35.3	34.0	32.2	35.7	37.5	35.7	39.2	40.4	39.6	41.3
Belgium	26.8	25.7	27.8	27.5	26.4	28.5	27.0	26.0	28.0	26.7	25.9	27.5	26.7	25.8	27.5
Luxembourg	23.6	23.8	23.4	23.4	22.7	24.1	23.6	23.1	24.0	27.0	26.6	27.4	29.1	29.2	28.9
The Netherlands	21.0	20.0	22.0	20.6	19.5	21.7	19.9	19.1	20.7	20.5	20.1	20.9	21.1	20.5	21.7
Austria	25.1	23.8	26.3	24.7	23.5	26.0	24.5	23.4	25.5	24.1	23.1	25.0	24.1	23.1	25.0
Switzerland	:	:	:	:	:	:	22.6	20.9	24.2	22.1	20.6	23.6	22.9	21.7	24.1
Bulgaria	24.7	23.2	26.1	25.5	24.5	26.5	27.1	25.5	28.5	26.4	24.5	28.2	27.1	25.4	28.8
The Czech Republic	21.6	21.2	22.0	20.1	19.3	20.9	20.0	18.8	21.2	17.9	16.9	18.9	18.1	17.0	19.1
Estonia	24.6	23.0	26.0	25.2	22.7	27.4	24.7	21.8	27.2	25.9	23.6	27.7	24.9	25.1	24.8
Latvia	27.8	25.8	29.6	27.2	25.0	29.1	30.2	28.0	32.1	30.3	28.9	31.6	29.1	29.2	29.0
Lithuania	26.6	25.5	27.5	25.5	23.5	27.2	27.2	25.4	28.8	29.4	28.6	30.2	31.8	32.1	31.6
Hungary	29.6	30.2	29.0	29.3	29.9	28.8	30.4	31.1	29.7	28.9	29.4	28.4	28.4	28.9	28.0
Poland	28.6	29.6	27.7	26.5	27.0	26.1	25.1	25.4	24.8	23.6	23.4	23.7	24.4	24.6	24.3
Romania	:	:	:	30.9	30.4	31.5	30.7	29.9	31.6	29.1	28.5	29.6	27.5	27.5	27.5
Slovenia	24.2	22.9	25.3	23.1	21.1	24.9	23.0	21.4	24.5	22.0	20.3	23.7	24.2	23.0	25.4
Slovakia	20.0	20.1	19.9	18.2	17.5	18.8	18.4	17.7	18.9	17.1	16.3	17.8	19.8	19.9	19.7
Greece	23.4	22.1	24.7	23.7	22.7	24.7	23.3	22.3	24.3	22.7	21.6	23.7	23.8	22.7	24.9
Spain	23.9	22.5	25.3	23.9	22.6	25.1	24.1	22.9	25.3	24.4	23.4	25.4	28.1	27.7	28.5
Italy	23.9	22.3	25.5	24.1	22.6	25.4	23.4	21.9	24.8	23.2	21.8	24.5	23.3	21.9	24.7
Portugal	25.1	24.5	25.7	24.2	23.6	24.8	24.9	24.2	25.5	24.3	23.9	24.8	26.4	26.1	26.7

1 Pensions not included in social transfers

Source: Eurostat, EU-SILC

Appendix table 4.1 Share of employed 15-64 year olds by gender, Europe, 2006-2010

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	77.4	81.2	73.4	77.1	81.0	73.2	77.9	81.9	73.9	75.7	78.3	73.1	73.4	75.8	71.1
Finland	69.3	71.4	67.3	70.3	72.1	68.5	71.1	73.1	69.0	68.7	69.5	67.9	68.1	69.4	66.9
Iceland	84.6	88.1	80.8	85.1	89.1	80.8	83.6	87.3	79.6	78.3	80.0	76.5	78.2	80.1	76.2
Norway	75.4	78.4	72.2	76.8	79.5	74.0	78.0	80.5	75.4	76.4	78.3	74.4	75.3	77.3	73.3
Sweden	73.1	75.5	70.7	74.2	76.5	71.8	74.3	76.7	71.8	72.2	74.2	70.2	72.7	75.1	70.3
Germany	67.5	72.8	62.2	69.4	74.7	64.0	70.7	75.9	65.4	70.9	75.6	66.2	71.1	76.0	66.1
France	63.7	68.9	58.6	64.3	69.2	59.7	64.9	69.6	60.4	64.1	68.4	60.0	64.0	68.3	59.9
Great Britain	71.6	77.5	65.8	71.5	77.5	65.5	71.5	77.3	65.8	69.9	74.8	65.0	69.5	74.5	64.6
Ireland	68.7	77.9	59.3	69.2	77.5	60.6	67.6	74.9	60.2	61.8	66.3	57.4	60.0	63.9	56.0
Belgium	61.0	67.9	54.0	62.0	68.7	55.3	62.4	68.6	56.2	61.6	67.2	56.0	62.0	67.4	56.5
Luxembourg	63.6	72.6	54.6	64.2	72.3	56.1	63.4	71.5	55.1	65.2	73.2	57.0	65.2	73.1	57.2
The Netherlands	74.3	80.9	67.7	76.0	82.2	69.6	77.2	83.2	71.1	77.0	82.4	71.5	74.7	80.0	69.3
Austria	70.2	76.9	63.5	71.4	78.4	64.4	72.1	78.5	65.8	71.6	76.9	66.4	71.7	77.1	66.4
Switzerland	77.9	84.7	71.1	78.6	85.6	71.6	79.5	85.4	73.5	79.0	84.4	73.6	78.6	84.6	72.5
Bulgaria	58.6	62.8	54.6	61.7	66.0	57.6	64.0	68.5	59.5	62.6	66.9	58.3	59.7	63.0	56.4
The Czech Republic	65.3	73.7	56.8	66.1	74.8	57.3	66.6	75.4	57.6	65.4	73.8	56.7	65.0	73.5	56.3
Estonia	68.1	71.0	65.3	69.4	73.2	65.9	69.8	73.6	66.3	63.5	64.1	63.0	61.0	61.5	60.6
Latvia	66.3	70.4	62.4	68.3	72.5	64.4	68.6	72.1	65.4	60.9	61.0	60.9	59.3	59.2	59.4
Lithuania	63.6	66.3	61.0	64.9	67.9	62.2	64.3	67.1	61.8	60.1	59.5	60.7	57.8	56.8	58.7
Hungary	57.3	63.8	51.1	57.3	64.0	50.9	56.7	63.0	50.6	55.4	61.1	49.9	55.4	60.4	50.6
Poland	54.5	60.9	48.2	57.0	63.6	50.6	59.2	66.3	52.4	59.3	66.1	52.8	59.3	65.6	53.0
Romania	58.8	64.6	53.0	58.8	64.8	52.8	59.0	65.7	52.5	58.6	65.2	52.0	58.8	65.7	52.0
Slovenia	66.6	71.1	61.8	67.8	72.7	62.6	68.6	72.7	64.2	67.5	71.0	63.8	66.2	69.6	62.6
Slovakia	59.4	67.0	51.9	60.7	68.4	53.0	62.3	70.0	54.6	60.2	67.6	52.8	58.8	65.2	52.3
Greece	61.0	74.6	47.4	61.4	74.9	47.9	61.9	75.0	48.7	61.2	73.5	48.9	59.6	70.9	48.1
Spain	64.8	76.1	53.2	65.6	76.2	54.7	64.3	73.5	54.9	59.8	66.6	52.8	58.6	64.7	52.3
Italy	58.4	70.5	46.3	58.7	70.7	46.6	58.7	70.3	47.2	57.5	68.6	46.4	56.9	67.7	46.1
Portugal	67.9	73.9	62.0	67.8	73.8	61.9	68.2	74.0	62.5	66.3	71.1	61.6	65.6	70.1	61.1

Source: Eurostat (Labour Force Survey)

Appendix table 4.2 Shares of unemployed as a share of the labour force by gender, Europe, 2006-2010

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	3.9	3.3	4.5	3.8	3.5	4.2	3.3	3.0	3.7	6.0	6.5	5.4	7.4	8.2	6.6
Finland	7.7	7.4	8.1	6.9	6.5	7.2	6.4	6.1	6.7	8.2	8.9	7.6	8.4	9.1	7.6
Iceland	2.9	2.7	3.1	2.3	2.3	2.3	3.0	3.3	2.6	7.2	8.6	5.7	7.6	8.3	6.8
Norway	3.4	3.5	3.3	2.5	2.6	2.5	2.5	2.7	2.3	3.1	3.6	2.6	3.5	4.0	3.0
Sweden	7.1	6.9	7.2	6.1	5.9	6.5	6.2	5.9	6.6	8.3	8.6	8.0	8.4	8.5	8.2
Germany	10.3	10.3	10.2	8.7	8.6	8.8	7.5	7.4	7.7	7.8	8.1	7.3	7.1	7.5	6.6
France	9.2	8.5	10.1	8.4	7.8	9.0	7.8	7.3	8.4	9.5	9.3	9.8	9.8	9.4	10.2
Great Britain	5.4	5.8	4.9	5.3	5.6	5.0	5.6	6.1	5.1	7.6	8.6	6.4	7.8	8.6	6.8
Ireland	4.5	4.6	4.2	4.6	4.9	4.1	6.3	7.4	4.9	11.9	14.9	8.0	13.7	16.9	9.7
Belgium	8.3	7.4	9.3	7.5	6.7	8.5	7.0	6.5	7.6	7.9	7.8	8.1	8.3	8.1	8.5
Luxembourg	4.6	3.6	6.0	4.2	3.4	5.1	4.9	4.1	5.9	5.1	4.5	5.9	4.5	3.9	5.3
The Netherlands	4.4	3.9	5.0	3.6	3.1	4.1	3.1	2.8	3.4	3.7	3.7	3.8	4.5	4.4	4.5
Austria	4.8	4.3	5.2	4.4	3.9	5.0	3.8	3.6	4.1	4.8	5.0	4.6	4.4	4.6	4.2
Switzerland	9.0	8.7	9.3	6.9	6.5	7.3	5.6	5.5	5.8	6.8	7.0	6.6	10.2	10.9	9.5
Bulgaria	7.2	5.8	8.9	5.3	4.2	6.7	4.4	3.5	5.6	6.7	5.9	7.7	7.3	6.4	8.5
The Czech Republic	5.9	6.2	5.6	4.7	5.4	3.9	5.5	5.8	5.3	13.8	16.9	10.6	16.9	19.5	14.3
Estonia	6.8	7.4	6.2	6.0	6.4	5.6	7.5	8.0	6.9	17.1	20.3	13.9	18.7	21.7	15.7
Latvia	5.6	5.8	5.4	4.3	4.3	4.3	5.8	6.1	5.6	13.7	17.1	10.4	17.8	21.2	14.5
Lithuania	7.5	7.2	7.8	7.4	7.1	7.7	7.8	7.6	8.1	10.0	10.3	9.7	11.2	11.6	10.7
Hungary	13.9	13.0	14.9	9.6	9.0	10.4	7.1	6.4	8.0	8.2	7.8	8.7	9.6	9.3	10.0
Poland	7.3	8.2	6.1	6.4	7.2	5.4	5.8	6.7	4.7	6.9	7.7	5.8	7.3	7.9	6.5
Romania	6.0	4.9	7.2	4.9	4.0	5.9	4.4	4.0	4.8	5.9	5.9	5.8	7.3	7.5	7.1
Slovenia	13.4	12.3	14.7	11.1	9.9	12.7	9.5	8.4	10.9	12.0	11.4	12.8	14.4	14.2	14.6
Slovakia	8.9	5.6	13.6	8.3	5.2	12.8	7.7	5.1	11.4	9.5	6.9	13.2	12.6	9.9	16.2
Greece	8.5	6.3	11.6	8.3	6.4	10.9	11.3	10.1	13.0	18.0	17.7	18.4	20.1	19.7	20.5
Spain	6.8	5.4	8.8	6.1	4.9	7.9	6.7	5.5	8.5	7.8	6.8	9.3	8.4	7.6	9.7
Italy	8.6	7.9	9.3	8.9	8.0	10.0	8.5	7.9	9.2	10.6	10.7	10.5	12.0	11.8	12.2
Portugal	3.9	3.3	4.5	3.8	3.5	4.2	3.3	3.0	3.7	6.0	6.5	5.4	7.4	8.2	6.6

Source: Eurostat / Statistics Iceland

Appendix table 4.3 Marginalisation in Europe, people aged 20-64, 2006-2010. Per cent of total

	2006	2007	2008	2009	2010
Denmark	2.3	1.5	1.1	0.9	2.0
Finland	5.8	5.9	5.7	5.9	6.5
Iceland	1.3	1.1	2.1	1.5	3.8
Norway	2.3	1.9	1.8	1.9	1.5
Sweden	2.1	2.0	2.1	2.6	2.6
France	3.3	3.6			3.7
Great Britain	1.0	0.8	2.2	2.5	2.0
Ireland	2.6	2.8	2.6	0.0	
Belgium	2.6	2.9	2.5	2.1	2.6
Luxembourg	2.8	2.6	3.1	2.2	2.5
The Netherlands	3.2	6.1	5.1	3.0	3.5
Austria	3.1	3.2	3.1	2.5	3.4
Switzerland				2.9	3.8
Bulgaria		4.7	3.9	3.4	3.5
The Czech Republic	2.4	3.1	2.5	2.6	4.0
Estonia	4.1	3.8	3.7	4.5	6.9
Latvia	3.1	2.8	3.5	3.2	6.6
Lithuania	4.2	4.0	2.6	2.9	4.6
Hungary	4.3	3.9	4.0	3.3	4.3
Poland	4.4	4.1	3.5	2.7	3.3
Romania		0.6	0.8	0.6	0.7
Slovakia	2.7	1.7	1.5	1.9	3.4
Greece	3.0	2.7	2.7	2.1	2.8
Spain	3.3	3.6	3.5	4.4	5.3
Italy	4.2	1.9	2.5	1.6	2.4
Portugal	3.1	3.0	2.9	2.7	2.7

Source: EU-SILC 2006-2010. User Data Base

**Appendix table 4.4 Exclusion in Europe, people aged 20-64, 2006-2010.
Per cent of total**

	2006	2007	2008	2009	2010
Denmark	2.9	2.6	2.1	1.4	2.5
Finland	5.1	5.2	4.6	4.6	5.6
Iceland	1.5	1.1	1.3	1.7	2.3
Norway	2.0	1.9	1.5	1.7	1.5
Sweden	2.0	2.0	2.0	2.0	2.3
France	8.3	7.8			6.5
Great Britain	10.3	9.2	9.0	11.3	11.4
Ireland	17.4	15.7	18.4	21.5	
Belgium	15.7	15.0	15.5	12.7	13.2
Luxembourg	14.0	14.6	13.9	14.8	13.3
The Netherlands	10.9	10.1	8.7	8.0	8.3
Austria	10.6	10.4	9.9	8.6	8.3
Switzerland				5.6	6.0
Bulgaria		15.4	10.0	10.7	9.3
The Czech Republic	11.1	10.5	9.8	8.7	9.1
Estonia	6.8	5.8	4.9	5.8	8.1
Latvia	9.6	6.7	6.5	7.8	10.8
Lithuania	8.3	6.6	5.7	7.4	9.7
Hungary	8.1	7.5	8.5	8.4	9.2
Poland	14.5	12.4	11.0	10.6	11.0
Romania		13.2	12.9	12.7	13.2
Slovakia	8.0	6.9	5.9	6.9	9.7
Greece	19.0	18.3	17.5	16.3	17.5
Spain	17.5	16.1	14.4	15.6	17.8
Italy	17.5	17.7	16.8	16.8	17.5
Portugal	12.9	12.7	12.2	13.0	13.9

Source: EU-SILC 2006-2010, User Data Base

Appendix table 4.5 Disabled or unable to work in Europe, people aged 20-64, 2006-2010. Per cent of total

	2006	2007	2008	2009	2010
Denmark	4.3	4.5	4.7	4.7	5.0
Finland	5.3	5.5	5.2	5.4	4.5
Iceland	2.2	2.1	2.4	2.0	2.9
Norway	5.1	5.3	4.5	4.7	5.0
Sweden	3.8	3.9	2.8	2.6	3.1
France	3.4	3.0			2.9
Great Britain	5.2	5.0	4.4	5.1	5.3
Ireland	4.7	4.4	5.1	5.3	
Belgium	3.8	4.0	1.5	4.2	4.4
Luxembourg	3.0	2.6	2.7	2.4	2.7
The Netherlands	4.0	4.2	4.0	3.9	3.4
Austria	0.3	0.4	0.7	0.8	0.8
Switzerland				1.4	1.3
Bulgaria		2.0	2.5	2.3	2.0
The Czech Republic	4.3	4.4	4.4	4.3	4.2
Estonia	4.4	4.4	4.1	4.0	4.4
Latvia	2.2	1.9	2.1	2.7	3.1
Lithuania	5.7	4.8	5.2	5.5	4.9
Hungary	8.3	8.8	9.1	7.8	5.5
Poland	7.0	6.5	6.1	5.7	5.4
Romania		1.0	1.3	1.2	0.8
Slovakia	1.9	1.9	1.8	3.4	3.7
Greece	1.5	1.8	1.7	2.0	1.6
Spain	2.1	2.3	2.5	2.4	2.7
Italy	1.0	1.1	1.3	1.1	1.3
Portugal	1.5	1.6	1.4	1.9	2.2

Source: EU-SILC 2006-2010, User Data Base

Appendix table 4.6 Share employed part-time of all employed persons aged 15-64, by gender. Europe, 2006-2010, 4th quarter

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	23.6	12.6	36.0	23.3	13.1	34.7	24.7	14.2	36.2	25.2	13.5	37.9	25.0	14.1	37.1
Finland	14.3	9.0	19.9	14.3	8.8	20.2	13.5	8.4	18.9	14.2	9.0	19.5	14.5	9.5	19.7
Iceland	:	:	:	22.4	10.9	36.6	23.8	11.3	38.2	25.8	13.4	39.1	26.2	13.2	40.1
Norway	27.8	12.5	44.8	27.6	13.3	43.3	27.4	13.8	42.4	27.7	14.0	42.7	27.2	14.1	41.6
Sweden	24.5	10.8	40.0	24.4	10.7	39.8	26.0	12.2	41.2	26.5	12.9	41.4	25.4	12.3	39.9
Germany	24.8	8.4	44.7	24.9	8.1	45.0	24.8	7.8	44.9	25.3	8.4	44.9	25.2	8.6	44.5
France	17.3	5.5	30.5	17.2	5.6	30.2	16.8	5.5	29.4	17.8	6.0	30.8	17.6	6.7	29.7
Great Britain	24.4	9.2	42.0	24.2	9.6	41.3	24.4	10.0	41.1	25.3	10.5	42.0	25.7	11.1	42.5
Ireland	16.4	5.8	30.6	17.5	6.3	31.8	18.6	7.4	32.4	21.8	10.9	34.2	22.7	11.6	35.2
Belgium	21.7	6.9	40.6	21.7	7.3	39.4	22.6	7.5	41.4	24.2	9.2	42.5	24.2	9.0	42.3
Luxembourg	17.1	2.6	36.2	17.9	2.7	36.2	18.3	3.9	36.8	16.2	3.7	32.6	16.8	3.7	33.8
The Netherlands	45.7	22.1	74.4	46.6	22.6	75.2	47.0	23.0	75.3	47.9	23.8	75.8	48.3	24.2	76.4
Austria	20.9	5.6	39.3	22.1	6.4	41.0	23.0	6.9	41.9	23.7	7.8	42.1	24.1	7.7	43.2
Switzerland	:	:	:	:	:	:	:	:	:	:	:	:	34.5	12.7	60.3
Bulgaria	1.6	1.1	2.2	1.3	1.0	1.7	1.8	1.4	2.2	2.0	1.7	2.2	2.2	2.0	2.4
The Czech Republic	4.3	1.6	7.9	4.3	1.7	7.9	4.4	1.7	7.9	5.0	2.1	8.8	5.0	2.0	8.9
Estonia	6.8	2.9	10.7	7.5	3.7	11.5	6.8	3.6	9.9	8.4	4.9	11.6	9.9	6.3	13.6
Latvia	4.9	3.6	6.3	5.6	4.3	6.9	5.8	4.7	6.9	8.9	8.1	9.6	9.5	7.8	11.2
Lithuania	8.9	7.9	10.0	7.7	6.6	8.9	6.4	5.3	7.5	8.1	7.2	9.0	7.9	6.4	9.4
Hungary	3.6	2.3	5.2	3.9	2.6	5.5	4.6	3.1	6.2	5.4	3.8	7.3	5.7	3.8	7.8
Poland	8.6	6.0	11.8	8.4	5.6	11.9	7.6	4.7	11.2	7.4	4.8	10.5	7.5	4.8	10.8
Romania	8.8	9.1	8.5	7.9	7.7	8.0	8.3	8.0	8.8	8.4	8.0	8.9	9.3	9.4	9.2
Slovenia	8.0	5.7	10.9	7.9	5.9	10.3	8.2	6.5	10.2	9.8	7.3	12.8	9.9	7.3	13.0
Slovakia	2.6	1.1	4.6	2.2	0.9	3.9	2.8	1.7	4.2	3.2	2.3	4.4	3.7	2.4	5.3
Greece	5.4	2.5	9.9	5.1	2.4	9.5	5.5	2.5	10.0	5.9	3.0	10.3	6.3	3.8	10.0
Spain	11.7	3.9	23.0	11.5	3.7	22.5	12.3	4.2	23.2	13.1	5.1	23.3	13.3	5.4	23.2
Italy	13.4	4.5	26.7	13.8	4.7	27.4	14.0	4.6	27.8	14.1	4.5	28.2	15.1	5.3	29.4
Portugal	8.3	4.5	12.8	8.7	4.5	13.6	8.4	4.0	13.5	8.5	4.7	12.8	8.5	5.0	12.3

Source: Eurostat, LFS

Appendix table 4.7 Part-time workers by country and gender. 2006-2010
Per cent of total

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	12.0	4.5	19.7	12.1	4.3	19.9	11.9	4.1	19.8	11.0	5.0	17.0	11.7	5.4	18.1
Finland	9.7	5.6	13.8	11.0	7.5	14.5	10.9	6.9	15.0	9.5	6.1	12.9	9.1	5.9	12.3
Iceland	12.3	3.6	21.2	12.1	4.5	20.0	12.0	5.2	19.3	12.5	6.0	19.3	11.8	5.5	18.2
Norway	15.7	6.0	25.6	14.1	4.9	23.7	14.5	5.6	23.8	13.5	4.8	22.6	14.1	5.4	22.9
Sweden	15.3	6.4	24.2	16.7	7.1	26.3	17.8	7.1	28.4	17.8	6.9	28.4	16.9	7.4	26.5
Germany	13.0	5.0	20.8	12.9	4.9	20.7	12.8	4.7	20.6	12.9	5.2	20.3	12.4	4.7	19.8
France	18.2	6.9	28.4	19.0	7.3	29.5	19.8	7.0	31.1	19.3	8.0	29.3	19.6	8.5	30.5
Great Britain	18.9	8.7	28.8	19.7	8.8	30.5	19.1	9.2	28.9	19.0	11.2	26.7			
Ireland	16.4	6.5	26.1	17.0	6.5	27.4	17.7	7.4	28.0	17.4	7.4	27.5	17.3	7.3	27.2
Belgium	13.9	3.4	24.6	13.7	3.1	24.4	13.4	2.8	24.2	12.6	2.8	22.6	13.3	2.7	23.9
Luxembourg	28.7	12.3	45.2	29.4	12.3	46.8	30.2	13.0	47.7	30.5	12.4	48.6	30.1	13.0	47.3
The Netherlands	13.3	4.4	21.9	13.8	3.6	23.9	14.7	4.6	24.8	15.9	5.3	26.6	15.0	5.1	24.8
Austria							20.8	8.3	33.2	23.3	8.4	38.2	22.4	8.0	36.9
Switzerland				2.9	2.1	3.7	3.6	3.2	4.0	3.6	2.9	4.3	3.3	3.0	3.7
Bulgaria	3.7	2.0	5.4	3.0	1.5	4.4	3.3	1.9	4.6	3.0	1.5	4.5	3.0	1.5	4.5
The Czech Republic	5.2	3.0	7.3	5.9	3.5	8.0	5.1	3.3	6.7	7.3	4.7	9.6	7.2	4.0	10.1
Estonia	5.6	3.3	7.8	4.9	3.3	6.4	4.8	2.8	6.6	5.0	3.5	6.4	5.7	4.2	7.1
Latvia	7.5	5.7	9.1	6.5	4.9	7.9	6.9	5.1	8.5	6.7	5.5	7.9	7.3	5.5	9.0
Lithuania	4.0	3.0	4.9	4.3	3.0	5.5	4.2	3.4	5.0	3.4	2.5	4.2	4.1	3.4	4.8
Hungary	7.0	4.3	9.7	7.3	4.5	10.1	6.6	4.1	9.0	7.4	4.6	10.0	7.1	4.5	9.5
Poland				5.2	4.5	5.9	4.4	4.0	4.8	4.4	4.0	4.7	5.0	4.8	5.1
Romania	3.3	1.5	4.9	2.4	1.1	3.6	2.6	1.2	3.9	2.4	1.5	3.3	2.0	1.3	2.7
Slovenia	10.4	6.4	14.3	9.9	6.0	13.7	9.5	5.4	13.5	9.8	6.2	13.3	12.3	8.6	15.9
Slovakia	8.4	3.5	13.2	8.4	3.4	13.4	9.0	3.9	14.0	8.8	3.5	14.0	9.1	3.9	14.3
Greece	11.0	5.7	16.4	11.4	5.9	16.9	12.2	6.2	18.3	11.8	6.6	17.0	11.6	6.4	16.8
Spain	4.9	2.3	7.4	5.3	2.7	7.8	5.8	2.5	8.8	4.5	2.0	6.8	4.6	2.1	6.9
Italy	12.0	4.5	19.7	12.1	4.3	19.9	11.9	4.1	19.8	11.0	5.0	17.0	11.7	5.4	18.1
Portugal	9.7	5.6	13.8	11.0	7.5	14.5	10.9	6.9	15.0	9.5	6.1	12.9	9.1	5.9	12.3

Source: EU-SILC 2006-2010, User Data Base

**Appendix table 4.8 Employment of seniors by gender, share of population.
People aged 55-64. Europe 2006-2010**

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark	60.7	67.1	54.3	58.6	64.9	52.4	57.3	64.6	50.1	57.5	64.1	50.9	57.6	62.7	52.5
Finland	54.5	54.8	54.3	55.0	55.1	55.0	56.5	57.1	55.8	55.5	54.6	56.3	56.2	55.6	56.9
Iceland	84.3	88.7	79.8	84.7	89.3	79.8	82.9	88.4	77.2	80.2	84.3	76.0	79.8	83.2	76.4
Norway	67.4	73.1	61.6	69.0	73.8	64.0	69.2	74.1	64.2	68.7	72.8	64.6	68.6	72.2	65.0
Sweden	69.6	72.3	66.9	70.0	72.9	67.0	70.1	73.4	66.7	70.0	73.2	66.7	70.5	74.2	66.7
Germany	48.4	56.4	40.6	51.5	59.7	43.6	53.8	61.8	46.1	56.2	63.9	48.7	57.7	65.0	50.5
France	38.1	40.5	35.8	38.2	40.5	36.0	38.2	40.6	35.9	38.8	41.3	36.5	39.7	42.1	37.5
Great Britain	57.3	66.0	49.0	57.4	66.3	48.9	58.0	67.3	49.0	57.5	66.2	49.2	57.1	65.0	49.5
Ireland	53.1	66.9	39.0	53.8	67.8	39.6	53.7	66.1	41.1	51.0	60.9	41.0	50.0	58.1	42.0
Belgium	32.0	40.9	23.2	34.4	42.9	26.0	34.5	42.8	26.3	35.3	42.9	27.7	37.3	45.6	29.2
Luxembourg	33.2	38.7	27.8	32.0	35.6	28.6	34.1	38.7	29.3	38.2	46.5	29.4	39.6	47.7	31.3
The Netherlands	47.7	58.0	37.2	50.9	61.5	40.1	53.0	63.7	42.2	55.1	65.4	44.7	53.7	64.5	42.8
Austria	35.5	45.3	26.3	38.6	49.8	28.0	41.0	51.8	30.8	41.1	51.0	31.7	42.4	51.6	33.7
Switzerland	65.7	74.9	56.6	67.2	76.4	58.1	68.4	77.0	60.0	68.3	77.1	59.6	68.0	77.6	58.5
Bulgaria	39.6	49.5	31.1	42.6	51.8	34.5	46.0	55.8	37.7	46.1	54.1	39.2	43.5	50.3	37.7
The Czech Republic	45.2	59.5	32.1	46.0	59.6	33.5	47.6	61.9	34.4	46.8	59.6	35.0	46.5	58.4	35.5
Estonia	58.5	57.5	59.2	60.0	59.4	60.5	62.4	65.2	60.3	60.4	59.4	61.2	53.8	52.2	54.9
Latvia	53.3	59.5	48.7	57.7	64.6	52.4	59.4	63.1	56.7	53.2	53.1	53.3	48.2	47.6	48.7
Lithuania	49.6	55.7	45.1	53.4	60.8	47.9	53.1	60.2	47.8	51.6	56.0	48.3	48.6	52.3	45.8
Hungary	33.6	41.4	27.1	33.1	41.7	26.2	31.4	38.5	25.7	32.8	39.9	27.0	34.4	39.6	30.1
Poland	28.1	38.4	19.0	29.7	41.4	19.4	31.6	44.1	20.7	32.3	44.3	21.9	34.0	45.3	24.2
Romania	41.7	50.0	34.5	41.4	50.3	33.6	43.1	53.0	34.4	42.6	52.3	34.1	41.1	50.3	33.0
Slovenia	32.6	44.5	21.0	33.5	45.3	22.2	32.8	44.7	21.1	35.6	46.4	24.8	35.0	45.5	24.5
Slovakia	33.1	49.8	18.9	35.6	52.5	21.2	39.2	56.7	24.2	39.5	54.9	26.1	40.5	54.0	28.7
Greece	42.3	59.2	26.6	42.4	59.1	26.9	42.8	59.1	27.5	42.2	57.7	27.7	42.3	56.5	28.9
Spain	44.1	60.4	28.7	44.6	60.0	30.0	45.6	60.9	31.1	44.1	56.7	32.3	43.6	54.7	33.2
Italy	32.5	43.7	21.9	33.8	45.1	23.0	34.4	45.5	24.0	35.7	46.7	25.4	36.6	47.6	26.2
Portugal	50.1	58.2	42.8	50.9	58.6	44.0	50.8	58.5	43.9	49.7	57.5	42.7	49.2	55.7	43.5

Source: Eurostat, LFS

Appendix table 4.9 Self-defined economic status, seniors in the Nordic countries. 2010. Per cent of total

		2006				
		Full-time	Part-time	Pensioner	Disabled	Inactive ¹
Denmark	25-54 Years	70.0	11.1	0.2	4.4	14.4
	55-59 Years	63.1	14.2	1.0	13.8	7.9
	60-64 Years	35.4	6.2	41.6	12.4	4.4
	65-69 Years	7.1	1.8	84.3	5.4	1.3
	70 Years +	0.4	0.2	97.6	1.3	0.5
Finland	25-54 Years	72.5	6.6	0.2	4.2	16.7
	55-59 Years	62.4	6.7	2.6	15.1	13.2
	60-64 Years	25.0	12.9	28.5	26.6	7.1
	65-69 Years	2.8	2.8	87.9	5.9	0.6
	70 Years +	0.2	0.8	98.4	0.2	0.3
Iceland	25-54 Years	75.0	10.3	0.0	2.4	12.4
	55-59 Years	75.5	12.2	0.5	6.1	5.7
	60-64 Years	65.8	15.0	2.0	11.0	6.3
	65-69 Years	40.3	15.7	24.5	11.3	8.3
	70 Years +	3.1	2.8	85.1	3.9	5.1
Norway	25-54 Years	73.2	10.0	0.1	4.8	11.8
	55-59 Years	65.6	12.6	1.9	16.1	3.9
	60-64 Years	47.6	12.3	11.1	23.8	5.3
	65-69 Years	13.2	5.3	64.0	15.7	1.9
	70 Years +	1.1	0.4	97.3	0.4	0.8
Sweden	25-54 Years	70.8	14.7	0.4	4.2	9.9
	55-59 Years	61.8	18.1	2.9	11.8	5.4
	60-64 Years	44.0	20.6	17.1	12.8	5.6
	65-69 Years	5.5	4.3	88.5	1.2	0.6
	70 Years +	0.7	0.7	97.6	0.7	0.2

1 Inactive in this context means stay-at-home, unemployed and inactive

Table continues

		2007				
		Full-time	Part-time	Pensioner	Disabled	Inactive ¹
Denmark	25-54 Years	72.5	10.0	0.1	4.4	13.1
	55-59 Years	61.9	14.7	0.9	16.4	6.0
	60-64 Years	33.8	7.2	39.1	14.9	5.1
	65-69 Years	5.2	3.1	89.4	1.8	0.5
	70 Years +	0.8	0.7	98.3	0.1	0.2
Finland	25-54 Years	73.3	6.6	0.1	4.5	15.5
	55-59 Years	65.0	6.0	1.8	14.7	12.6
	60-64 Years	29.6	10.7	27.2	22.7	9.8
	65-69 Years	4.0	2.7	86.3	6.5	0.5
	70 Years +	0.5	0.9	98.4	0.2	0.0
Iceland	25-54 Years	76.2	9.8	0.1	2.7	11.3
	55-59 Years	77.1	12.9	0.2	4.6	5.3
	60-64 Years	63.4	15.3	3.2	11.2	6.9
	65-69 Years	36.6	12.9	32.7	10.1	7.7
	70 Years +	4.0	3.7	85.5	5.0	1.7
Norway	25-54 Years	75.9	8.8	0.1	4.6	10.7
	55-59 Years	67.5	11.4	0.7	15.7	4.6
	60-64 Years	46.4	12.5	10.8	26.2	4.0
	65-69 Years	14.8	6.4	59.9	15.9	3.0
	70 Years +	1.7	0.6	97.1	0.5	0.2
Sweden	25-54 Years	70.7	16.2	0.2	3.4	9.6
	55-59 Years	65.6	17.7	1.7	10.3	4.7
	60-64 Years	42.3	21.4	16.5	14.2	5.7
	65-69 Years	4.5	5.3	88.6	1.5	0.1
	70 Years +	0.6	0.9	97.1	1.0	0.3

1 Inactive in this context means stay-at-home, unemployed and inactive

Table continues

		2008				
		Full-time	Part-time	Pensioner	Disabled	Inactive ¹
Denmark	25-54 Years	74.2	9.4	0.1	4.2	12.1
	55-59 Years	65.5	12.8	0.3	16.5	4.9
	60-64 Years	30.3	8.1	40.4	15.9	5.3
	65-69 Years	6.3	3.5	86.3	3.8	0.1
	70 Years +	0.4	0.2	99.0	0.1	0.3
Finland	25-54 Years	73.8	6.7	0.0	3.8	15.7
	55-59 Years	65.2	6.9	1.5	16.2	10.2
	60-64 Years	34.4	11.3	23.9	22.9	7.5
	65-69 Years	4.5	3.6	85.0	6.3	0.6
	70 Years +	0.6	1.3	97.7	0.3	0.1
Iceland	25-54 Years	75.7	9.3	0.0	2.8	12.2
	55-59 Years	80.4	11.1	0.0	4.1	4.4
	60-64 Years	67.8	13.3	1.4	11.4	6.0
	65-69 Years	43.1	12.5	26.8	8.6	9.1
	70 Years +	2.9	3.2	85.3	2.5	6.1
Norway	25-54 Years	78.3	8.7	0.0	4.1	8.9
	55-59 Years	69.0	11.8	1.4	14.8	3.0
	60-64 Years	49.3	11.1	10.3	25.5	3.8
	65-69 Years	17.4	6.2	59.0	15.3	2.1
	70 Years +	1.4	0.7	97.1	0.6	0.3
Sweden	25-54 Years	71.1	16.1	1.2	1.8	9.9
	55-59 Years	65.6	18.0	4.7	6.0	5.7
	60-64 Years	43.3	21.2	18.0	13.2	4.3
	65-69 Years	6.2	6.4	86.0	1.0	0.4
	70 Years +	0.3	0.5	99.0	0.2	0.0

1 Inactive in this context means stay-at-home, unemployed and inactive

Table continues

		2009				
		Full-time	Part-time	Pensioner	Disabled	Inactive ¹
Denmark	25-54 Years	75.0	8.8	0.1	4.5	11.7
	55-59 Years	66.3	12.8	0.1	16.1	4.7
	60-64 Years	36.5	9.1	38.9	14.7	0.9
	65-69 Years	8.4	3.6	84.9	2.9	0.3
	70 Years +	0.8	0.4	98.5	0.4	0.0
Finland	25-54 Years	73.7	5.8	0.1	4.1	16.3
	55-59 Years	64.7	6.1	2.1	15.0	12.2
	60-64 Years	34.6	11.1	24.0	21.8	8.6
	65-69 Years	6.5	2.2	84.4	6.1	0.8
	70 Years +	0.4	0.6	98.6	0.4	0.1
Iceland	25-54 Years	69.1	10.7	0.0	2.1	18.0
	55-59 Years	70.8	12.2	0.4	6.2	10.6
	60-64 Years	64.2	13.1	3.0	10.2	9.6
	65-69 Years	34.8	13.1	24.0	17.3	10.7
	70 Years +	4.3	2.6	84.4	4.2	4.6
Norway	25-54 Years	75.8	9.4	0.0	5.2	9.6
	55-59 Years	69.1	11.2	1.1	14.2	4.3
	60-64 Years	48.5	14.1	11.9	21.5	4.1
	65-69 Years	19.4	10.0	52.8	15.7	2.1
	70 Years +	0.9	0.8	97.2	0.8	0.2
Sweden	25-54 Years	69.8	15.9	1.0	1.8	11.5
	55-59 Years	64.8	16.7	4.5	7.2	6.7
	60-64 Years	44.2	21.9	18.0	10.0	5.9
	65-69 Years	9.0	8.6	81.9	0.2	0.4
	70 Years +	0.2	0.9	98.9	0.1	0.0

1 Inactive in this context means stay-at-home, unemployed and inactive

Table continues

		2010				
		Full-time	Part-time	Pensioner	Disabled	Inactive ¹
Denmark	25-54 Years	72.2	9.3	0.0	4.6	13.9
	55-59 Years	65.6	13.2	0.0	14.3	7.0
	60-64 Years	36.9	10.5	31.0	18.1	3.5
	65-69 Years	9.1	3.9	84.9	1.8	0.4
	70 Years +	2.7	0.7	96.1	0.6	0.0
Finland	25-54 Years	71.0	5.5	0.4	3.8	19.4
	55-59 Years	64.9	5.7	3.8	13.3	12.3
	60-64 Years	34.8	10.5	28.4	16.0	10.4
	65-69 Years	5.5	2.7	87.7	3.4	0.7
	70 Years +	0.3	0.8	98.5	0.3	0.2
Iceland	25-54 Years	66.5	10.5	0.0	3.0	20.1
	55-59 Years	73.3	9.7	0.0	6.0	10.9
	60-64 Years	64.1	11.5	1.4	12.4	10.7
	65-69 Years	43.4	11.4	26.2	10.5	8.5
	70 Years +	3.0	3.3	88.3	1.8	3.7
Norway	25-54 Years	74.7	10.0	0.0	5.5	9.8
	55-59 Years	67.7	12.8	0.0	14.2	5.3
	60-64 Years	50.7	13.4	12.3	19.8	3.8
	65-69 Years	19.4	10.3	53.0	15.7	1.7
	70 Years +	1.2	1.0	97.0	0.6	0.2
Sweden	25-54 Years	71.5	15.3	0.0	2.3	10.9
	55-59 Years	68.5	16.0	0.2	9.4	5.9
	60-64 Years	46.9	19.3	15.9	11.2	6.7
	65-69 Years	8.3	5.9	84.3	0.6	0.9
	70 Years +	0.3	0.7	98.6	0.2	0.3

1 Inactive in this context means stay-at-home, unemployed and inactive

Source: EU-SILC 2006-2010, User Data Base

Appendix table 5.1 Share who assess their own health as being good, neither good nor poor, or poor by country, people aged 16 and over, per cent, 2006-2010

	2006			2007			2008			2009			2010		
	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health
Denmark	75	17	8	75	17	8	74	18	7	72	20	7	71	21	8
Finland	69	21	10	68	23	8	69	24	8	69	24	7	69	23	8
Iceland	81	14	5	79	16	5	81	15	4	80	15	4	78	17	5
Norway	74	16	9	76	15	9	77	16	8	76	16	7	77	15	8
Sweden	76	18	6	78	17	5	78	16	5	80	15	5	80	15	5

Source: Eu-silc, User Data Base

Appendix table 5.2 Share with chronic illness by country, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark	30	28	25	29	27
Finland	43	42	41	43	44
Iceland	24	18	26	28	29
Norway	34	30	32	36	34
Sweden	35	35	33	33	31

Source: Eu-silc, User Data Base

Appendix table 5.3 Share with severely or slightly reduced functional ability, by country, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark			25	26	25
Finland	38	31	30	31	31
Iceland	19	12	14	15	17
Norway	22	19	16	17	16
Sweden	20	20	16	16	15

Source: Eu-silc, User Data Base

Appendix table 5.4 Good self-assessed health by country, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark	75	75	74	72	71
Finland	69	68	69	69	69
Iceland	81	79	81	80	78
Norway	74	76	77	76	77
Sweden	76	78	78	80	80
France	69	71	69	69	67
Great Britain	77	77	80	80	80
Ireland	83	84	84	83	
Belgium	74	74	74	73	73
Luxembourg	74	75	74	74	75
The Netherlands	77	76	77	78	78
Austria	72	72	70	70	70
Switzerland				81	82
Bulgaria		62	63	65	67
The Czech Republic	59	61	62	61	62
Estonia	53	53	55	52	53
Latvia	41	42	45	48	49
Lithuania	44	49	48	50	52
Hungary	48	47	55	56	55
Poland	55	46	58	56	58
Romania		68	69	70	71
Slovakia	52	53	60	62	64
Greece	77	77	76	75	76
Spain	68	68	73	71	72
Italy	57	64	64	64	67
Portugal	48	46	49	48	49

Source: Eu-silc, User Data Base

Appendix table 5.5 **Chronic illness by country, people aged 16 and over, per cent, 2006-2010**

	2006	2007	2008	2009	2010
Denmark	30	28	25	29	27
Finland	43	42	41	43	44
Iceland	24	18	26	28	29
Norway	34	30	32	36	34
Sweden	35	35	33	33	31
France	34	34	37	37	37
Great Britain	38	36	33	34	34
Ireland	25	25	24	26	
Belgium	25	25	25	25	26
Luxembourg	24	26	24	22	22
The Netherlands	32	32	31	33	33
Austria	22	24	33	32	35
Switzerland				33	34
Bulgaria		29	24	21	19
The Czech Republic	30	28	28	28	30
Estonia	39	40	38	40	42
Latvia	35	34	34	33	34
Lithuania	33	32	29	28	27
Hungary	36	37	38	36	36
Poland	32	32	30	33	33
Romania		20	19	20	20
Slovakia	27	27	30	29	31
Greece	20	22	22	22	23
Spain	24	25	30	31	30
Italy	22	21	23	22	23
Portugal	31	33	33	34	34

Source: Eu-silc, User Data Base

Appendix table 5.6 Severely or slightly reduced functional ability - by country, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark			25	26	25
Finland	38	31	30	31	31
Iceland	19	12	14	15	17
Norway	22	19	16	17	16
Sweden	20	20	16	16	15
France	23	22		24	25
Great Britain	21	20	20	20	21
Ireland	21	19	20	19	
Belgium	23	23	23	23	23
Luxembourg	24	22	21	20	20
The Netherlands	22	28	27	27	27
Austria	28	28	29	28	28
Switzerland				23	23
Bulgaria		5	16	17	15
The Czech Republic	26	22	22	23	22
Estonia	35	34	31	28	30
Latvia	34	33	32	31	30
Lithuania	29	27	26	23	22
Hungary	30	29	29	29	28
Poland	21	23	21	23	24
Romania		19	19	21	26
Slovakia	30	28	34	33	34
Greece	17	18	20	19	19
Spain	23	24	23	25	23
Italy	23	26	28	27	20
Portugal	29	30	30	32	31

Source: Eu-silc, User Data Base

Appendix table 5.7 Poor self-assessed health by country and gender, people aged 16 and over, per cent, 2006-2010

	2006			2007			2008			2009			2010		
	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health
Denmark															
Men	78	16	6	78	16	6	76	18	6	73	21	6	73	20	7
Women	73	18	9	73	18	10	73	19	8	71	20	8	70	21	9
Finland															
Men	69	22	9	69	24	7	70	23	7	69	23	7	70	22	7
Women	68	21	11	68	23	9	68	24	8	69	24	7	68	24	8
Iceland															
Men	82	14	3	83	14	4	82	14	3	82	14	4	79	16	4
Women	80	14	6	76	19	6	79	16	5	79	16	5	76	18	6
Norway															
Men	76	16	8	79	14	7	79	15	6	78	15	6	79	14	7
Women	73	17	11	74	16	10	74	16	10	75	17	8	74	17	8
Sweden															
Men	79	17	5	80	15	5	82	14	4	83	13	4	82	14	4
Women	74	20	7	75	19	6	76	19	6	76	18	6	78	16	6

Appendix table 5.8 Chronic illness by country and gender, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Men	25	24	22	26	24
Women	34	31	27	31	30
Finland					
Men	40	40	38	39	38
Women	46	44	43	46	50
Iceland					
Men	22	15	24	26	26
Women	27	21	28	29	31
Norway					
Men	31	27	28	32	30
Women	36	33	36	40	38
Sweden					
Men	33	32	29	29	27
Women	37	37	37	36	34

Source: Eu-silc, User Data Base

Appendix table 5.9 Severely or slightly reduced functional ability by country and gender, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Men	..	..	21	23	22
Women	..	..	28	28	28
Finland					
Men	35	29	27	28	27
Women	41	33	32	33	35
Iceland					
Men	15	9	11	13	14
Women	22	15	16	17	19
Norway					
Men	18	16	12	14	14
Women	25	23	20	20	19
Sweden					
Men	17	16	14	12	12
Women	22	23	19	19	17

Source: Eu-silc, User Data Base

Appendix table 5.10 Self-assessed health by country and age groups, people aged 16 and over, per cent, 2006-2010

	2006			2007			2008			2009			2010		
	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health
Denmark															
16-19 Years	91	8	2	94	4	2	85	14	1	86	12	2	85	12	3
20-29 Years	90	7	2	89	9	2	87	11	2	87	11	2	85	12	4
30-39 Years	85	11	4	86	9	5	85	11	4	82	14	4	80	15	5
40-49 Years	79	14	7	80	13	7	77	16	7	78	15	8	73	19	8
50-59 Years	70	19	11	67	22	11	69	22	9	67	24	9	69	22	9
60-69 Years	67	25	9	67	23	10	66	24	10	63	28	9	64	25	10
70 Years +	52	32	16	55	30	15	57	30	13	52	33	15	54	33	13
Finland															
16-19 Years	90	9	2	94	5	2	93	7	0	92	7	1	90	8	2
20-29 Years	89	9	2	92	7	1	90	9	1	91	8	1	93	6	1
30-39 Years	86	12	3	89	10	1	89	10	1	90	9	1	89	10	1
40-49 Years	74	21	5	80	17	3	81	16	3	80	16	4	82	15	3
50-59 Years	67	23	10	61	31	8	63	28	9	64	27	9	66	25	9
60-69 Years	56	30	14	51	36	13	50	38	12	53	39	8	53	37	10
70 Years +	35	37	28	32	43	25	33	45	22	31	46	23	30	48	22
Iceland															
16-19 Years	93	5	2	87	12	1	89	10	1	90	10	0	89	11	1
20-29 Years	90	9	1	91	7	2	90	9	1	88	10	2	88	10	2
30-39 Years	88	10	2	88	10	2	89	9	2	89	9	2	88	9	2
40-49 Years	87	10	3	84	12	4	87	10	3	85	11	3	84	13	3
50-59 Years	79	16	5	78	18	4	80	15	5	80	14	5	76	19	5
60-69 Years	68	22	10	61	29	10	65	26	9	67	24	8	65	27	8
70 Years +	52	33	15	52	37	11	52	38	11	53	35	12	48	36	16

Table continues

	2006			2007			2008			2009			2010		
	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health
Norway															
16-19 Years	91	7	2	90	9	1	92	8	0	93	6	1	90	8	2
20-29 Years	88	9	3	88	9	4	87	10	3	86	12	2	84	12	4
30-39 Years	85	10	5	85	10	5	84	12	4	83	13	4	84	12	5
40-49 Years	78	13	9	80	13	7	79	14	7	79	14	7	80	12	8
50-59 Years	70	18	12	74	15	11	75	15	10	74	17	9	75	16	8
60-69 Years	63	25	12	65	23	12	65	22	13	66	22	12	67	22	10
70 Years +	52	29	19	56	27	17	62	23	15	60	26	14	64	22	14
Sweden															
16-19 Years	90	9	1	92	6	2	90	9	0	94	6	1	93	6	1
20-29 Years	89	9	2	90	8	2	90	9	1	92	6	2	92	6	2
30-39 Years	86	11	3	88	9	3	88	9	3	88	9	3	90	8	2
40-49 Years	80	14	6	81	14	5	83	12	5	86	11	4	83	13	4
50-59 Years	72	20	8	76	17	7	76	16	7	79	15	7	79	15	7
60-69 Years	69	25	7	70	25	5	71	22	7	73	20	7	74	21	4
70 Years +	54	35	11	56	34	10	56	34	10	56	34	10	58	32	10

Source: Eu-silc, User Data Base

Appendix table 5.11 Chronic illness, by country and age, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
16-19 Years	18	15	15	19	17
20-29 Years	16	17	16	17	17
30-39 Years	22	18	15	19	21
40-49 Years	27	25	21	26	27
50-59 Years	35	36	31	31	28
60-69 Years	36	36	33	39	36
70 Years +	46	39	36	46	38
Finland					
16-19 Years	14	15	14	18	21
20-29 Years	22	21	18	22	21
30-39 Years	23	22	22	24	24
40-49 Years	33	30	31	31	34
50-59 Years	44	46	46	49	48
60-69 Years	65	61	60	60	62
70 Years +	79	78	73	75	77
Iceland					
16-19 Years	11	8	14	19	16
20-29 Years	19	13	17	18	21
30-39 Years	20	15	18	18	20
40-49 Years	20	19	22	25	24
50-59 Years	28	23	30	29	33
60-69 Years	34	24	43	43	40
70 Years +	41	26	45	50	51
Norway					
16-19 Years	20	17	23	20	21
20-29 Years	19	17	22	27	27
30-39 Years	21	21	25	28	24
40-49 Years	31	27	30	33	32
50-59 Years	37	34	36	37	36
60-69 Years	48	42	41	47	44
70 Years +	57	51	44	52	47
Sweden					
16-19 Years	19	15	17	19	12
20-29 Years	21	19	21	17	18
30-39 Years	25	22	20	23	21
40-49 Years	34	32	27	26	28
50-59 Years	40	40	38	36	35
60-69 Years	44	48	47	44	40
70 Years +	52	54	53	54	48

Source: Eu-silc, User Data Base

Appendix table 5.12 Severely or slightly reduced functional ability, by country and age groups, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
16-19 Years	17	6	17	17	17
20-29 Years	20	10	20	17	17
30-39 Years	19	10	19	18	21
40-49 Years	21	14	21	24	26
50-59 Years	29	24	29	29	26
60-69 Years	30	21	30	31	29
70 Years +	34	24	34	38	32
Finland					
16-19 Years	18	15	9	11	13
20-29 Years	24	17	13	17	16
30-39 Years	26	20	17	18	21
40-49 Years	32	24	21	24	23
50-59 Years	37	33	34	34	31
60-69 Years	50	40	39	38	41
70 Years +	66	59	58	58	57
Iceland					
16-19 Years	8	5	9	11	11
20-29 Years	13	7	9	9	11
30-39 Years	15	10	9	11	10
40-49 Years	16	12	9	11	13
50-59 Years	20	16	14	15	19
60-69 Years	28	18	24	28	25
70 Years +	32	19	29	32	31
Norway					
16-19 Years	11	9	5	7	5
20-29 Years	10	8	8	8	10
30-39 Years	12	13	11	12	11
40-49 Years	21	17	15	15	16
50-59 Years	25	23	20	18	18
60-69 Years	32	28	21	23	23
70 Years +	39	35	27	31	24
Sweden					
16-19 Years	6	8	7	8	4
20-29 Years	10	10	7	6	6
30-39 Years	13	12	8	9	8
40-49 Years	21	18	12	10	13
50-59 Years	23	22	20	19	18
60-69 Years	24	26	24	21	18
70 Years +	32	33	33	30	27

Source: Eu-silc, User Data Base

Appendix table 5.13 Poor self-assessed health, men and women, broken down by age and country, people aged 16 and over, per cent 2006-2010

	2006		2007		2008		2009		2010	
	Men, Poor health	Women, Poor health	Men, Poor health	Women, Poor health	Men, Poor health	Women, Poor health	Men, Poor health	Women, Poor health	Men, Poor health	Women, Poor health
Denmark										
16-19 Years	2	1	1	3	2	0	1	3	2	4
20-29 Years	2	3	2	3	2	2	1	2	2	5
30-39 Years	3	5	3	7	4	3	4	4	5	5
40-49 Years	6	8	4	10	6	9	7	9	7	9
50-59 Years	9	12	9	12	8	11	8	10	8	9
60-69 Years	7	10	9	11	8	12	8	9	10	10
70 Years +	16	17	12	16	12	14	13	16	10	14
Finland										
16-19 Years	0	3	2	1	0	1	0	2	4	0
20-29 Years	1	3	0	1	1	1	1	1	1	1
30-39 Years	2	3	1	2	1	2	1	1	2	1
40-49 Years	6	4	3	3	3	4	5	3	3	2
50-59 Years	10	11	8	8	11	7	10	7	9	9
60-69 Years	15	13	13	13	13	11	8	8	10	10
70 Years +	27	29	22	26	21	23	22	23	21	23
Iceland										
16-19 Years	3	1	0	2	0	2	0	0	2	0
20-29 Years	0	3	1	3	1	1	1	2	1	3
30-39 Years	2	2	1	3	2	3	2	2	3	2
40-49 Years	2	4	4	4	3	4	2	4	3	4
50-59 Years	4	6	2	6	4	5	5	5	2	8
60-69 Years	6	13	10	10	7	10	5	11	8	9
70 Years +	10	19	9	13	10	11	12	11	15	17
Norway										
16-19 Years	1	3	1	1	1	0	0	3	3	1
20-29 Years	4	3	3	5	2	3	2	2	4	4
30-39 Years	4	6	5	5	3	5	4	4	6	3
40-49 Years	8	10	7	8	5	8	5	8	6	10
50-59 Years	11	13	10	11	9	12	8	9	8	9
60-69 Years	10	14	9	14	11	16	12	12	10	10
70 Years +	15	21	16	18	9	19	13	15	11	16
Sweden										
16-19 Years	1	1	1	3	1	0	1	1	0	2
20-29 Years	1	3	1	3	1	2	2	2	2	2
30-39 Years	2	4	2	4	1	5	2	5	1	3
40-49 Years	5	8	4	5	4	6	3	5	3	6
50-59 Years	7	9	6	7	5	9	5	9	4	9
60-69 Years	6	7	6	5	7	6	7	7	5	4
70 Years +	9	12	12	9	10	10	10	7	8	11

Source: Eu-silc, User Data Base

Appendix table 5.14 Share with chronic illness, men and women, broken down by age and country, people aged 16 and over, per cent, 2006-2010

	2006		2007		2008		2009		2010	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Denmark										
16-19 Years	18	18	15	15	15	15	17	22	13	22
20-29 Years	14	19	14	20	14	17	14	19	13	20
30-39 Years	18	25	15	22	12	17	17	21	19	22
40-49 Years	22	32	21	29	20	22	22	29	23	31
50-59 Years	30	40	32	40	28	33	30	32	25	31
60-69 Years	32	40	32	40	28	37	36	42	35	37
70 Years +	42	50	34	42	33	38	43	48	34	41
Finland										
16-19 Years	10	17	12	17	13	15	15	22	18	25
20-29 Years	19	25	22	20	17	19	20	24	18	24
30-39 Years	22	24	21	23	19	24	22	26	19	30
40-49 Years	33	34	29	31	29	33	28	34	29	39
50-59 Years	41	47	45	46	47	45	47	50	41	56
60-69 Years	61	68	59	62	59	60	57	63	61	63
70 Years +	80	79	76	78	71	75	73	77	72	80
Iceland										
16-19 Years	10	12	2	14	9	18	19	19	13	19
20-29 Years	20	18	10	15	14	21	17	19	21	22
30-39 Years	18	22	12	17	18	19	18	19	21	19
40-49 Years	19	22	18	20	22	23	21	29	21	26
50-59 Years	25	31	19	27	28	32	29	29	27	38
60-69 Years	24	44	20	28	39	46	39	47	36	43
70 Years +	37	45	24	27	44	46	50	50	47	53
Norway										
16-19 Years	18	22	17	17	20	26	16	24	20	23
20-29 Years	19	19	15	20	18	28	24	30	25	30
30-39 Years	20	22	20	23	22	27	28	28	23	24
40-49 Years	31	31	25	28	27	34	30	37	27	38
50-59 Years	34	40	33	35	33	39	33	41	33	38
60-69 Years	43	52	36	48	35	47	42	53	38	51
70 Years +	54	59	48	53	40	46	47	55	42	51
Sweden										
16-19 Years	20	19	13	17	16	18	14	24	6	19
20-29 Years	20	21	18	20	18	25	14	20	16	19
30-39 Years	25	25	21	23	16	24	21	24	18	24
40-49 Years	32	35	29	35	25	30	23	29	25	31
50-59 Years	37	43	36	44	34	42	31	42	32	39
60-69 Years	43	45	47	49	43	50	40	47	35	45
70 Years +	51	53	53	55	51	55	51	57	47	48

Source: Eu-silc, User Data Base

Appendix table 5.15 Share with severely or slightly reduced functional ability, men and women, broken down by age and country, people aged 16 and over, per cent, 2006-2010

	2006		2007		2008		2009		2010	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Denmark										
16-19 Years	..	..	..	..	14	20	11	20	14	19
20-29 Years	..	..	..	..	16	23	10	19	15	16
30-39 Years	..	..	..	..	18	20	15	19	18	22
40-49 Years	..	..	..	..	19	23	18	24	20	25
50-59 Years	..	..	..	..	25	33	22	29	20	27
60-69 Years	..	..	..	..	26	34	25	31	24	27
70 Years +	..	..	..	..	28	38	33	37	28	34
Finland										
16-19 Years	12	23	10	19	8	11	7	13	11	15
20-29 Years	20	27	15	18	11	16	14	19	16	17
30-39 Years	24	27	19	20	15	19	18	18	15	21
40-49 Years	31	33	25	23	19	23	23	24	22	26
50-59 Years	35	39	33	33	35	34	33	33	28	35
60-69 Years	45	54	38	41	38	39	34	39	37	39
70 Years +	64	67	55	62	56	60	54	60	52	60
Iceland										
16-19 Years	5	12	1	9	5	14	11	9	6	16
20-29 Years	12	15	4	10	8	10	8	11	9	12
30-39 Years	13	18	7	14	7	11	11	11	11	9
40-49 Years	14	17	11	13	9	10	8	13	11	16
50-59 Years	16	24	12	20	12	15	14	15	13	24
60-69 Years	20	37	18	18	17	31	21	35	19	30
70 Years +	26	37	14	23	26	32	30	34	28	34
Norway										
16-19 Years	7	16	9	10	6	5	5	10	5	4
20-29 Years	9	11	7	9	5	10	6	10	9	11
30-39 Years	10	14	11	15	8	14	10	12	9	12
40-49 Years	19	22	14	20	12	18	12	17	11	18
50-59 Years	22	28	21	25	15	24	14	20	14	21
60-69 Years	26	37	21	35	14	27	19	26	20	24
70 Years +	31	46	32	38	23	31	24	35	18	26
Sweden										
16-19 Years	4	8	7	10	7	7	5	10	2	6
20-29 Years	10	9	8	11	5	9	6	7	5	8
30-39 Years	12	15	10	15	5	11	6	11	6	11
40-49 Years	17	24	15	22	10	15	8	12	10	15
50-59 Years	19	26	17	26	16	24	13	25	13	23
60-69 Years	25	24	24	28	23	26	20	23	17	20
70 Years +	28	34	30	35	30	35	26	32	24	29

Source: Eu-silc, User Data Base

Appendix table 5.16 Self-assessed health by country background, per cent, 2006 - 2010

	2006			2007			2008			2009			2010		
	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health
Denmark															
Born in an EU country	76	15	9	73	13	14	68	24	8	75	17	8	79	11	10
Born in the country	75	17	7	76	17	8	75	18	7	73	20	7	71	21	8
Born outside the EU	69	15	16	67	18	15	65	22	12	64	20	17	63	24	14
Finland															
Born in an EU country	81	12	7	78	22	0	90	8	1	82	13	5	88	8	5
Born in the country	69	22	10	68	24	8	68	24	8	69	24	7	69	24	8
Born outside the EU	68	22	10	75	21	5	77	16	7	75	17	8	83	14	3
Iceland															
Born in an EU country	86	10	5	87	10	3	86	12	2	88	8	3	87	10	3
Born in the country	81	15	5	79	17	5	80	16	4	80	16	5	77	17	5
Born outside the EU	89	10	2	89	10	1	90	6	4	89	8	2	79	17	5
Norway															
Born in an EU country	77	13	11	78	14	8	76	11	14	79	14	7	78	14	9
Born in the country	74	16	9	76	15	8	77	16	8	77	16	7	77	16	8
Born outside the EU	72	15	13	77	10	13	78	14	8	73	14	13	74	14	13
Sweden															
Born in an EU country	67	24	10	67	23	10	69	19	12	69	21	10	72	20	8
Born in the country	77	18	5	79	17	5	80	16	5	80	15	5	81	15	4
Born outside the EU	69	22	9	71	18	11	71	20	9	77	14	9	76	16	8

Source: Eu-silc, User Data Base

Appendix table 5.17 **Share with chronic illness, country background, percent, 2006-2010**

	2006	2007	2008	2009	2010
Denmark					
Born in an EU country	31	33	26	28	31
Born in the country	30	28	24	29	27
Born outside the EU	30	28	33	33	27
Finland					
Born in an EU country	26	22	29	26	24
Born in the country	43	42	41	43	45
Born outside the EU	29	21	28	24	27
Iceland					
Born in an EU country	20	11	16	15	18
Born in the country	25	19	27	29	29
Born outside the EU	19	12	17	16	26
Norway					
Born in an EU country	31	31	36	34	28
Born in the country	34	31	32	36	34
Born outside the EU	29	25	24	32	33
Sweden					
Born in an EU country	43	47	44	42	34
Born in the country	35	34	33	33	31
Born outside the EU	35	31	27	25	30

Source: Eu-silc, User Data Base

Appendix table 5.18 Severely or slightly reduced functional ability, country background, percent, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Born in an EU country	17	24	27	22	26
Born in the country	17	17	25	26	25
Born outside the EU	20	18	27	34	30
Finland					
Born in an EU country	30	16	13	15	26
Born in the country	38	32	30	31	31
Born outside the EU	39	23	26	25	21
Iceland					
Born in an EU country	14	5	7	8	9
Born in the country	19	13	15	16	17
Born outside the EU	10	8	4	5	15
Norway					
Born in an EU country	21	22	24	17	19
Born in the country	22	19	16	18	16
Born outside the EU	20	18	12	14	19
Sweden					
Born in an EU country	26	30	26	25	18
Born in the country	19	19	16	15	14
Born outside the EU	23	22	15	13	15

Source: Eu-silc, User Data Base

Appendix table 5.19 Chronic illness broken down by education and country, people aged 16 and over, per cent, 2006-2010

	2006			2007			2008			2009			2010		
	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health	Good health	Neither good nor poor health	Poor health
Denmark															
Compulsory education	67	22	11	66	22	12	64	25	11	66	25	9	62	27	11
Upper secondary school skole	79	15	6	79	15	6	79	16	6	76	19	6	73	19	7
Higher education	85	11	4	84	11	5	84	12	4	83	14	4	82	15	4
Finland															
Compulsory education	53	30	17	49	35	16	51	35	14	54	34	12	50	37	13
Upper secondary school skole	72	19	8	73	21	6	73	21	6	73	21	6	73	21	6
Higher education	79	16	5	81	16	3	81	15	3	81	16	3	81	15	4
Iceland															
Compulsory education	74	18	8	72	21	8	74	21	5	71	23	7	68	24	8
Upper secondary school skole	82	14	4	79	17	4	80	15	5	80	16	4	79	16	5
Higher education	92	6	1	92	7	1	91	8	1	90	8	3	88	9	2
Norway															
Compulsory education	63	22	15	70	19	12	69	20	11	70	20	11	67	21	12
Upper secondary school skole	75	16	9	75	15	9	76	16	8	75	17	8	76	16	8
Higher education	86	11	4	86	11	3	85	11	4	87	10	3	86	11	3
Sweden															
Compulsory education	67	24	9	71	22	7	67	25	8	67	24	9	67	25	9
Upper secondary school skole	78	17	5	79	16	5	80	16	5	80	15	5	81	15	4
Higher education	85	12	3	87	11	2	87	10	3	88	9	3	88	10	2

Source: Eu-silc, User Data Base

Appendix table 5.20 **Chronic illness broken down by education and country, people aged 16 and over, per cent, 2006-2010**

	2006	2007	2008	2009	2010
Denmark					
Compulsory education	35	34	31	36	33
Upper secondary school skole	26	24	21	26	25
Higher education	26	25	19	23	23
Finland					
Compulsory education	59	58	54	56	58
Upper secondary school skole	38	37	36	37	40
Higher education	34	32	33	37	39
Iceland					
Compulsory education	29	21	29	33	35
Upper secondary school skole	25	19	27	28	29
Higher education	15	12	20	19	20
Norway					
Compulsory education	42	36	38	41	41
Upper secondary school skole	34	31	32	37	35
Higher education	25	24	26	28	20
Sweden					
Compulsory education	40	38	40	41	36
Upper secondary school skole	34	34	32	32	31
Higher education	29	29	28	26	27

Source: Eu-silc, User Data Base

Appendix table 5.21 Share with severely or slightly reduced functional ability broken down by education and country, people aged 16 and over, per cent, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
Compulsory education	..	..	30	33	29
Upper secondary school skole	..	..	23	22	24
Higher education	..	..	18	20	21
Finland					
Compulsory education	50	44	41	42	42
Upper secondary school skole	36	29	27	28	29
Higher education	29	22	21	23	24
Iceland					
Compulsory education	22	15	18	20	23
Upper secondary school skole	19	13	13	15	15
Higher education	11	7	7	8	9
Norway					
Compulsory education	30	25	22	23	22
Upper secondary school skole	22	20	16	18	18
Higher education	13	12	9	9	9
Sweden					
Compulsory education	25	23	24	23	20
Upper secondary school skole	19	19	16	15	15
Higher education	13	15	11	10	10

Source: Eu-silc, User Data Base

Appendix table 5.22 Share of labour force participants (full-time and part-time) by self-assessed health and gender, people aged 20-64, 2006-2010, per cent

	2006		2007		2008		2009		2010	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Denmark										
<i>Men</i>										
Good health	80	4	81	3	81	3	79	4	77	4
Neither good nor poor health	66	4	68	5	69	5	60	7	64	5
Poor health	27	8	33	7	29	12	30	5	26	11
<i>Women</i>										
Good health	56	18	59	18	61	16	66	14	62	17
Neither good nor poor health	38	18	34	16	43	16	43	19	41	19
Poor health	13	9	17	8	14	8	30	9	18	8
Finland										
<i>Men</i>										
Good health	76	4	78	4	78	6	76	4	74	3
Neither good nor poor health	61	5	51	8	56	5	56	5	51	5
Poor health	26	5	21	4	25	5	22	7	21	7
<i>Women</i>										
Good health	62	12	65	12	63	13	65	10	61	8
Neither good nor poor health	53	9	50	12	46	12	43	12	46	14
Poor health	23	9	17	3	24	9	20	14	15	8
Iceland										
<i>Men</i>										
Good health	86	2	86	4	84	4	75	5	77	6
Neither good nor poor health	82	5	78	3	73	7	69	5	55	11
Poor health	28	20	39	3	39	11	35	9	30	4
<i>Women</i>										
Good health	62	17	64	16	64	16	57	18	54	17
Neither good nor poor health	43	20	43	22	44	20	39	22	41	19
Poor health	13	9	14	16	28	10	10	4	11	6
Norway										
<i>Men</i>										
Good health	85	3	86	2	87	2	86	2	84	3
Neither good nor poor health	66	5	72	5	76	4	66	7	68	5
Poor health	40	5	35	7	40	3	34	6	27	8
<i>Women</i>										
Good health	62	18	63	16	67	15	67	16	68	15
Neither good nor poor health	41	24	43	18	45	22	39	24	39	22
Poor health	16	9	20	18	22	14	17	12	19	14
Sweden										
<i>Men</i>										
Good health	82	6	82	6	81	6	78	6	79	6
Neither good nor poor health	55	12	59	13	57	13	57	10	59	12
Poor health	32	17	33	12	34	14	27	10	29	9
<i>Women</i>										
Good health	56	27	56	28	55	28	53	29	55	26
Neither good nor poor health	34	32	34	34	34	34	31	36	39	28
Poor health	16	22	15	24	17	20	16	17	23	21

Source: Eu-silc, User Data Base

Appendix table 5.23 Share of labour force participants (full-time and part-time) by chronic illness and gender, people aged 20-64, 2006-2010

	2006			2007			2008			2009			2010		
	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women
Denmark															
Chronically ill	57	65	52	57	66	51	52	61	46	59	60	59	55	59	51
Not chronically ill	78	83	74	80	84	75	82	85	79	81	83	80	80	80	80
Finland															
Chronically ill	59	60	59	60	59	61	62	62	62	60	61	59	59	57	60
Not chronically ill	78	81	76	79	83	76	79	83	75	79	81	76	73	77	69
Iceland															
Chronically ill	72	83	62	68	78	60	71	79	63	66	71	61	61	65	58
Not chronically ill	83	88	78	85	89	80	85	88	81	77	81	74	77	83	71
Norway															
Chronically ill	61	69	54	61	69	55	68	74	63	65	69	61	63	66	61
Not chronically ill	85	88	81	85	88	82	87	89	83	87	89	84	86	88	84
Sweden															
Chronically ill	69	72	66	72	76	69	71	73	69	69	72	67	72	75	69
Not chronically ill	85	88	81	86	88	84	85	88	83	83	84	81	83	85	81

Source: Eu-silc, User Data Base

Appendix table 5.24 Share of labour force participants (full-time and part-time) by reduced functional ability and gender, people aged 20-64, 2006-2010

	2006			2007			2008			2009			2010		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Denmark															
Severely reduced functional ability	.	.	.	.	.	.	44	32	37	53	49	51	48	46	47
Slightly reduced functional ability	52	40	44	52	40	45	69	55	61	61	60	60	63	58	60
No reduction in functional ability	82	73	78	84	75	79	85	79	82	82	80	81	80	78	79
Finland															
Severely reduced functional ability	39	43	41	31	33	32	27	40	33	37	37	37	36	32	34
Slightly reduced functional ability	70	67	68	63	62	63	65	62	63	63	60	62	55	64	60
No reduction in functional ability	79	74	77	81	76	79	82	75	79	80	75	77	77	68	73
Iceland															
Severely reduced functional ability	51	19	33	44	41	42	46	42	44	46	21	33	38	29	33
Slightly reduced functional ability	92	72	80	90	64	76	90	63	76	73	67	69	67	63	64
No reduction in functional ability	88	78	84	89	80	85	89	80	85	81	75	78	83	72	77
Norway															
Severely reduced functional ability	36	23	29	37	34	35	40	28	33	31	17	24	26	32	29
Slightly reduced functional ability	72	57	64	67	54	60	68	57	61	62	56	58	62	55	58
No reduction in functional ability	87	81	84	88	80	85	88	83	86	88	82	85	87	82	84
Sweden															
Severely reduced functional ability	51	41	45	53	49	50	45	42	43	40	35	37	42	43	43
Slightly reduced functional ability	69	68	68	75	70	72	71	66	68	62	63	63	73	71	72
No reduction in functional ability	87	81	84	88	83	86	87	82	85	84	81	82	85	80	83

Source: Eu-silc, User Data Base

Appendix table 5.25 Share of labour force participants by health and education, people aged 20-64, 2006-2010

	2006	2007	2008	2009	2010
Denmark					
High level of education, good health	84	87	88	89	89
High level of education, impaired health	66	54	63	68	66
Low level of education, good health	77	78	78	78	76
Low level of education, impaired health	49	50	55	55	54
Finland					
High level of education, good health	86	87	86	86	83
High level of education, impaired health	75	74	72	71	72
Low level of education, good health	72	75	76	73	68
Low level of education, impaired health	49	47	49	48	46
Iceland					
High level of education, good health	92	92	90	86	86
High level of education, impaired health	84	79	92	68	67
Low level of education, good health	81	82	82	74	73
Low level of education, impaired health	64	62	60	57	51
Norway					
High level of education, good health	87	89	91	91	87
High level of education, impaired health	76	72	73	73	70
Low level of education, good health	83	83	83	83	84
Low level of education, impaired health	51	55	60	54	52
Sweden					
High level of education, good health	87	89	87	86	86
High level of education, impaired health	75	75	76	71	75
Low level of education, good health	85	85	84	81	81
Low level of education, impaired health	56	61	59	54	59
France					
High level of education, good health	79	81	84	83	83
High level of education, impaired health	68	69	74	71	75
Low level of education, good health	71	67	69	68	66
Low level of education, impaired health	49	49	52	52	51
Great Britain					
High level of education, good health	85	87	87	85	84
High level of education, impaired health	64	68	63	57	61
Low level of education, good health	77	79	78	76	75
Low level of education, impaired health	45	48	46	43	39
Ireland					
High level of education, good health	83	82	81	79	
High level of education, impaired health	57	52	56	58	
Low level of education, good health	68	67	64	56	
Low level of education, impaired health	32	31	27	24	

Table continues

	2006	2007	2008	2009	2010
Belgium					
High level of education, good health	83	85	86	85	84
High level of education, impaired health	66	66	66	67	68
Low level of education, good health	66	66	67	65	64
Low level of education, impaired health	41	41	38	40	40
Luxembourg					
High level of education, good health	79	79	80	81	84
High level of education, impaired health	74	72	69	76	76
Low level of education, good health	70	69	68	67	69
Low level of education, impaired health	53	56	57	52	50
The Netherlands					
High level of education, good health	86	88	88	87	88
High level of education, impaired health	60	64	67	66	66
Low level of education, good health	73	74	73	74	73
Low level of education, impaired health	46	45	46	46	45
Austria					
High level of education, good health	80	80	81	83	82
High level of education, impaired health	59	54	67	70	66
Low level of education, good health	69	71	73	71	72
Low level of education, impaired health	49	45	48	48	45
Switzerland					
High level of education, good health			87	89	89
High level of education, impaired health			73	76	71
Low level of education, good health			77	80	80
Low level of education, impaired health			62	63	63
Bulgaria					
High level of education, good health		84	89	89	86
High level of education, impaired health		64	69	67	67
Low level of education, good health		67	75	72	70
Low level of education, impaired health		38	46	44	40
The Czech Republic					
High level of education, good health	86	83	84	84	81
High level of education, impaired health	70	75	72	70	71
Low level of education, good health	72	74	76	75	73
Low level of education, impaired health	50	48	47	47	45
Estonia					
High level of education, good health	89	91	90	87	84
High level of education, impaired health	76	80	82	81	70
Low level of education, good health	75	77	77	68	64
Low level of education, impaired health	61	63	59	56	50
Latvia					
High level of education, good health	90	90	87	84	81
High level of education, impaired health	83	82	81	74	69
Low level of education, good health	76	78	76	64	60
Low level of education, impaired health	64	65	64	53	48

Table continues

	2006	2007	2008	2009	2010
Lithuania					
High level of education, good health	90	91	90	87	89
High level of education, impaired health	82	84	82	81	77
Low level of education, good health	69	74	76	67	61
Low level of education, impaired health	60	61	60	55	52
Hungary					
High level of education, good health	83	84	82	82	80
High level of education, impaired health	70	69	61	58	62
Low level of education, good health	70	70	67	66	64
Low level of education, impaired health	47	48	41	42	42
Poland					
High level of education, good health	87	87	87	88	86
High level of education, impaired health	69	69	67	71	69
Low level of education, good health	62	65	68	69	68
Low level of education, impaired health	41	42	45	44	43
Romania					
High level of education, good health		91	93	91	89
High level of education, impaired health		58	62	64	71
Low level of education, good health		68	68	68	69
Low level of education, impaired health		36	37	35	35
Slovakia					
High level of education, good health	88	88	89	83	80
High level of education, impaired health	77	75	76	76	74
Low level of education, good health	72	73	75	71	68
Low level of education, impaired health	57	57	56	52	49
Greece					
High level of education, good health	81	80	81	81	80
High level of education, impaired health	61	61	63	71	68
Low level of education, good health	64	64	66	64	62
Low level of education, impaired health	37	36	37	35	37
Spain					
High level of education, good health	81	84	85	81	80
High level of education, impaired health	73	74	69	67	63
Low level of education, good health	66	67	67	62	61
Low level of education, impaired health	48	48	46	42	42
Italy					
High level of education, good health	79	78	78	75	75
High level of education, impaired health	74	75	77	75	70
Low level of education, good health	63	64	65	63	63
Low level of education, impaired health	49	46	48	47	45
Portugal					
High level of education, good health	89	86	86	82	85
High level of education, impaired health	75	78	75	77	80
Low level of education, good health	76	76	78	76	74
Low level of education, impaired health	62	63	64	58	54

Publications published by NOSOSKO after 2000

Recurring publications

Each year Nososko issues *Social tryghed i de nordiske lande* (English version: *Social Protection in the Nordic Countries*). In addition, a number of themed publications are issued, as shown below.

Nordic/Baltic Social Protection Statistics 2000. Nordic Social-Statistical Committee no. 19:03. Copenhagen 2003

Sustainable Social and Health Development in the Nordic Countries. Seminar 27th May 2003, Stockholm. Nordic Social-Statistical Committee no. 22:03. Copenhagen 2003

Sustainable Social and Health Development in the Nordic Countries. Seminar 6th April 2006, Oslo. Nordic Social-Statistical Committee no. 29:06. Copenhagen 2006

Ålderspensionssystem i Norden (Old-age pension systems in the Nordic countries). Nordic Social-Statistical Committee no. 34:08. Copenhagen 2008

Old-age Pension Systems in the Nordic Countries. Nordic Social-Statistical Committee no. 35:09. Copenhagen 2009

Opmuntrer de nordiske systemer 60-74-årige til at arbejde? (Do the Nordic welfare systems encourage 60-74 year olds to work?) Nordic Social-Statistical Committee no. 38:09. Copenhagen 2009

Do the Nordic Welfare Systems Encourage 60-74-Year-Olds to Work? Nordic Social-Statistical Committee no. 39:10. Copenhagen 2010

Udfordringer for den nordiske velferdsstaten - sammenlignbare indikatorer (Challenges to the Nordic welfare state - comparable indicators). Nordic Social-Statistical Committee no. 41:10. Copenhagen 2009

Challenges to the Nordic Welfare State - Comparable Indicators. Nordic Social-Statistical Committee no. 42:10. Copenhagen 2010

Ungdomsarbejdsledighed i Norden - En studie av rettigheter og tiltak for unge arbeidssøkere. (Youth unemployment in the Nordic countries - A study on the rights of and measures for young jobseekers). Nordic Social-Statistical Committee no. 47:11. Copenhagen 2011

Youth Unemployment in the Nordic Countries - A Study on the Rights of and Measures for Young Jobseekers. Nordic Social-Statistical Committee no. 50:11 Copenhagen 2011

Udfordringer for den nordiske velferdsstaten - sammenlignbare indikatorer (Challenges to the Nordic welfare state - comparable indicators).

2nd edition. Nordic Social-Statistical Committee no. 52:13. Copenhagen 2013